



Board meeting held on Thursday 18 September 2014

Members in attendance

Chairman:
Jonson Cox

Chief Executive:
Cathryn Ross

Non-Executive Directors:
Martin Lawrence
Christine Farnish
Catherine Waddams
Wendy Barnes

Executive Directors:
Keith Mason
Sonia Brown
Richard Khaldi

General Counsel
Elizabeth Hillman

Apologies:
Chris Burchill
Robin Paynter Bryant

In attendance:

Rachel Wright	(Board Secretary)
Claire Forbes	(Senior Director of Corporate Communications) – Item 3
Bev Messinger	(Senior Director, Operations) - Item 6 and Item 7
Ronan Palmer	(Environment Director) - Item 3
Mala Shetty	(Principal Case Officer) - Item 3
Kate Share	(Programme Partner) - Item 3
Andrew Beaver	(Director of Strategy) - Item 4
Shane Anderson	(Associate Director) – Item 5
Ben Woodside	(Strategic Adviser) - Item 5
Stuart Cook	(PwC) - Item 5
David Lancefield	(PwC) - Item 5
Liz Heald	(Delivery Director) - Item 6
Samantha Bache	(Head of Finance) - Item 7

1. Declarations of interest

- 1.1. There were no declarations of interest.

2. Minutes

- 2.1. With some amendments, the Board agreed the minutes of the meeting held on 21 August. The minutes shall be published on the website.

3. Strategy workshop

- 3.1. The Executive presented the Board with the proposed vision for the sector of one of trust and confidence. The Board provided comments on the sector vision and discussed the use of tools and information to monitor sector progress against that vision.
- 3.2. The Executive presented the proposed vision for Ofwat of a trusted and respected regulator. The Board discussed the vision using a range of scenarios and commented on observable indicators of success. The Board provided a range of comments on the organisation's medium term priorities for moving towards the vision.
- 3.3. The Board agreed to the vision for the sector and the vision for Ofwat subject to some changes to the wording. The Executive agreed to reflect comments from the Board and circulate the final visions for the sector and for Ofwat to Board members for comment before they are published online.

4. Memorandum of Understanding between Open Water Markets Limited and Ofwat

- 4.1. The Executive gave an update on the Open Water programme's progress and next steps, including changes to the governance of the Open Water programme and funding arrangements. The Executive confirmed that the Open Water programme will formally join Ofwat in January 2015, retaining accountability for the work associated with the opening of the retail market.
- 4.2. The Board noted the update.
- 4.3. The Executive presented a draft of the Memorandum of Understanding between Open Water Markets Limited and Ofwat to govern the

relationship between Ofwat and Open Water Markets Limited until the programme is brought into Ofwat. The Board agreed to delegate authority to execute the Memorandum of Understanding to the Chief Executive, subject to no material change.

5. PR14 forward plan and strategy for final determinations

- 5.1. The Executive presented a summary of the PR14 communications following the Draft Determinations on 29 August.
- 5.2. The Executive provided an update on the programme plan and future Board engagement up to the Final Determinations publication date on 12 December which the Board received with comments.
- 5.3. The Executive invited Board members to attend water company meetings on company draft determination representations. Board members agreed to attend where possible.

6. Accommodation strategy

- 6.1. The Executive gave an update on the organisation's accommodation strategy and presented the options that had been considered in reaching the proposal to consolidate on to two floors in Centre City Tower, Birmingham until 2022.
- 6.2. The Board agreed with the proposed approach but said that a medium term review of the accommodation strategy must be carried out and noted the importance of a break clause in any new Centre City Tower lease.

7. Budget monthly update

- 7.1. The Executive provided the Board with its Monthly Reports for July and August.
- 7.2. The Board noted the updates.

8. Chief Executive's report

- 8.1. The Executive presented the Chief Executive report which covered specifically:

- the Welsh Cabinet reshuffle;
- an update on Thames Tideway; and
- the upcoming Board Governance event on 8 October.

9. Any other business

- 9.1. As Chair of the Audit and Risk Assurance Committee, Wendy Barnes provided the Board with an update on key points discussed by the Audit and Risk Assurance Committee at its 17 September meeting.

Rachel Wright
18 September 2014