



Ofwat Board

Meeting held on Thursday 26 April 2012 in Birmingham

Members in attendance

Chairman:

Philip Fletcher

Chief Executive:

Regina Finn

Non-Executive Directors:

Penny Boys
Gill Owen
Robin Paynter Bryant
Wendy Barnes

Executive Directors:

Keith Mason
Sonia Brown

In attendance:

Huw Brooker	(Director of Legal Services and Board Secretary)
Zoe Morrissey	(Assistant Board Secretary– minutes)
Marian Spain	(Senior Director of Policy and Communications) all items
Stuart Crawford	(Senior Director of Corporate Services and Programme Management) all items
Kalpesh Brahmhatt	(Director of Casework) Items 3 and 4
Kirsten Shoraka	(Senior Case Officer) Item 3
Andrew Chesworth	(Senior Corporate Finance Adviser) Item 5
Tracey Anderson	(Director of Accounting) Item 6

1. Opening Items:

Declarations of interest

- 1.1 None

Minutes and actions arising

- 1.2 Small amendments on declarations of interest and on the report from the Audit Committee were incorporated in the minutes of the Board's March meeting, published subsequently.

2. Future Price Limits Statement of Principles

- 2.1 The Executive presented an initial draft of the Statement of Principles to the Board.
- 2.2 The Board asked for further work on the draft paper. The paper should set out more clearly the underlying principles, such as the importance of observing Ofwat's statutory duties and of maintaining a well-understood regulatory system. This was subject to changes necessary to respond to the UK Government's Water White Paper and other policy developments, and to desirable changes needed to safeguard the interests of customers and other key stakeholders. The document should also refer to the work being done on implementation; when this will be available to stakeholders; and confirm that stakeholders will be fully consulted on any decisions regarding implementation.
- 2.3 The Board delegated authority to the Chairman and Chief Executive to sign off the final statement.

3. Update on consumer protection

- 3.1 The Executive presented a paper updating the Board on the proposed work relating to consumer protection. This work is driven by our strategy but also responds to some specific external drivers, including comments in the Gray review. There are two core streams of work: One looking at the availability of redress for individual water consumers; the second looking at those Ofwat policies that impact on individual consumers and that would interact with a redress system.

3.2 The Board agreed that it was appropriate to do work around these issues. Board emphasised the need to keep all relevant stakeholders fully informed of the work.

4. Update on Major Cases

4.1 The Director of Casework presented a paper to Board providing an update on the major cases on which Ofwat is currently acting. Board welcomed the update.

5. Competition Commission Merger referral

5.1 The Executive provided Board with an oral update on the Competition Commission's provisional findings regarding the merger between South Staffordshire Water and Cambridge Water.

6. Update on engagement on the Enabling Licence Modification

6.1 The Executive provided Board with an update on the engagement that various members of the Executive and the Chairman had had with stakeholders since the last Board meeting in March.

7. Chief Executive's report

7.1 The Chief Executive provided Board with an update on key issues. These included:

- Drought
- The unification of the three Veolia companies' licences.

8. Any other business

8.1 None.

9. Note after signature

At the March Board meeting, Board approved the following proposed appointments to the Board Committees:

Remuneration Committee: Gill Owen (Chair), Robin Paynter Bryant (member), Philip Fletcher (member).

Audit Committee: Penny Boys (Chair), Gill Owen (member), Richard Kennett (independent member).

New Company Appointments Committee: Philip Fletcher (Chair), Regina Finn (member), Keith Mason (member).

Zoe Morrissey
26 April 2012