

Board Meeting Minutes

Monday 4th December 2017
14.30 am at the Registered Office

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

	Action
<p>1. 2018/19 Budget & Five Year Plan</p> <p>The Budget for the year ending 31st March 2019 and the Five Year Plan for the years ending 31st March 2023 were discussed and the numbers presented were agreed subject to:</p> <ul style="list-style-type: none"> Increasing assumed availability in one outage years to 90% (2018/19, 2020/21, 2022/23) Increasing the dividend in 2018/19 to £5,500,000 (from £5,000,000) with the quantum of the projected dividend for the remainder of the Five Year Plan period to be reviewed again next year. <p>Some wording amendments and numerical anomalies were notified relating to the Shareholder Panel Report and the Board Commentary presented to the meeting. Mr Penson undertook to investigate these, make any necessary corrections and re-issue the final versions to the Board. Subject to these changes and the other amendments arising from the changes to the budget numbers the Shareholder Panel Report was approved for submission to the Shareholder Panel Meeting on 24th January 2018.</p>	<p>C Penson</p> <p>C Penson</p> <p>C Penson</p>



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<p>2. Dividend</p> <p>The interim dividend for 2017/18 was agreed at £7.0m, this amount to be paid in March 2018.</p>	<p>C Penson</p>
<p>3. Pensions</p> <p>Mr. Penson updated the Board on the status of discussions with West Midland Pension Fund regarding the mitigation of its future cash pension liabilities by the giving of a Shareholder guarantee, a note prepared in conjunction with Coventry City Council on the matter having been circulated in advance of the meeting. The Board approved the proposal and authorised Mr Penson to progress the matter with West Midland Pension Fund and the relevant Shareholder officers. The issue of what deficit reduction period should be adopted once the guarantee had been put in place was discussed in some detail. It was agreed by the Board that a recommendation should be made to Shareholders that the longer local authority deficit reduction period of 20 years should be adopted, as the latest updated actuarial valuation suggests a fully funded position at 30th June 2017 and further substantial payments on the basis of the 31st March 2016 could lead to a surplus position at the date of the next valuation in 2019 which the Company would be in no position to recover. The deficit reduction period should be reviewed again on the basis of the 2019 actuarial valuation.</p>	<p>C Penson</p>
<p>4. Any other business</p> <p>There was no other business.</p>	

There being no further business, the Chairman closed the meeting at 16.10 pm.