



## OFWAT BOARD

Meeting held on Thursday 9 October 2008

### **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

### **In attendance:**

Huw Brooker (Director of Legal Services and Board Secretary)  
Ian Stephens (Minutes)  
Ingrid Olsen (Head of Enforcement Policy Team) item 2  
Mark Snow (Analyst – Enforcement Policy Team) item 2  
Stephen St Pier (Head of Transfer Pricing Team) item 3  
Sophie Shaw (Deputy Director of Legal Services) item 3  
Robert Wright (Legal Adviser) item 3  
Simon Less (Markets/Competition Reform Program Director) item 4  
Clair Daniel (Senior Analyst) item 4  
Roger Dunshea (Director of Operations) items 5, 6 & 7  
George Day (Director of Network Regulation) items 5, 6 & 7  
Andrew Dunn (Director of Consumer Protection) items 5, 6 & 7  
Ian Hulme (Head of Parliamentary and Public Affairs) item 8  
Dylan Spedding (Public Affairs Analyst) item 8  
Lynne Currie (Head of Customer Charges) item 9  
Mike Jarema (Senior Analyst) item 9

**Apologies:** None

The Board welcomed Huw Brooker in his new role as Board Secretary.

### **1. Declarations of interest**

None

### **2. Minutes and actions arising**

The Board approved the minutes of the meeting of 11 September 2008. The minutes will be published on the Ofwat website.

### **3. Proposal to impose a financial penalty of Tendring Hundred Water Services Limited for contravening its regulatory reporting requirements**

The Board agreed a financial penalty was appropriate for Tendring Hundred Water's contravention of licence condition M. The Board also agreed the size of the fine and delegated responsibility for finalising the relevant Notice to Regina Finn and Keith Mason. The Board agreed that any appeal in this case should be defended.

### **4. Sutton and East Surrey's Substantial Effect application**

The Board discussed Sutton and East Surrey Water's substantial effect application submitted on 17 September 2008. The Board approved the process for assessing the application and delegated responsibility for producing a draft determination to Regina Finn and Keith Mason, subject to any new major policy issues arising from the detailed analysis which might require formal Board involvement. The Board reserved the decision on the final determination.

### **5. Update on competition reform**

The Board was given an update on responses received to the May consultation, 'Competition in the water and sewerage industries: Part two'. The Board was also given an update on a number of ongoing work streams involving Ofwat's Markets Division in advance of a more substantive discussion scheduled for the November Board meeting.

### **6. Risk management report**

The Board discussed and noted the risk management report.

### **7. Ofwat's five year strategic business plan 2009-10 to 2013-14**

The Executive presented to Board a proposed five year business plan for Ofwat. The draft updated the plan presented at the 28 July 2008 Board meeting and included the additional year 2013-14. The Board discussed and approved the plan and agreed proposals for its future review.

### **8. Quarter 2 performance report**

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.

### **9. Draft forward programme 2009-10 to 2011-12**

Board approved the draft forward programme for consultation and delegated final sign off to the Chairman and Regina Finn.

### **10. Developing Ofwat's charging policy**

The Board was given an update on the Executive's work on developing a policy on all companies' charges to their customers and an outline of the programme for a half day Board workshop on this topic in November.

**11. Chief executive's report**

The Board received an update on key issues, including the recent Ministerial reshuffle and departmental reorganisation so far as it may affect the water sector.

**12. Any other business**

The Board discussed an appropriate external speaker for its strategy related discussion in November. It also noted the Remuneration Committee minutes for two meetings on 10 and 24 July 2008.

**Ian Stephens**

**10 October 2008**