

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Tuesday 26th March 2024 @ 11.00 am
IOC Conference Room, Westland House

Present:

Len O'Hagan	Chair
Peter McNaney	Non Executive Director
Paddy Larkin	Non Executive Director
Marie-Therese McGivern	Non Executive Director
Belinda Oldfield	Non Executive Director
Maurice Bullick	Non Executive Director
Sara Venning	Chief Executive
Ronan Larkin	Finance, Regulation and Commercial Director
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
Alistair Jinks	Director of Business Services
Tzvetelina Bogoina	Director of Infrastructure Delivery
Trevor Hutchinson	Head of Health and Safety (Item 2)
Paul Graham	Head of Learning & Engagement (Item 6)
Judith Kennedy	HR Transformation Lead (Item 7.1)

Apologies: None

Gary Curran declared a Conflict of Interest at the beginning of the meeting in relation to item 7.1 and it was agreed he would leave the meeting when that item was discussed.

1. Minutes and Actions from Previous Meeting

- The draft minutes of the meeting on 27th February 2024 were approved, both actions closed. It was agreed that a further letter be sent to the Permanent Secretary, DfI in relation to the Lessons Learned Review.
- The Chair proposed and Members approved that Maurice Bullick be appointed Senior Independent Director with effect from 1st April 2024.

2.1 Health and Safety Report

- There was one contractor RIDDOR incident in period, the details of which were discussed. It was agreed that this incident be followed up with PSNI and that consideration be given to a collective approach (through the Joint Utilities Group

or NIROC) to keeping colleagues and contractors safe from verbal and physical abuse from members of the public when carrying out their duties.

- Continued steady progress in relation to the Health & Safety Action Plan was welcomed.

3. Budget Update

- Members noted that the 23/24 RDEL allocation of £172m was likely to be met and that this allocation had been regularised by Dfl so that there would be no RDEL overspend in 23/24. The 23/24 CDEL allocation of £334m (£321m plus £6m DFE allocation plus recent additional £7m allocation) was likely to be met. An additional £3m was potentially being made available with discussions ongoing between the Company and Dfl in that regard.
- Dfl has indicated an RDEL planning envelope of £145m for 24/25, the Company's Operating Plan Budget indicates an RDEL requirement of £180m for 24/25. It was agreed that an appropriate response be issued to the recent correspondence from Dfl and that engagement continues between the relevant NI Water and Dfl teams.
- The CEO provided a verbal update on a recent meeting with the Dfl Minister, and a detailed discussion ensued in relation to further engagement on the proper funding of water infrastructure, including a forthcoming NIAO report that recommends an independent, comprehensive review of alternative funding and governance arrangements for the Company.
- It was noted that the UR will appear before the Committee for Infrastructure on 10th April 2024.
- A slide was presented to Members, providing a summary of the deliverables and impacts of a £321m CDEL allocation in 24/25. It was agreed that phraseology within the slide be redrafted to avoid ambiguity.

4. Main Board Report

- The report was taken as read with updates on the mid-term review being undertaken by the UR, a recent meeting of the Water Senior Stakeholders Group and Dfl's forthcoming governance workshop.

People

- The Director of People and Learning provided a verbal update on recent correspondence from NIPSA in relation to the 22/23 pay offer.

5. Asset Delivery Quarterly Update

- The significant activities across Infrastructure Delivery and Engineering and Sustainability Directorates in Q4 were welcomed. A verbal update on the current position in relation to the sludge strategy was provided.

6. Diversity Half Yearly Update

- Members welcomed continued good progress in terms of diversity, equality and inclusion across the organisation.

(Gary Curran left the meeting)

7. Approvals

7.1 Pension Scheme – Actuarial Valuation Potential for De-Risking

- Members noted the update on the outcome of the triennial valuation and approved the proposals set out within the paper based on the contents therein. (Gary Curran rejoined the meeting).

7.2 IF180 – Extraordinary Extension

- Approved based upon the information provided within the paper.

8. Audit Committee – Minutes of Meeting – 11th March 2024

- The Chair of the Committee provided a verbal update on the most recent meeting of the Audit Committee on 11th March 2024 based upon the draft minutes of the meeting. Among other matters, updates were provided in relation to four “satisfactory” internal audit assurance reports; the Internal Audit Strategy 24/25 to 26/27 was approved and the potential for impact on the Company’s status as a going concern depending upon the Company’s funding position.

9. Board Effectiveness Review

- The current position in relation to the Board Effectiveness Review was noted.

10. Forward Look

- The forward look was noted.

11. Any Other Business

- There were no items discussed under AOB.