



Recovering Energy from Waste

Board Meeting Minutes

Monday 6th November 2017
1.30pm at the Registered Office

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

In attendance: S Kaur - Minute Taker

	Action
<p>1. Minutes of Previous Meeting The minutes of the previous meetings held on 10th July 2017 were agreed and signed by the Chairman.</p> <p>2. Matters Arising No matters arising</p> <p>3. Environment, Health & Safety Report Mr Starkey began his report by referring to the trend charts for injury frequency rate and gave a summary of injuries by type.</p> <p>There were no injuries reported in September, however there has been one minor injury to an engineering member of staff in October who suffered a light lime burn (rash) whilst cleaning the APCr conveying system.</p> <p>There were 32 hazards and near misses reported in September. This increase was due to the major outage on unit 2 and an increased focus after the incident the previous month involving the loading shovel, plus a number were raised following the recent ISO14001 and 18001 audit.</p> <p>There were 3 damage incidents, no environmental incidents, no instances of abnormal operation and no breaches of our operating permit. No complaints were received in the month that related to environmental performance.</p>	

The HSE investigation into the loading shovel incident continues. An Improvement Notice and Notification of Contravention has been issued by the HSE on 13 October which is being reviewed and will be actioned by the due date of 11th December.

The ISO14001 and 18001 HS&E Audit has been completed and it highlighted four minor non-conformances. One of these was that training records had not been kept up to date. Mr Starkey explained that he believed that the training itself had been carried out and it was the record keeping that had not been updated, but he would confirm this to the Board following the meeting.

KS

Mr Starkey concluded his report by referring to the 2017 Improvement Programme. Several of the more complex projects will be carried forward to the 2018 Improvement Programme including the new safety rules which requires considerable work, draft documents are currently being reviewed and training is scheduled for February 2018. All of the other projects 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 24th September 2017.

Waste throughput was 5% ahead of budget and in line with last year. A and B shareholder waste throughput was 11% lower than budget and 3% lower than last year. C Shareholder waste throughput was 5% lower than budget and 8% lower than last year. Non shareholder waste was 48% ahead of budget and 8% higher than last year.

A and B Shareholder waste accounted for 47% of total throughput compared with 48% for same period last year.

Plant availability was 89% compared with a budget of 88% and a prior year performance of 93%, and average waste throughput per unit hour was [REDACTED] tonnes against a budget of [REDACTED] tonnes and a prior year performance of [REDACTED] tonnes.

Electricity export was 9% higher than budget and 7% higher than last year due to the better throughput rates and higher availability.

Mr Penson reported to the Board on the Company's Financial Performance. The profit before tax and pension provision for the half year is £4,644k which is £1,915k ahead of budget and £606k higher than last year. Revenues are £1,218k higher than budget due to higher than expected waste sales arising

	<p>from the higher throughput rate and better availability. Electricity generation revenues are also £195k ahead of budget.</p> <p>Mr Penson commented on EfW costs which are £624k lower than budget due to cost savings in most categories.</p> <p>The forecast profit before interest, pensions and tax is £8.6m compared with a budget of £6.3m. The year-end cash position is forecast to be £12.2m compared with a budgeted figure of £7.2m, due to a better than budgeted opening position and better forecast trading.</p>	
<p>6.</p>	<p>Review of Risk Register Mr Starkey presented the Risk Register to the Board.</p> <p>The defined benefit pension liability crystallisation risk was discussed, and members noted a proposal that Mr Penson had circulated prior to the meeting which had been sent to Coventry City Council for discussion. The Board agreed that Mr Penson should explore this proposal further with Coventry City Council and the West Midlands Pension Fund, with a view to negotiating more advantageous terms than those currently offered for deficit reduction payments in terms of quantum and period.</p>	<p>CP</p>
<p>7.</p>	<p>2018 Meeting Dates Mr Penson to circulate 2018 meeting dates to Board members once they have been agreed.</p>	<p>CP</p>
<p>8.</p>	<p>Any other business Mr West asked when it was proposed that a capital reduction scheme would be considered in view of the substantial capital redemption reserve carried on the balance sheet. Mr Penson stated that it was intended to look at this once any currently proposed changes to the shareholding structure had been finalised.</p>	<p>CP</p>

Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting Monday 4th December commencing at 1.30pm
at the Registered Office (followed by Board Meeting to
discuss the budget)

Shareholder Panel Meeting Wednesday 24th January 2018
at Coventry City Council

There being no further business, the Chairman closed the meeting at 3.30pm.

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Chairman