

<b>Title of Paper</b>	Minutes of the Board Meeting - 26 <sup>th</sup> September 2012
<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

**Present:**

Sean Hogan	Chairman
Kevin Steele	Non Executive Director
Don Price	Non Executive Director
Deep Sagar	Non Executive Director
John Rae	Non Executive Director
Jim Stewart	Non Executive Director
Trevor Haslett	Chief Executive
Ronan Larkin	Finance & Regulation Director
George Butler	Director of Asset Management
Sara Venning	Customer Service Delivery Director

**In attendance:**

Mark Ellesmere	General Counsel & Company Secretary
Pauline Sterling	EA/CEO

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

**1. Draft Board Minutes - 25<sup>th</sup> July 2012**

The minutes of the meeting on the 25<sup>th</sup> July 2012 were approved.

**Board Action Points - 25<sup>th</sup> July 2012**

All actions were closed or in progress to agreed timeframes.

**2. Health and Safety Update**

The Board noted that there was one RIDDOR reportable incident in period and that investigations were on-going in relation to this matter. There was also one contractor RIDDOR reportable incident in period. A review of the process for RIDDOR reporting was under way and the EC and Board would be updated once this review had been completed. The Board noted that damage to NIW property

and metal theft continued to be issues for the company. The Chief Executive asked for further information in relation to a recent break in at the Heritage Centre.

**[ACTION: Customer Service Delivery Director]**

### **3. Main Board Report**

The Board noted that the PEDU report into recent flooding had been issued in draft and NIW had provided feedback on it. Guidance requested by NIW on PC15 had now issued from NIAUR. The Board then discussed the recent rain fall that week and comparisons with the flooding events in June earlier in the year. The Board also noted that a review was on-going by CSDD in relation to lessons to be learned from the recent NIAO report into response maintenance contracts within NIHE. The Invoice Slicing Report by NIAO was in final draft with further opportunity to comment under a Management letter. The Board noted updates in relation to KPIs within the Customer Service Delivery Directorate. In relation to staffing matters it was confirmed that accruals were held in relation to the equal pay issue and the recent pay remits. The Board then discussed in detail the process for VER/VES and the management of recruitment within the organisation. The Board requested a more detailed update on the work of the Communications Team at the next meeting.

**[ACTION: Head of Communications]**

In relation to financial matters income continued to be an area of focus. Capital spend was behind forecast. The Board noted that from a public expenditure perspective actual spend was considered against forecast rather than budget. The Board noted that DRD approval was pending on advancing £17m additional capital spend this year (to be released back in future years). Discussions were on-going with DRD in relation to how this funding might be spent and what could be delivered within the relatively short time period.

In terms of water quality the recent issue in relation to improved catchment of pesticides and herbicides was closed. The Board was advised that the KPI in relation to OPI TIM was likely to fail in year. Positive performance in relation to waste water compliance continued aided significantly by the wet summer. The Board noted an update in relation to Moneyreagh and MBR plants in general and

that the Chairman and Chief Executive were to meet the Minister in October in relation to pollution incidents generally.

**4. PPP/PFI Exceptions Report**

The Board noted an update from the Chief Executive in relation to PPP/PFI matters. Having discussed the matter in detail it was agreed that the company's downside risk in relation to potential PPP exposure be reassessed.

*(Jane Mellor joined the meeting for Item 5)*

**5. Procurement Activity Report**

The Board noted an update in relation to procurement activity. The Company was planning to become ISO 9001 compliant in order to assist with CoPE reaccreditation. The off-contract regularisation project remained on target to complete by December 2012.

*(Caroline McGale and Michael Mulholland joined the meeting for Item 6)*

**6. PC13 Update**

The Board received a presentation in relation to the recent draft determination from NIAUR.

*(Geraldine Irwin joined the meeting for Item 7)*

**7. Bad Debt Strategy Update**

The Board received an update on Bad Debt Strategy from the Customer Service Delivery Director and the Head of Billing. The Board approved the proposals outlined within the report.

**8. STA - Oracle Licence Maintenance**

Having considered the information provided within the report the Board agreed to approve this matter.

**9. C348 Provision of Temporary Workers Provider Premier People**

The Board noted that there was still a significant spend in relation to temporary staff, however NIW would remain focused on reducing spend on an on-going basis

and would continue to monitor spend closely . Based upon the information provided within the report the Board agreed to approve the increase in value.

**10. Newcastle WWTW Update - Increased Costs**

Having considered the information provided within the report the Board agreed to approve the additional expenditure subject to clarification in relation to Outfall Expenditure. The Board also requested that it be provided with information on successful completed projects, including positive media cover in this regard.

**[ACTION - Director of Asset Management]**

**11. Nomination and Remuneration Committee Update**

The Board noted minutes of the last Committee meeting.

**12. Procurement Committee Update**

The Board noted minutes of the last Committee meeting. Kevin Steele highlighted the recent issue of contractor and consultant insolvency and requested that the impact be closely monitored.

**13. CSR Committee Update**

The Board noted minutes of the last Committee meeting.

**14. Risk Committee Update**

The Board approved the Governance and Risk Assurance Framework upon the recommendation of the Committee.

**15. Audit Committee Update**

The Board approved the Half Year Assurance Statement subject to additional commentary being included in relation to the Belfast Tunnel Dispute upon the recommendation of the Committee.

**16. Protocol for Managing Potential Conflict between CEO and Accounting Officer Roles**

The Board noted the protocol for managing potential conflict between CEO and Accounting Officer Roles.

**17. Weather Watch**

The Board noted the short term weather forecast.

**18. Forward Look**

The forward look was noted.

**19. Winter Preparedness**

The CEO updated Board on his recent meeting with DRD which outlined NIW's winter plans. He also shared this year's winter media campaign with Board - Winter Proof Your Home.

Approved