



Meeting held on Thursday 12 February 2009

Members in attendance

Chairman:

Philip Fletcher

Chief Executive:

Regina Finn

Non-Executive Directors:

Jane May
Peter Bucks
Gill Owen
Mike Brooker
Penny Boys

Executive Directors:

Keith Mason
Cathryn Ross

In attendance:

Huw Brooker	(Director of Legal Services and Board Secretary)
Ian Stephens	(Minutes)
Richard Hooper	(External observer)
Roger Dunshea	(Director of Operations) items 3, 4 and 5
George Day	(Director of Network Regulation) items 3, 4, 5, 8 and 9
Sue Cox	(Head of Service & Performance Team) items 3, 4 and 5
Rob Ashley	(Interim Head of External Affairs) items 6, 7, 8, 9 and 10
Ian Hulme	(Head of Parliamentary & Public Affairs) item 7
Ingrid Olsen	(Head of Enforcement Policy) item 7
Emma Cochrane	(Head of Corporate Finance) items 7 and 9
Mark Hann	(PR09 Policy Co-ordinator) item 8
Simon Less	(Competition Reform Programme Director) item 9

Apologies: None

1. Declarations of interest

Philip Fletcher declared a potential conflict of interest for item 9 of the agenda (item 10 below), in view of his membership of the Archbishops' Council for the Church of England. The Board agreed that Philip would limit any comments on surface water drainage to factual points.

2. Minutes and actions arising

The Board approved the minutes of the meeting of 11 December 2008 subject to a minor drafting point on item 4. The minutes would be published on the Ofwat website.

3. Financing the strategy: Setting the budget for 2009-10

The Board discussed and approved the Ofwat budget and the licence fee for 2009-10.

4. Quarter 3 performance report: October – December 2008-09

The Executive presented to Board its performance report for delivering Ofwat's strategy and a year-to-date finance report. The Board discussed and noted progress and the budget position.

5. Risk management report

The Board discussed and noted the risk management report.

6. Communications strategy

The Executive presented to Board Ofwat's overarching communications strategy. The Board discussed the approach and was content that it is appropriate to the delivery of the Ofwat strategy.

7. Update on Floods and Water Bill

The Executive updated Board on the potential for a draft Floods and Water Bill and progress on inclusion of proposals that are designed to underpin and enable the delivery of the Ofwat strategy as previously agreed by the Board.

8. Update on PR09 – pre final business plan company meetings

The Executive updated Board on the meetings it had held with each of the water companies ahead of the submission of their final business plans due on 7 April 2009. The Board discussed and noted the issues raised and the further process for the periodic review.

9. Update on Cave review

The Executive presented its understanding of progress made on the Cave review of Competition and Innovation in Water Markets in England and Wales.

10. Chief Executive's report

The Board received an update on key issues. These included:

- Surface water drainage charges especially in the United Utilities area.
- Sutton and East Surrey Water's decision to ask Ofwat to refer its Substantial Effect determination to the Competition Commission.
- Progress made against leakage targets in the year to date.

11. Any other business

None.

Ian Stephens

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