

<b>Title of Paper :</b>	Minutes of the Board Meeting - 28 <sup>th</sup> June 2016
<b>To be presented by:</b>	Chair
<b>Purpose of paper:</b> (approval/information)	For the Board to agree the minutes of its meeting for subsequent internet publication.
<b>Significant Issues:</b>	None

<b>Present:</b>	Len O'Hagan Peter McNaney John Rae Jim McCall Sara Venning Ronan Larkin Sean McAleese	Chairman Non Executive Director Non Executive Director Non Executive Director Chief Executive Finance & Regulation Director Customer Services Delivery Director
<b>In attendance:</b>	Mark Ellesmere Martin McIlwaine Dymphna Gallagher Bill Gowdy Ciaran Crozier Garth Stewart Chris Turner Nicola Brennan	General Counsel & Company Secretary Interim Asset Management Director (Observer) Head of Safety & Asset Management <b>(Item 2)</b> Director of Engineering Procurement <b>(Item 4,5, 7iii)</b> Head of PPP <b>(Item 6)</b> Finance and Regulation Manager <b>(Item 7ii)</b> Reporter, CH2M Hill <b>(Item 7ii. via teleconference)</b> Head of Internal Audit <b>(Item 8)</b>
<b>Apologies:</b>	Trisha McAuley Kingsley Donaldson	Non Executive Director Non Executive Director

There were no conflicts of interest declared at the beginning of the meeting.

**1. Draft Board Minutes - 24<sup>th</sup> May 2016**

The draft minutes of meetings on 24<sup>th</sup> May 2016 were approved.

**Board Actions**

- All complete or on track for completion within agreed timeframes.
- Report on Collaboration with Irish Water discussed.
- Acceleration of Delivery of the Holywood/Kinnegar scheme noted.

**2. Health, Safety and Attendance Report**

- No company reportable incidents in period, attendance on target.
- Strategic review of Health and Safety Leadership considered by the Risk Committee.

**3. Main Board Report**

**Significant Matters in month**

- Discussion on Brexit decision and current grant applications with the European Union - position will be kept under review
- Chair and CEO to meet Minister today.
- Executive Directors to meet Committee for Infrastructure tomorrow.

- Chairman's update on meeting with the Chair and Chief Executive of Scottish Water.
- Current position at Woodburn noted.
- RPDM submitted to DoF by Dfl.

#### **Customer**

- KPIs on track except supply interruptions which is recoverable.
- Committee for Infrastructure to visit Belfast Waste Water Treatment Works on 7<sup>th</sup> September.

#### **Compliance**

- KPIs on target; drinking water quality report for 2015 will be published shortly

#### **Finance, Governance and Risk**

- KPIs on target.

#### **4. PPP Exceptions Report**

- Update report was noted. Change in lender arrangements on Omega approved.

#### **5. Capital Approvals Update**

- Update report was noted

#### **6. Monthly Theme - PPP Contracts**

- Presentation by the Head of PPP discussed in detail including future planning for risk mitigation.

#### **7. Approvals**

##### **7i. Audit Committee Update**

- Co-opted member of the Audit Committee has been appointed.
- Chair of the Audit Committee confirmed no material issues arising from the Statutory or Regulatory Accounts; KPMG will issue an unqualified opinion on the Statutory Accounts and on Regularity; KPMG content with the approach to pension liability, whilst going concern is not an issue in terms of 15/16 it is likely to be an issue in future in the absence of a medium term of financial settlement for the Company.
- On that basis Board approved the Statutory Accounts, the Regulatory Accounts and the Letters of Representation to KPMG on the recommendation of the Audit Committee.

##### **7ii. 2016 Annual Information Return**

- Update report and presentation from Chris Turner, CH2M Hill, discussed in detail.
- No material concerns arising from the Reporter.
- On that basis Board's "overview" approved for submission as part of AIR 2016.

**7iii. Purchase of Lands at Ballykelly**

- Approved based upon the information provided within the report.

**7iv. Pension Update - Auto Enrolment**

- Approved based upon the information provided within the report.

**7v. 16/17 Monitoring Plan**

- Approved upon the information provided within the report

**8. Internal Audit Annual Update**

- Presentation from the Head of Internal Audit on the Annual Internal Opinion noted.
- Discussion on resourcing issues and internal audit strategy.

**9. Risk Committee Update**

- Risk Committee Chair provided an update on matters considered by the Committee on 28<sup>th</sup> June 2016 including strategic review of health and safety leadership within the Company and actions arising from this report.
- Terms of Reference for the Committee approved with no change for 16/17.

**10. Procurement Activity Report**

- Procurement Activity Report noted.

**11. Forward Look**

- Noted.

**12. Any Other Business**

- No items under AOB.