



Recovering Energy from Waste

Board Meeting Minutes

Wednesday 11th November 2020
10.00 am via Video Conference

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 6th July 2020 were agreed. Mr Gray to print and sign them following the meeting and send a scanned copy to the Company for filing.</p>	Mr Gray												
<p>2. Matters Arising Previous meeting actions discussed with 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>Mr Starkey reported on the following injuries:</p> <table border="0"><tr><td>October 2020</td><td>1 injury</td><td>member of the public</td></tr><tr><td>September 2020</td><td>1 injury</td><td>staff member</td></tr><tr><td>August 2020</td><td>1 injury</td><td>member of the public</td></tr><tr><td>July 2020</td><td>1 injury</td><td>staff member</td></tr></table> <p>All injuries were relatively minor.</p> <p>There were no breaches of the operating permit and no instances of abnormal operation from July to October 2020.</p> <p>There was one unsubstantiated odour complaint from a local resident in August 2020 which was reported to the EA.</p>	October 2020	1 injury	member of the public	September 2020	1 injury	staff member	August 2020	1 injury	member of the public	July 2020	1 injury	staff member	
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There is a high level of compliance onsite to the pandemic control measures with staff and contractors being audited on a regular basis. Working from home has been increased where practicable to help minimise the exposure of the key operational and engineering staff. Additional measures are being considered where practicable.

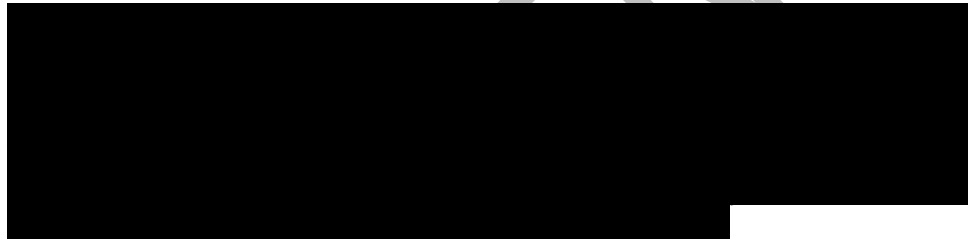
Mr Starkey confirmed that not all of the details relating to how the BREF will be interpreted into the UK EFW permits has been finalised and that the issuing of new permits has been delayed by the pandemic.

Mr Starkey concluded his report by referring to the 2020 Improvement Programme. All projects were on target to be completed within the designated timescales. Mr Starkey to amend the comment for Item 1 to reflect its completed status.

Mr Starkey

4. Commercial Report

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



5. Company Performance Report

Mr Starkey presented the plant performance for the year ended 27th September 2020.

The waste throughput for first six months is 6% ahead of budget and 10% higher compared to last year. A and B Shareholder waste throughput was 11% lower than budget and 3% higher than last year. C Shareholder waste throughput was 8% higher than budget and 57% higher than last year. Non-shareholder waste throughput was 131% ahead of budget and 40% lower than last year.

A and B Shareholder waste accounted for 42% of total throughput compared with 45% in the same period last year. A,B and C Shareholder waste accounted for 87% of total throughput compared with 76% in the same period last year.

Plant availability was 94% compared with a budget of 91% and a prior year performance of 87%, and average waste throughput per unit hour was [redacted] tonnes compared with a budget of [redacted] tonnes and a prior year performance of [redacted] tonnes.

Electricity export was 3% higher than budget and 7% 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 first six months is £7,801k which is £1,907k ahead of budget and £1,885k higher than last year. This is partly due to higher revenues, arising from higher availability, increased throughput per hour and a more favourable sales mix. It is also due to lower total EfW costs which are £663k below budget. There have been cost savings compared to the budget in most categories, notably maintenance, compliance and performance, utilities, administration and depreciation.

Mr Penson presented a revised forecast for the year ending 31st March 2020. The forecast profit before interest, pensions and tax was £13.0m compared with a budget of £11.6m. The year-end cash position was forecast to be £16.2m, compared with a budgeted figure of £12.0m, due to a better than budgeted opening position and better forecast trading.

6. Review of Risk Register

Mr Starkey and Mr Penson updated the Board on the items listed in the Business Risk Register which were discussed and approved.

7.



8. LGPS Funding and Investments Review

Mr Penson updated Board members on the West Midlands Pension Fund funding and investments review. Having considered the report the Board agreed that it did not wish to incur the additional costs which would be required to achieve a less risky investment strategy and improve the likelihood of preserving the current fully funded pension position. Mr Penson was asked to inform the Fund of the Board's decision.

Mr Penson

8. Mutual Trading Tax Status Review

Mr Penson presented the Mutual Trading Tax Status report to the Board. The Board agreed that the potential scheme set out in the report would not meet the Company's objectives and it should not be considered further.

<p>9. Dividend Mr Penson presented the proposed schedule of dividends for the Budget year ending 31st March 2022 and the further four years of the Five Year Plan ending 31st March 2026. The schedule was approved as presented.</p>	
<p>10. Any other Business</p> <p><i>Board and Management Review Meeting Dates</i> The following dates were agreed. Mr Penson to arrange for Outlook meeting requests to be circulated.</p> <p><i>Management Review Meetings</i> Wednesday 10 March Monday 7 June Monday 27 Sep Monday 6 Dec</p> <p><i>Board meetings</i> Monday 8 February Monday 17 May Monday 12 July Monday 8 November</p> <p>VAT Mr Penson asked the Board's opinion regarding whether the VAT with a value of approximately £2m, which was deferred under the HMRC scheme earlier in the year, should be paid by the year end or further deferred in accordance with the recently revised arrangements. Given the Company's cash position it was agreed that the payment should be made by year end as originally planned.</p>	<p>Mr Penson</p> <p>Mr Penson</p>

Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting	Monday 7 th December 2020 commencing at 10.00am via Teams
Shareholder Panel Meeting	Wednesday 20 th January 2021 commencing at 4.00pm (method of meeting TBA)
Board Meeting	Monday 8 th February 2021 commencing at 10.00am via Teams

There being no further business, the Chairman closed the meeting at 12pm.

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Chairman