

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Tuesday 28th July 2020 @ 11.00 am

Present:	Len O'Hagan Peter McNaney Belinda Oldfield Maurice Bullick Marie-Therese McGivern Paddy Larkin Sara Venning Ronan Larkin Paul Harper	Chairman Non Executive Director Non Executive Director Non Executive Director Non Executive Director Non Executive Director Chief Executive Finance & Regulation Director Director of Asset Delivery
In attendance:	Mark Ellesmere Des Nevin Rose Kelly Alistair Jinks Cathy Uprichard Anthony Lynn Ciaran Nicell Michael Mulholland	General Counsel & Company Secretary Interim Director of Customer Services Delivery Director of People & Learning Director of Business Services Head of Safety, Health and Environment (Item 2) Head of Communications (Item 4) Head of Business Analytics (Item 5) Tariffs, Charging and Business Modelling (Item 6)

1. Minutes and Actions from Previous Meetings - 25th June 2020

- The minutes from the meeting on 25th June 2020 were approved.
- All Actions were complete.

2.i. Health and Safety Report

- The update report was noted including ongoing inspections at the Company's various sites.

2.ii Attendance Quarterly Report

- The improved rate of attendance and ongoing interventions were noted
- A project was under way in terms of safely returning to the office when and where appropriate.

3. Main Board Report

Significant matters in month.

The CEO provided an update on the following matters:

- Current budget position confirmed a £7.7M RDEL shortfall even if the full Covid-19 bid is successful
- The consequences of underfunding paper has been shared with and supported by all key stakeholders
- The outcome of the Covid-19 funding round should be confirmed in early August
- A verbal update was provided on recent engagement at Ministerial level
- A detailed discussion ensued in relation to the consequences paper
- Omega facilitation - the Board confirmed support for the approach outlined by management
- The Court decision in relation to IF105 was welcomed.

Colleagues

- Updates were noted in relation to a recent employee engagement survey which was very positive, NI Water Alpha pay and the appointment of Barry Nay as the Head of Asset Management.

Customer

- All targets on track for delivery except leakage.
- Drinking water quality and wastewater compliance on track for delivery against targets at this stage.

Finance

- The detailed financial position of the Company was noted.

4. Engagement Strategy Update

- The video presentation circulated prior to the meeting was welcomed.
- Future activities would focus on funding, launch of the Annual Report and Accounts 2019/20 and the PC21 Draft Determination.

5. Digital Analytics System

- The video presentation circulated prior to the meeting was welcomed together with significant progress made in this area by the Company.

6. PC21 Revenue Review

- The update report was noted including an indicative projected downturn in non-domestic revenue - work was continuing with DfI and the Utility Regulator in this regard.

7.i. Consideration for a Proposed Dividend Payment

- The Board considered and discussed this matter in detail acknowledging its fiduciary duties in the context of current funding arrangements.
- On that basis it was agreed that this matter be deferred until the outcome of the Covid-19 funding round was confirmed.

- 7.ii. **C1034 - Building and Approve Ground Assets Repair and Maintenance Contract**
 - Approved based on the information provided within the paper.
- 7.iii. **KR707 Belfast WwTW Interim Upgrade (Phase 0)**
 - Approved based on the information provided within the paper.
- 7.iv. **Caugh Hill/Carmoney to Strabane Link Main Project**
 - Approved subject to confirmation of the explanation for the increase in costs as well as an assurance that such an increase should not occur again.
- 7.v. **Pension Triennial Valuation**
 - The update report was noted with a more detailed analysis to be presented at the September Board Meeting.
- 7.vi. **Contract Value Update of C777 - Legal Services**
 - Approved based on the information provided within the paper.
- 8. **Risk Committee Update**
 - The Chair of the Committee provided a verbal update on the meeting earlier that morning including updates on reservoir management, cyber project, health and safety strategy and action plan and current assessment of threats and opportunities.
- 9. **Forward Look**
 - Forward Look was noted.
- 10. **Any Other Business**
 - No items under Any Other Business.