

Annex E: Terms of reference of the Thames Tideway Tunnel Committee

Introduction

1. The Board has established a committee called the Thames Tideway Tunnel ('TTT') Committee to make certain relevant decisions ('Relevant Decisions') in relation to the Thames Tideway Tunnel project ('TTT project'), and to provide challenge, support and advice to the Executive on the TTT project.

Membership

2. The members of the TTT Committee will comprise at least two non-executive Board Members, and in addition may include executive Board Members and Ofwat employees (who are not Board Members).
3. A non-executive Board Member will chair the TTT Committee. In the absence of the chair of the TTT Committee, one of other non-executive Board Members will chair the meeting.

Meetings

4. The chair of the TTT Committee, or in the chair's absence any Member of the TTT Committee, may convene meetings of the TTT Committee as they deem necessary.
5. A meeting of the TTT Committee will be deemed quorate if two of its Members, including at least one of the non-executive Board Members, are present.

Reporting

6. Minutes will be taken of each meeting of the TTT Committee. The chair of the TTT Committee will report on its work to the Board following each meeting and minutes of TTT Committee meetings will be shared with the Board.

7. The TTT Committee will review its terms of reference at least every three years, seeking feedback from Members and attendees, and recommend any changes it considers necessary to the Board for approval.

Responsibilities

8. The responsibilities of the TTT Committee are to provide challenge, support and advice to the Executive in relation to the TTT project and to make Relevant Decisions (without prejudice to the TTT Committee's ability to voluntarily refer any such decision back to the Board, where the TTT Committee deems that to be appropriate).
9. A 'Relevant Decision' is a decision which might otherwise come to the Board under Annex B, section (b) of the Rules of Procedure in relation to the TTT project including the discharge of Ofwat's responsibilities in relation to the TTT project. This includes the following decisions if they raise a new major issue of principle or are particularly sensitive:
 - decisions that are required to be made by Ofwat in connection with the TTT project under the Water Industry (Specified Infrastructure Projects) (English Undertakers) Regulations 2013 ('Regulations');
 - a decision to vary Thames Water Utilities Limited's (TWUL's) conditions of appointment in order to give effect to the TTT project;
 - a decision to vary the conditions of the project licence of Bazalgette Tunnel Limited (Tideway), unless that variation is also being made to the conditions of appointment of a number of undertakers;
 - a determination of any Mandatory Variation Dispute (as defined and regulated in Condition T of TWUL's conditions of appointment and in paragraph 9 of Appendix 2 of Tideway's licence) referred to Ofwat by TWUL or by Tideway;
 - a determination of the questions set out in sub-paragraph 14.2 (as modified by sub-paragraph 9.4A) of Condition B of TWUL's appointment in relation to the Thames Tideway Tunnel Price Control;
 - decisions and determinations that are to be made by Ofwat under Appendices 1 and 2 of Tideway's licence; and
 - any Deemed Relevant Decision (a "Deemed Relevant Decision" is a decision relating to the TTT project which is formally deemed to be a

“Deemed Relevant Decision” by the relevant SRO¹, following consultation with the chair of the TTT Committee.²

For the avoidance of doubt, and for the purposes of Annex B, paragraph (a) of the Rules of Procedure, none of the decisions required to be made under Appendices 1 and 2 of Tideway’s licence represent “decisions on the draft or final determinations at price reviews and substantial effect determinations”.

Information requirements

10. The TTT Committee will be provided with such information as is necessary to enable it to make Relevant Decisions and to enable the TTT Committee to challenge, support and advise the Executive on the TTT project. During construction of the Thames Tideway Tunnel, this will include the following:
 - reports from the SRO on the proceedings of the Liaison Committee; and
 - reports from the SRO on the calculation of allowed revenue under Appendix 1 of the Tideway’s licence.

¹ References in these terms of reference to the ‘relevant SRO’ is a reference to the member of the Executive team accountable to the Chief Executive for the work associated with the TTT project.

² For the avoidance of doubt, the SRO is not able to agree with the chair of the TTT Committee that a decision should become a “Deemed Relevant Decision” in relation to a matter reserved for the Board under paragraph (a) of Annex B of these Rules of Procedure.