



Recovering Energy from Waste

Board Meeting Minutes

Tuesday 1st May 2019
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 meetings on 4th February 2019 were agreed and signed by Mr Gray.</p> <p>2. Matters Arising As requested at the previous meeting Mr Penson provide a verbal update on certain waste prices.</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 were two minor injuries to persons in since early March, one was a member of the public and the other a contractor.</p> <p>There were 14 hazards and near misses reported in the month and 2 damage incidents, all of which are being actioned via reporting system.</p> <p>There were no breaches of the operating permit, however there was an instance of abnormal operation where CEMs data was lost due to a PC power failure. This was reported to the EA and raised as an environmental incident.</p>	

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

Presentations on the 2-5 year health and safety plan were rolled out successfully to all staff.

Mr Starkey concluded his report by referring to the 2019 improvement plan, all actions are on target to be completed within the designated timescales.

Item 13, comment needs to be amended to 'client crew toilet facility is now in place and old one needs to be disposed of'.

Mr Starkey

4. **Commercial Report**

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

5. **Company Performance Report**

Mr Starkey presented the plant performance for the year ended 31st March 2019. The year had been exceptional with waste throughput, availability and electrical generation records broken.

Waste throughput for full year was 1% ahead of budget and 2% 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 4% lower than budget and 79% higher than last 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 36% ahead of budget and 25% lower than last year. A and B Shareholder waste accounted for 44% of total throughput compared with 45% for the same period last year.

Plant availability was 91.8% compared with a budget of 90% and a prior year performance of 88.9%, and average waste throughput per unit hour was ■■■ tonnes against a budget of ■■■ tonnes and a prior year performance of ■■■ tonnes.

Electricity export was 5% higher than budget and 2% higher than last year.

Mr Penson reported to the Board on the Company's financial performance.

The profit before tax and pension provision for the full year is £11,963k which is £2,361k ahead of budget and £1,337k higher than last year. This is partly due to higher revenues, arising from higher availability and a more favourable sales mix, and better electrical generation performance. It is also due to lower total EfW costs which are £735k below budget.

<p>There have been cost savings compared to the budget in most categories, notably pension costs, utilities, administration and lease costs. These savings are partially offset by maintenance costs which are £491k higher than budget, partly due to £333k of G2 maintenance costs budgeted as capital being recognised as revenue costs.</p> <p>A cash dividend was declared at the year-end resulting in a cash outflow of £9,000k and a dividend in specie of £1,560k.</p> <p>The year-end cash position was £12.2m. This is higher than the most recent forecast due to better than anticipated trading and lower than forecast capital expenditure.</p> <p>6. Review of Risk Register Mr Starkey updated the Board on the items listed in the Business Risk Register.</p> <p>7. Insurance Renewal 2019-20 The Insurance Renewal for 2019-20 was reviewed and noted by the Board.</p> <p>8. Any other business</p> <p><i>Richard Scawin</i> Richard Scawin (Compliance and Performance Manager) retires in January 2020 and his replacement Elaine Price will join the company on 1 October 2019.</p> <p><i>Senior Manager Bonus</i> The Board approved the payment of the senior managers' and directors' bonus in the June 2019 payroll subject to any adjustments to the accounts which may arise as a result of the audit which is due to be complete by 10th May. Mr Penson will confirm the position to the Board at the Management Review Meeting on 3rd June 2019.</p> <p><i>EY Audit Fees</i> Mr Penson updated Board members that EY had required a 33% increase in audit fees by the end of the financial year ending 31st March 2020.</p> <p>It was agreed that the subject of fees be included as an agenda item at the next Board meeting on 8th July 2019 and that Ms Hemming of EY be requested to give a presentation on the rationale for the increase along with any available benchmarking information.</p>	<p>Mr Penson</p>
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Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting	Thursday 6 th June 2019 commencing at 10.00am at the Registered Office
Shareholder Panel Meeting	Wednesday 19 th June 2019 commencing at 4.00pm at CCC
Board Meeting	Monday 8 th July 2019 commencing at 10.00am at the Registered Office.

There being no further business, the Chairman closed the meeting at 11.25am.

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Chairman