

**Minute of the seventy-second meeting of the Water Industry Commission for Scotland**  
**Held on 20 June 2012 in Stirling**

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- Present:** Professor Gordon Hughes (Chairman)  
Professor David Simpson (Deputy Chairman)  
Mr Charles Coulthard  
Mr Alan Sutherland (Chief Executive)  
Mrs Libby Gawith
- In attendance:** Mr Ian Tait (Director of Investment)  
Mr John Simpson (Director of Analysis)  
Ms Katherine Russell (Director of Corporate Affairs)  
Ms Shona Coan (Financial Controller for item 3.2)  
Mrs Donna Very

**Chairman's opening remarks**

The Chairman welcomed everyone to the 72nd meeting of the Commission.

**1. Apologies for absence**

John Reynolds

**2. Minute of previous meeting and review of action points**

**2.1 Declaration of conflicts of interest in relation to the Agenda**

No conflicts of interest were reported.

**2.2 Minutes of last meeting (01/12)**

The Commission agreed the minute was an accurate record of the last meeting.

**2.3 Summary of action points (AP02/12)**

The Commission reviewed the action points from the previous meeting and noted that this list was in a satisfactory position.

**2.4 Oral update on current issues**

The Chief Executive provided the Commission with an oral update on current work-streams.

### **3. Information papers 1 – Standing items**

#### **3.1 CMA update**

The Commission noted the written update paper from CMA.

#### **3.2 Finance and contracts paper (CP15/12)**

The Commission reviewed the draft annual accounts for the financial year to 31 March 2012 and raised queries to be discussed with the external auditors. The Commission noted this update paper.

#### **3.3 Communications update (CP16/12)**

The Commission noted the current activities. The Commission were updated by the Chief Executive on the three recent retail workshops that had been held. The purpose of these workshops had been to share the Commission's experience in developing the competitive retail framework. The events had been well attended and had received excellent feedback.

#### **3.4 Investment update (CP17/12)**

The Commission noted the update on Scottish Water's position on delivering its investment programme.

### **4. Information papers 2 – Any other issues**

#### **4.1 Audit Committee update (CP18/12)**

The Commission noted that the new Audit Committee members had participated in an induction day at the office. The Commission noted this update.

#### **4.2 Risk register (CP19/12)**

The Commission noted this update.

#### **4.3 OPA (CP14/12)**

The Commission approved Scottish Water's reported OPA score for 2011-12.

#### **4.4 Scottish Water's dashboard (CP20/12)**

The Commission noted the dashboard submitted by Scottish Water on its progress on its range of key measures.

#### **4.5 Satec Update (CP21/12)**

The Commission noted the current position of Satec Limited and revoked its water and sewerage services licences. The Commission delegated authority to the Chief Executive to make any further and final decisions concerning the revocation of the licences and the issue of any notices, related directions, waivers or consents.

#### **4.6 Strategic Review of Water Charges: 2015-2020 (CP22/12)**

The Commission noted the letter from Scottish Government on 13 June 2012 outlining the broad arrangements that the Government wishes to be followed in the next Strategic Review of Water Charges.

## **5. Decision papers**

### **5.1 Applications for water and sewerage services licences (CP23/12)**

The Commission delegated authority to the Chief Executive to approve any complete and proper applications for retail licences received before the next Commission meeting and to issue a 'Minded to Grant' letter.

### **Chairman's closing remarks**

The Chairman took the opportunity to thank David Simpson (Deputy Chairman) and Charles Coulthard (Member and Audit Committee Chairman) for their contributions to the work of the Commission over the last seven years and wished them well for the future.

The next Commission meeting will take place on **28 September 2012**.