



OFWAT BOARD

Meeting held on Thursday 16 July 2009

Members in attendance

Chairman

Philip Fletcher

Chief Executive

Regina Finn

Non-Executive Directors

Jane May

Peter Bucks

Penny Boys

Gill Owen

Mike Brooker

Executive Directors

Keith Mason

Cathryn Ross

Apologies

None

In attendance

Huw Brooker	(Director of Legal Services and Board Secretary)
Ian Stephens	(Minutes)
Rob Ashley	(Interim Head of External Affairs)
Andrew Dunn	(Director of Consumer Protection) items 3, 4, 7 & 8
Sue Cox	(Head of Service & Performance) item 3
Mark Hann	(PR09 Project Manager & Policy Co-ordinator) item 4
Mark Worsfold	(Head of Asset Strategy) item 4
Mike Keil	(Head of Climate Change Policy Team) item 4
George Day	(Director of Network Regulation) items 4, 7 & 8
Ingrid Olsen	(Head of Enforcement Policy) items 5 & 6
Claire Simpson	(Enforcement Policy Analyst) items 5 & 6
Bethan Ilett	(Senior Legal Advisor) item 6
Roger Dunshea	(Director of Operations) items 7 & 8

1. Declarations of interest

1.1 None.

2. Minutes and actions arising

2.1 The Board approved minutes of the meeting of 7 July 2009. The minutes would be published on the Ofwat website.

2.2 The Board approved the membership of the Audit Committee.

3. New consumer service incentive

3.1 The Board discussed and approved for consultation the amended incentive mechanism for consumer service. The Board delegated the final sign off of the consultation document and supporting impact assessment to Philip Fletcher and Regina Finn.

- 4. Sign off of draft determination and associated documents**
 - 4.1 The Board discussed and approved the 2010-15 draft determinations for publication on 23 July 2009. The Board's discussion and approval of draft determinations included price limits and bill profiles for each company and key financial assumptions.
 - 4.2 The Board discussed and approved the draft infrastructure charge limit, also for publication on 23 July 2009.

- 5. Ofwat's approach to enforcement**
 - 5.1 The Board discussed and approved Ofwat's approach to enforcement for publication.

- 6. United Utilities Penketh undertaking**
 - 6.1 The Board discussed United Utilities' section 19 Water Industry Act 1991 undertaking in relation to sewer flooding in the Penketh area.
 - 6.2 The Board agreed with the Executive's approach and timetable to take further action and Board will consider the issue again at its September meeting.

- 7. Quarter 1 performance report**
 - 7.1 The Executive presented to Board its performance report for delivering Ofwat's strategy and a year-to-date finance report. The Board noted progress and the budget position.

- 8. Risk management report**
 - 8.1 The Board discussed and noted the risk management report.

- 9. Chief Executive's report**
 - 9.1 The Board received an update on key issues. These included:
 - The Walker Review of Charging and Metering for Water and Sewerage services
 - The Thames Tideway project
 - 9.2 Board delegated the decision of whether or not to become involved in a particular legal case to Regina Finn, if that decision needed to be made before the next Board meeting in September.

- 10. Any other business**
 - 10.1 The Board was given an update by the Chair of the Remuneration Committee on a recent meeting that took place in July. The Board noted the key outcomes.

Ian Stephens
16 July 2009