



Ofwat Board

Meeting held on Thursday 19 November 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	(Director of External Affairs)
Andrew Dunn	(Director of Consumer Protection) items 3, 4 & 5
Sue Cox	(Head of Service & Performance) item 3
Steve Beddoes	(Senior Analyst) item 3
Mark Hann	(PR09 Policy Co-ordinator) item 4
George Day	(Director of Network Regulation) items 4 & 5
Roger Dunshea	(Director of Operations) item 5
Stuart Crawford	(Interim Change Manager) items 5, 7 & 8
Andrew Beaver	(Team Leader Competition Framework) item 6
Simon Less	(Director of Competition Reform Programme) item 6

1. Declarations of interest

1.1 None.

2. Minutes and actions arising

2.1 The Board approved minutes of the meeting of 27 October 2009. The minutes would be published on the Ofwat website.

3. Consumer Service Incentive

3.1 The Board approved the introduction of the service incentive mechanism (SIM) for publication alongside final determinations.

- 3.2 The Board agreed that the new experience measures would be introduced in 2010-11 and the results published. Financial incentives would be applied to performance for the years 2011-12 to 2013-14.
- 3.3 The Board delegated the final sign-off of the SIM consultation conclusions paper to Regina Finn and Philip Fletcher.

4. Final determinations

- 4.1 The Board discussed and approved the 2010-15 final determinations for publication on 26 November 2009. The Board's discussion and approval of final determinations included price limits and bill profiles for each company and key financial assumptions. The Board approved the smoothing of the first two years' price limits for 11 companies.
- 4.2 The Board discussed and approved the final infrastructure charge limit, also for publication on 26 November 2009.
- 4.3 The Board thanked all Ofwat staff for their hard work and dedication during the PR09 process.

5. Strategic Business Plan 2010-11 to 2014-15

- 5.1 The Board discussed and approved Ofwat's strategic business plan (SBP) for 2010-11 to 2014-15. The Board welcomed the ambition of the SBP and financial discipline in which it was set.

6. Ofwat response to Government competition consultation document

- 6.1 The Board discussed and agreed the key messages for Ofwat's response to the Government's consultation on the recommendations of the Cave review of Competition and Innovation in Water Markets in England and Wales. The Board noted its dual responsibilities to the Welsh Assembly Government and the Westminster Government.
- 6.2 The Board delegated the final sign-off of the response document to Regina Finn and Philip Fletcher.

7. Chief Executive's report

- 7.1 The Board received an update on key issues. These included:
 - The legislative programme set out in the Queen's speech.
 - The Walker Review of Charging and Metering for Water and Sewerage services.

8. Any other business

- 8.1 The Board received oral updates from its Remuneration and Audit Committees, including an update on Ofwat's IFRS shadow accounts.

Ian Stephens

19 November 2009