



Recovering Energy from Waste

Board Meeting Minutes

**Monday 7th November 2016
10am at the Registered Office**

Present: R Gray (Chairman)
P Johnson
C West
K Starkey
C Penson

In attendance: S Kaur - Minute Taker

		Action
1.	Minutes of Previous Meeting The minutes of the previous meeting were agreed and signed by Mr Gray.	
2.	Matters Arising <i>Jacobs Engineering Survey</i> Jacobs to provide total life expectancy of the plant in addition to confirming it would operate until 2041. Mr Starkey to feedback at next meeting.	KS
	<i>Online cleaning (SPG & online explosive cleaning) project review</i> Mr Starkey confirmed that Mr. Millard will present this at the next Management Review Meeting.	KS
3.	Environment, Health & Safety Report Mr Starkey began his report by referring to the trend charts for injury frequency rate and he gave a summary of injuries by type. There has been 1 serious injury involving a contractor which has been reported by the contract company as the employer under RIDDOR regulations due to the severity of the incident. There were 9 hazard reports during the month, 2 damage incidents and 1 environmental incident. All of these are minor in nature and are being addressed via the incident reporting system.	

There are no instances of abnormal operation, no breaches of our ELVs or complaints regarding environmental performance within the period.

Mr Starkey concluded his report by referring to the 2016 Improvement Programme, all items are on track to be completed within the designated timescales.

4. Commercial Report

Mr Starkey updated the Board on the current status of issues relating to certain waste contracts.

5. Company Performance Report

Mr Starkey presented the Plant Performance for the half year ended 25th September 2016.

Waste throughput was 7% ahead of budget and 4% higher than last year.

A and B shareholder waste throughput was 7% lower than budget and 1% ahead of last year. C Shareholder waste throughput was 10% ahead of budget and 2% higher than last year. Non shareholder waste was 34% ahead of budget and 11% higher than last year.

A and B Shareholder waste accounted for 48% of total throughput compared with 50% for same period last year.

Plant availability was 93% compared with a budget of 85% and a prior year performance of 88%, and average waste throughput per unit hour was [REDACTED] against a budget of [REDACTED].

This above budget performance is attributable in part to the postponement of the G1 and unit 1 outages along with a better than budgeted throughput rate and lower unplanned downtime.

Electricity export was 22% ahead of budget and 5% lower than last year. The better than budgeted performance was mainly due to the postponement of the G1 outage.

Mr Penson reported to the Board on the Company's Financial Performance.

The profit before tax and pension provision for the half year is £4,038k which is £2,845k ahead of budget and £948k higher than last year.

Mr Penson presented a revised forecast for the year ending 31st March 2017, the main changes in assumptions being revised prices and an increase in the throughput rate.

<p>The forecast profit for the year is £6.2m and the year-end cash position is now forecast to be £9.2m.</p>	
<p>6. Risk Register Mr Starkey presented the Risk Register to the Board. It was agreed the following additional items would be included:</p> <ul style="list-style-type: none"> • Major engineering failures • Health and safety risks 	KS
<p>7. Pension Liability</p> <p>Mr Penson presented a report updating the Board on the Pension Liability Transfer proposal. The report set out 4 possible cases for further consideration.</p> <p>Mr Penson and Mr West will discuss the tax implications of these with EY, the Company tax advisors. A meeting has been scheduled for 16th November.</p>	CP/CW
<p>8. Capital Reduction</p> <p>Mr Penson presented advice received from Shakespeare Martineau, the Company's legal advisors, regarding the options and procedures available to the Company to allow it to remove the capital redemptions reserve by either issuing fully paid up bonus shares, transferring the capital redemption reserve to distributable reserves or making a capital payment directly to shareholders.</p> <p>It was agreed that whilst the Board wished to proceed with a capital reduction scheme in order to remove the capital redemption reserve, this should only be done once other issues, including the possibly pension liability transfer, have been satisfactorily completed.</p>	
<p>9. Future Development Plan Mr Starkey updated the Board regarding the development of the land adjacent to the site owned by Coventry City Council. Mr Starkey proposed a contractor car park due to limited space on the site. It was agreed that Mr Starkey would seek to secure the land by agreeing a lease with Coventry City Council.</p>	KS
<p>10. Dividend It was agreed that Mr Starkey and Mr Penson will propose a figure for the interim dividend to be paid to the Shareholders at the next meeting on 5th December.</p>	KS/CP

