



Recovering Energy from Waste

Board Meeting Minutes

Monday 5th November 2018
10.00 am at the Registered Office

Present: R Gray (Chairman)

K Starkey
C Penson
P Johnson
B Hastie

In attendance: S Kaur - Minute Taker

	Action
<p>1. Minutes of Previous Meeting The minutes of the previous meeting on 12th July 2018 were agreed and signed by Mr Gray.</p> <p>3. 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 he gave a summary of injuries by type.</p> <p>There have been no injuries in this period since 10th August. Total for the year remains at 9, which equals the annual target set in the management system at the start of the year. The increase in accidents to members of the public on the HWRC on the previous year has had the biggest impact on the target; one accident in 2017 compared with four to date</p> <p>It was agreed the phrase 'reportable accidents' will be replaced by the phrase 'RIDDOR reportable accidents' in future.</p>	<p>K Starkey</p>

Hazard and near misses reporting levels remain good, all of these reports are being actioned via the incident reporting system.

There were three breaches of our operating permit all of which related to breaches of our ELVs to air from the plant. Two related to CO and one related to HCI and all have been reported to the Environment Agency.

There were no complaints received and no other environmental incidents reported.

H&S information is being collated from all existing and new contractors via a questionnaire. The information will be transferred onto the contractor database and it will then be the responsibility of the nominated supervisors to keep the data up to date.

Mr Starkey concluded his report by referring to the 2018 Improvement Programme, there has been a delay with item 6. All remaining projects are on target to be completed within the designated timescales.

5. Commercial Report

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

6. Company Performance Report

Mr Starkey presented the plant performance for half year ended 30th September 2018.

Waste throughput was 2% below budget and 3% higher than last year.

A and B shareholder waste throughput was 11% lower than budget and 2% lower than last year. C Shareholder waste throughput was 8% lower than budget and 55% higher than prior year (Leicestershire County Council waste is classified as C Shareholder waste from July in the budget year but is classified as non-shareholder waste entirely in the prior year). Non-shareholder waste was 22% ahead of budget and 13% lower than last year.

A and B Shareholder waste accounted for 44% of total throughput compared with 47% for the same period last year.

Plant availability was 89% compared with a budget of 90% and a prior year performance of 89%, and average waste throughput per unit hour was ■■■ tonnes against a budget of ■■■ tonnes and prior year performance of ■■■ tonnes.

<p>In the current year there was a minor outage on unit 2, a major outage on unit 1, along with the G2 overhaul and an unplanned minor outage on unit 3 to minimise the disruption caused by unplanned work on G1. There were 2 minor outages, a major outage and a 4 day total plant outage in the prior year. Due to the resetting of the financial calendar the current year period under review was a week longer than it was in the prior year.</p> <p>Electricity export was 3% higher than budget and 1% higher than last year.</p> <p>Mr Penson reported to the Board on the Company's financial performance.</p> <p>The profit before tax and pension provision for the half year is £5,116k which is £464k ahead of budget and £458k higher than last year. Revenues are £163k higher due to a more favourable sales mix, and also due to better than budget and prior year electrical generation. Costs are £206k lower than budget with cost savings in most categories, despite the inclusion of £318k of G2 overhaul costs (budgeted as capital) and the bringing forward of the unit 3 minor outage.</p> <p>Mr Penson reported on the operating profit after adding back the G2 overhaul exceptional costs which would have been £5,434k.</p> <p>Mr Penson presented a revised forecast for the year ending 31st March 2019. The forecast profit before interest, pensions and tax is £10.5m compared with a budget of £9.6m. The year-end cash position is forecast to be £12.1m, compared with a budgeted figure of £10.4m, due to a better than budgeted opening position and better forecast trading only partially offset by a higher dividend.</p>	
<p>7. Review of Risk Register</p> <p>Mr Starkey presented the Risk Register to the Board. It was agreed that the point regarding non-shareholder waste contacts would be removed following the agreement of the new long term contract with Leicestershire County Council.</p>	K Starkey
<p>8. Capital Re-Organisation</p> <p>Mr Penson presented the Capital Re-organisation proposal which was discussed at length.</p> <p>It was agreed that Mr Johnson would ask Rosalyn Lilley of Solihull Metropolitan Borough's legal team to act as the principal shareholder legal point of contact for the process and that he would ask her to contact Mr Penson to discuss the matter further.</p>	P Johnson

<p>Mr Hastie to review the document and contact Mr Penson as soon as possible with any questions or confirmation that Coventry City Council is happy to proceed on the basis set out.</p> <p>Once Mr Johnson and Mr Hastie have responded, Mr Penson and Mr Starkey to make contact with Warwickshire County Council and Leicestershire County Council to ascertain their willingness to support the proposal.</p>	<p>B Hastie</p> <p>C Penson K Starkey</p>
<p>9. Any other business</p> <p><i>Electrical price</i></p> <p>Mr Starkey reported that the Company had entered G1 and G2 electrical generation in the October NFPA e-Power auction and that the price achieved for the year commencing 1st April 2019 was almost 30% higher than the current price.</p> <p><i>Land on the other side of the river</i></p> <p>Mr Starkey gave an update and confirmed that discussions were taking place with Coventry City Council to agree a lease or other rental agreement for a small parcel of land to accommodate additional car parking.</p> <p>Mr Starkey reported that discussions with representatives of Coventry City Council had taken place regarding CSWDC's possible commercial uses for the remainder of the land.</p> <p>The board approved expenditure of £23,000 in the current financial year on consultancy to investigate this matter further and the inclusion of £100,000 on further consultancy in the budget for 2019/20.</p> <p><i>Management review meeting (MRM)</i></p> <p>It was agreed the MRM scheduled for 3rd December 2018 will start at 9am and will be followed by a budget meeting to discuss the budget for 2019/20 and the five year plan.</p>	<p>K Starkey</p>

Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting Monday 3rd December 2018 commencing at 09.00am at the Registered Office followed by Budget meeting

Shareholder Panel Meeting Wednesday 23rd January 2019 commencing at 16.00pm at CCC.

Board meeting dates for 2019 to be agreed.

There being no further business, the Chairman closed the meeting at 11.50am.

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Chairman