

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Thursday 19th December 2024 @ 11am
IOC Conference Room, Westland House

Present:

Jo Aston	Chair
Maurice Bullick	Non Executive Director
Danny McSorley	Non Executive Director
Paddy Larkin	Non Executive Director
Marie-Therese McGivern	Non Executive Director
Belinda Oldfield	Non Executive Director
Sara Venning	Chief Executive
Ronan Larkin	Director of Finance, Regulation and Commercial
Stephanie McCullagh	Director of Customer and Operations

In attendance:

Mark Ellesmere	General Counsel & Company Secretary
Gary Curran	Director of Engineering and Sustainability
Rose Kelly	Director of People & Learning
Tzvetelina Bogoina	Director of Infrastructure Delivery
Trevor Hutchinson	Head of Health and Safety (Item 2)
Helen Devlin	Head of HR Operations (Item 6.1)
Paula Graham	Head of Learning and Engagement (Item 6.1)
Eilis Kelly	Head of Commercial (Item 7.1)

Declaration of Conflict of Interest:

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

The Chair congratulated Gary Curran on his permanent appointment as Director of Engineering and Sustainability.

1. Minutes and Actions from Previous Meeting

- Draft minutes of the previous meeting on 26th November 2024 were approved.
- All actions in progress within agreed timeframes.

2. Health and Safety Report

- There was 1 Company at RIDDOR in period, the details which were noted with no follow up action required. It was noted that the H&S team had participated in recent breakfast engagement meetings across the company's hubs delivering a ten minute talk to raise the visibility and importance of health and safety generally.

- It was agreed that further information be provided in relation to INC788 and that consideration be given to reporting incidents in terms of “hours worked” to better understand the nature and extent of health and safety incidents in the context of the actual work being undertaken. It would also be helpful to have Water UK comparators in this context if possible.

3. Main Board Report

The CEO thanked the Board and Executive Team for their support during another challenging year and cited a number of events, awards and achievements over the last 12 months. Those sentiments were endorsed by the Chair in relation to the CEO and the Executive Team. Members also requested that their thanks be passed on to colleagues across the organisation.

The CEO highlighted the following matters in period: -

- **Industrial Action** – The threat of industrial action over the Christmas period had been averted and a verbal update was provided in relation to recent engagement with DfI on contingency planning and information in relation to capacity constraints. Members noted recent correspondence to the Chair from NIPSA in relation to 23/24 pay offer and the response on behalf of the Company.
- **Storm Darragh** – The increased activity including customer contact levels and interruptions to supply as well as the corresponding increased costs were noted.
- **PC21 Outputs and Outcomes** – The Company has requested that DfI now works to achieve alignment with other ORG Members on guiding principles for investment decisions given a constrained capital budget. The next meeting of the WSSG will take place on the 6th March 2025.
- **Funding – 24/25 Budget** – To be dealt with at agenda item 6.2.
- **Wastewater Assets / Environmental Compliance** – A marked increase in high levels of interest from the media and other relevant parties in the Company’s wastewater assets and performance continues in terms of requests under FOI/EIR and Assembly questions. Members acknowledged the additional costs and work pressure on colleagues as a result of these increased activities.
- **Stakeholder Engagement** – The Chair and CEO met with their counterparts at the Housing Executive recently
- **Infrastructure Committee; Committee for Communities** – Company representatives have been invited to Committee meetings on the 15th and 23rd January respectively.
- **Colleagues** – Members welcomed achievement of the EDI Silver Charter Mark again and an update in relation to Executive and Senior Management recruitment.
- **Customer** – Continued positive performance across SPIs
- **Water and Nature** – Targets in relation to Water Quality remain on-track for achievement. The target in relation to Wastewater Compliance is currently amber – year end target may fail as a result of performance of Kinnegar and Whitehouse WwTWs. A discussion ensued in relation to the targets and current performance in relation to Wastewater Compliance.

- **Pollution Incidents**– Members noted that the Company was fined £1000 in relation to the Annsborough CSO pollution incident.
- **Finance** – To be considered in detail under item 6.2, Members noted that the business case for the Energy Hedge arrangement was approved by DfI in period and a discussion ensued in relation to energy costs.
- **Risk** – The CEO highlighted a risk in relation to the supply of chlorine. HSENI and DfT have indicated concerns in relation to the chlorine supply chain – it was agreed that this matter be flagged to DfI as a potential risk to water supply. It was confirmed that adequate supplies were in place to cover the Christmas period and into early February.

Members noted an escalation in the net risk grading for TR6 (water quality and supply) from 12 to 16 (increasing the likelihood from “possible” to “likely”). This proposal was approved at the most recent Risk Committee meeting on the 25th November.

4. PPP Exceptions Report

- The update report was noted

5. Infrastructure Delivery / Engineering and Sustainability Quarterly Update

- The revised quarterly update from Infrastructure Delivery and Engineering and Sustainability was welcomed by Members with a focus on the current risks and challenges in managing and delivering a programme in the current financial circumstances.

6. Specific Items

6.1 Succession Planning

- Members welcomed the presentation and video circulated in advance of the meeting and congratulated the teams involved in putting in place a succession planning process that supports the needs of the business.

6.2 Funding Update

- The Director of FRC presented details of the current RDEL position as at December 2024. Members noted the current gap between current RDEL allocation and the amount required, in the Board’s opinion, to continue to deliver core services and take account of health and safety obligations in line with the Minister’s direction. The Board agreed that it should continue to consider all options in line with the Minister’s request to live within the current budget allocation. Members noted that the current budget situation would likely increase pressure on RDEL where aging assets would need to be fixed or repaired rather than be replaced or upgraded.

7. Approvals

7.1 C1170 – Water and Wastewater Networks Maintenance and associated services

Approved based upon the information provided within the paper – Members asked that feedback be captured as to why so many potential bidders did not proceed further in the tender process.

7.2 IF009A ICA Approval to Award

Approved based upon the information provided within the paper.

7.3 Extraordinary Extension for Contract X069 (Fujitsu) – Approval Request

Approved based upon the information provided within the paper.

8. Senior Accounting Officer Certificate

Members noted the NI Water Group Senior Accounting Officer Certificate to be submitted to HMRC for the year end 31 March 2024.

9. IT Security for Board Members

The paper was noted and welcomed by Members.

10. Risk Committee Minutes from previous meeting – (25th November)

The Chair of the Committee provided an update on the most recent meeting of the Committee on the 25th November. Items covered included Cyber Update, Climate Change Update, Winter Resilience Preparations and Risk Management Update as well as the quarterly Health & Safety Report. The proposed increase in the likelihood of TR6 (water quality and supply) was agreed by Members and noted at agenda item 3 above.

10. Forward Look

The forward look was noted.

11. AOB

The Chair wished all Board Members and Colleagues a Merry Christmas and a Happy New Year.