



Board Meeting Minutes

**Monday 3rd February 2020
10.00 am at the Registered Office**

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

	Action
<p>1. Minutes of Previous Meeting The minutes of the previous meeting on 4th November 2019 and 2nd December 2019 were agreed and signed by Mr Gray.</p>	
<p>2. Matters Arising It was noted that the report on the structural survey of the buildings had been circulated by Mr Starkey and that it would be included as an agenda item for further discussion at the next Board meeting.</p>	Mr Starkey
<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 was one injury in December involving a member of staff who injured their back/neck whilst handling TV screens.</p> <p>There were 15 hazards/near misses reported in the month and 3 damage incidents. There was one environmental incident where Unit 1 and Unit 2 breached the daily emission limit. This was reported as a breach of the operating permit to the Environment Agency. There were no EH&S complaints received and no other environmental incidents reported.</p> <p>Mr Starkey concluded his report by referring to the 2019 and 2020 improvement plans. All actions for 2019 have been completed. Mr Starkey explained the planned actions for 2020. Whilst discussing these</p>	

<p>Mr Gray queried whether OHSAS 18001 is a combination of previous health and safety and environmental management standards. Mr Starkey said that he would check and clarify this after the meeting.</p>	<p>Mr Starkey</p>
<p>4. Commercial Report Mr Starkey updated the meeting on the current status of issues relating to certain waste contracts and supplier arrangements.</p>	
<p>5. Company Performance Report Mr Starkey presented the plant performance for the 9 months ended 29th December 2019.</p> <p>There was unplanned downtime in the period caused in particular by two significant incidents. A total plant outage lasting 19 hours was necessary to repair a leaking chemical injection point on the suction line to the boiler feed pumps. G2 steam turbine was offline for a period of 10 days due to a gland seal steam system failure resulting in contamination of the turbine's lube oil.</p> <p>Waste throughput for the 9 months was 6% ahead of budget and 1% higher than last year. A and B shareholder waste throughput was 13% lower than budget and 1% higher than last year. C shareholder waste throughput was 5% ahead of budget and 22% higher than last year. Non-shareholder waste was 77% ahead of budget and 18% lower than last year. A and B Shareholder waste accounted for 43% of total throughput which is in line with the proportion in the same period last year.</p> <p>Plant availability was 89% compared with a budget of 87% and a prior year performance of 91%, and average waste throughput per unit hour was ■■■ tonnes compared with a budget of ■■■ tonnes and a prior year performance of ■■■ tonnes.</p> <p>Electricity export was 4% higher than budget and 3% lower than last year. Mr Gray queried why the electricity export per tonne of waste was lower than last year and the budget. Mr Starkey said that he would check and clarify this after the meeting.</p>	<p>Mr Starkey</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 9 months is £10,094k which is £2,418k ahead of budget and £1,471k 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 £449k below budget. There have been cost savings compared to the budget in most categories, notably transport and disposal, utilities and administration.</p>	

<p>Mr Penson presented a revised forecast for end of third quarter. The forecast profit before interest, pensions and tax is £13.5m compared with a budget of £11.3m. The year-end cash position is forecast to be £12.2m, compared with a budgeted figure of £9.6m, due to a better than budgeted opening position, better forecast trading and lower capital expenditure.</p> <p>There was a discussion regarding the level of interim dividend to be paid prior to the year end and it was agreed by the Board that this would be maintained at the previously agreed level of £9.0m.</p> <p>6. Review of Risk Register Mr Starkey and Mr Penson presented the Risk Register to the Board, and it was discussed and approved.</p> <p>7. Audit Tender Mr Penson updated the Board on the audit tender process and the outcome which was to continue with EY as auditors of the Company</p> <p>The authority to make the decision had been delegated to a panel made up of the Executive Directors and a Senior Manager of the Company and the outcome of the process had been communicated to all Board members in December. However, the Board confirmed that it supported the decision that had been made.</p> <p>8. Timetable for dividend Mr Penson presented the timetable for dividend payments which was discussed and noted.</p> <p>9. Any other business</p> <p><i>Environment, Health and Safety Report</i></p> <p>Mr Starkey confirmed that the Environment, Health and Safety Report for 2019 would be circulated prior to the next Board meeting and would be shared as soon as it was ready in order to give Board members adequate time to consider it.</p> <p><i>West Midlands Pension Fund (WMPF)</i></p> <p>Mr Penson updated the Board on discussions with the WMPF relating to protection of the Company's fully funded position following the 2019 actuarial valuation and confirmed that he was waiting for information from the fund and that a further update would be provided at the appropriate time.</p>	<p>Mr Starkey</p>
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Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting	Wednesday 18 th March 2020 commencing at 10.00am at the Registered Office
Shareholder Panel Meeting	Wednesday 25 th March 2020 commencing at 4.00pm at Coventry City Council (informal meeting subject to confirmation)
Board Meeting	Wednesday 13 th May 2020 commencing at 10.00am at the Registered Office

There being no further business, the Chairman closed the meeting at 11.20am.

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Chairman