<p>11. Any other business <i>Grant Thornton</i> Mr West had been contacted by Grant Thornton requesting information for benchmarking purposes in relation to a project on Local Authority Trading Companies being undertaken for another local authority client. Mr Starkey undertook to respond to this request.</p> <p>[REDACTED]</p> <p><i>2017 Meeting Dates</i> Mr Penson to issue 2017 Board Meeting and Management Review Meeting dates</p>	<p>KS</p> <p>CP</p>
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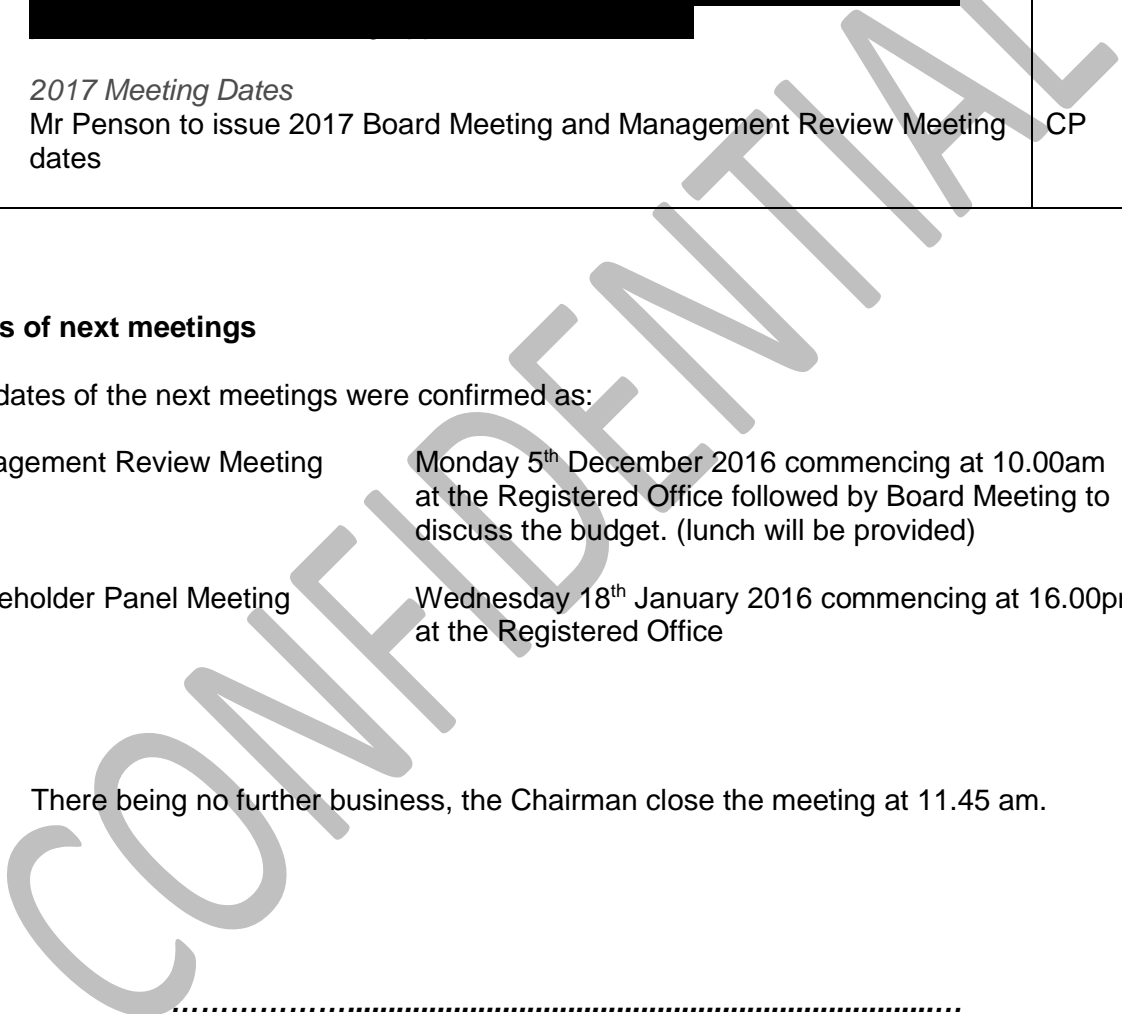
Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting Monday 5th December 2016 commencing at 10.00am at the Registered Office followed by Board Meeting to discuss the budget. (lunch will be provided)

Shareholder Panel Meeting Wednesday 18th January 2016 commencing at 16.00pm at the Registered Office

There being no further business, the Chairman close the meeting at 11.45 am.



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Chairman