

Minutes of Board meeting

Meeting held on Thursday 22 April 2021, by video link (BlueJeans)

Board members / standing attendees

Jonson Cox	Non-executive Director, Chairman
Mark Bayley	Non-executive Director
Nicola Bruce	Non-executive Director
David Jones	Non-executive Director
Seema Kennedy	Non-executive Director
Jonathan Kini	Non-executive Director
Alison Munro	Non-executive Director
Catherine Waddams	Non-executive Director
David Black	Interim Chief Executive
Aileen Armstrong	Executive Director
John Russell	Executive Director
Lisa Commane	Executive Director
Jenny Block	General Counsel and Board Secretary

Other attendees

Claire Forbes	Senior Director
Emma Kelso	Senior Director
Alena Kozakova	Chief Economist
Keith Mason	Senior Director
Paul Hickey	Managing Director, RAPID
Tim Griffiths	Director, PR24
Simon Harrow	Principal, Policy & Outcomes
Sophie Shaw	Director, Legal
Isabel Andrade	Principal, Legal
Bart Schoonbaert	Director, Environment, Public Value and Governance
Bethan Evans	Principal, Head of Wales
Carl Pheasey	Director, Strategy and Policy
Jas Bilen	Director, People

1. Opening Items and Declarations

- 1.1. The minutes of the Board meeting held on 18 March and an interim Board call held on 9 April 2021 were approved.
- 1.2. The Chair welcomed Lisa Commane to the Board as a new Executive member of the Board.
- 1.3. There were no interests to declare by reference to the matters for discussion at the meeting.

2. Chief Executive's Report

- 2.1. The Board received updates on the following:
 - Ongoing work in relation to storm overflows and the work of the taskforce;
 - The final results of the initial innovation fund competition;
 - Developments with respect to two water company specific applications or investigations; and
 - The publication of proposals with respect to the treatment of credit balances of business retailers.
- 2.2. In relation to internal matters, the Board discussed the results of the staff health and wellbeing survey and the actions that were underway in response.
- 2.3. The Board discussed the proposed contract for Delivery Partner support for in period Outcome Delivery Incentives (ODIs) and delegated authority to Aileen Armstrong to contract with a successful supplier.

Quarterly Portfolio Report

- 2.4. The Board received an update on Quarter 4 performance and noted the progress made on delivery of Ofwat's strategy and meeting our forward programme commitments.

3. Welsh government landscape – Ofwat engagement

- 3.1. The Executive gave an overview of our engagement with Welsh Government and the main long term factors influencing water policy in Wales.
- 3.2. The Board considered how Ofwat may meaningfully engage further with stakeholders to support an effective regulatory approach in Wales to better reflect Welsh customer, community and environmental interests.

4. Green recovery

- 4.1. The Executive provided an update on companies' green recovery proposals, and set out the principles guiding our proposed decisions on which schemes should be taken forward and funded, and our intended approach to communications, working collaboratively with Defra, other regulators and the water companies.
- 4.2. The Board noted and discussed how it was intended to apply those principles to inland bathing water proposals. The Board considered the proposed funding options by reference to one particular proposal and agreed with the Executive's recommended option.
- 4.3. The Board delegated final decisions on individual schemes, expenditure allowances and other adjustments related to the green recovery to the Chief Executive.

5. Being Ourselves: Ofwat's Equality, Diversity and Inclusion (EDI) Strategy

- 5.1. The Executive presented to the Board the final EDI Strategy and set out the extensive engagement underpinning its development. A draft action plan will be presented to the People Committee.
- 5.2. The Board warmly endorsed the EDI strategy, its principles and key themes. The Board thanked the team and Charlotte Sweeney OBE who supported Ofwat in this key piece of work.
- 5.3. The Board also discussed the Next Generation NEDs initiative developed by Ofcom and being rolled out by the UKRN and considered how best Ofwat could participate and support.

6. Update from Committee Chair

- 6.1. The Chair of the Major Projects Committee reported on the recent meetings of the Committee at which the Committee received an update on developments with respect to the Thames Tideway Tunnel project and the proposed Tideway licence changes. The Committee had an initial discussion on the Financial Cost Adjustment in Tideway's licence.
- 6.2. The Committee also discussed the progress of three DPC projects: the United Utilities Harp scheme, Anglian's Elsham scheme, and Dŵr Cymru's scheme at Merthyr Tydfil.

7. AOB

- 7.1. The Board confirmed the appointment of John Russell as a member of the Major Projects Committee.
- 7.2. Jenny Block presented to the Board the forward plan for Board meetings. The Board noted items on the forward plan and made a number of suggestions for future items for Board discussion.
- 7.3. There was no other business and the Chairman closed the meeting.

Jenny Block
Board Secretary
22 April 2021