



YORKSHIRE WATER SERVICES LIMITED

TERMS OF REFERENCE FOR THE

PUBLIC VALUE COMMITTEE

Committee Purpose: To ensure, on behalf of the Board, a focus on the social purpose and public accountability of the Company, given its role as a private provider of an essential public service and as an anchor institution with Yorkshire. Ensuring that consideration of public value is embedded in strategy and decision-making across the business and providing assurance to the Board in relation to the public value aspects of Board matters.

1. Membership	
1.1	The Committee membership shall include at least two independent non-executive directors.
1.2	Only members of the Committee have the right to attend Committee meetings. Others may attend the meetings by invitation.
1.3	The Chair of the Committee shall be an independent non-executive director appointed by the Board. In the absence of the Committee Chair at a Committee meeting, the remaining members shall elect one of themselves to chair the meeting.
2. Secretary	
2.1	The Company Secretary or his or her nominee shall act as the secretary of the Committee.
3. Quorum	
3.1	The quorum necessary for the transaction of business shall be two members.

4. Meetings

4.1	Meetings shall be held not less than three times a year and at such other times as the Chair of the Committee shall require.
4.2	Meetings shall be called by the secretary of the Committee at the request of the Committee Chair.
4.3	Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

5. Reporting Responsibilities

5.1	The Committee Chair shall report formally to the Board on its proceedings after each meeting.
5.2	The minutes of meetings shall be circulated to all members of the Board, unless in the opinion of the Committee Chair it would be inappropriate to do so.

6. Duties

Social Purpose and Public Accountability

6.1	To review the strategic direction and key strategic milestones of the Company through the lens of public value and provide assurance to the Board in relation to the public value considerations in price reviews, the annual Business Plan and other key strategic documents.
6.2	To consider the short, medium and long-term risks and opportunities that the Company may face in relation to social purpose and public accountability and ensure these are reflected in the group risk register,

	along with adequate mitigations and an appropriate risk appetite that aligns with the risk appetite set by the Board.
6.3	To review the vehicles that support the social purpose of Yorkshire Water and the networks in which Yorkshire Water participates – such as the anchor networks – including land, the Customer Forum and community engagement – to understand the effectiveness of the relationships in these networks and the impact Yorkshire Water has as a result.
6.4	To challenge the executive and other Committees where performance, targets, strategies and programmes could be altered to improve the impact on the public value of Yorkshire Water, whilst balancing risks and opportunities across the Six Capitals.
6.5	To review the suite of external publications that cover the public value of the business to ensure these are appropriate and that these present a fair reflection of performance.
6.6	To receive and consider reports on the contribution of Yorkshire Water to the local economy.
6.7	To receive updates on relationships with key stakeholders and the approach being taken to effectively manage those relationships.
6.8	To review and approve the strategic approach to public value partnerships and receive regular updates on the progress being made in forming and maintaining those partnerships.
Natural, Social and Intellectual Capital	
6.9	To receive deep dives on matters with an impact on public value. These will cover: <ul style="list-style-type: none"> ▪ Social Capital – stakeholder relationships, customer sentiment, customers in vulnerability, community engagement, the education programme and the affordability of bills..

	<ul style="list-style-type: none"> ▪ Natural Capital – our approach to land, carbon, bio-diversity, rivers and coasts improvement, the environment, water efficiency, climate change and pollution. ▪ Intellectual Capital – research and innovation.
6.8	To review appropriate measures for the Six Capitals and regularly monitor performance through the Six Capitals dashboard.
6.9	To review relevant innovation and research activity, including new and innovative measures, that could move the Company forward through the next Price Review.
7. Authority	
7.1	<p>The Committee is authorised by the Board to investigate any activity within these Terms of Reference and to seek any information it requires.</p> <p>The Committee is also authorised to obtain, at the expense of the Company, independent legal, accounting or other professional advice on any matter it believes necessary.</p>