

Board Meeting Minutes

Monday 7th December 2020
10.00am via Video Conference

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

Apologies: B Hastie

	Action
<p>1. 2021/22 Budget & Five Year Plan</p> <p>The Budget for the year ending 31st March 2022 and the Five Year Plan for the years ending 31st March 2026 were discussed.</p> <p>The Board discussed and approved the assumptions underlying the operational budget and the financial forecast arising from those assumptions.</p> <p>Mr Johnson asked if there was sufficient contingency included in the Waste Crane Replacement capital project. Mr Starkey and Mr Penson confirmed that whilst this has already been considered they would re-visit the matter with the engineering manager in light of Mr Johnson's concerns.</p> <p>The dividend forecast included in the Budget and Five Year Plan was discussed. Whilst the schedule included had been agreed in principle at previous Board meetings, after seeing the numbers Mr Johnson expressed concern that the inclusion of a higher dividend in 2021/22, when the suppression of profit caused by the Waste Crane Replacement project meant that there was a budgeted deficit transferred to reserves in excess of £5m, would be difficult to explain to the Shareholders Panel. He proposed that an alternative course of action would be to pay the higher dividend in 2020/21. It was agreed that Mr Penson would have a discussion regarding the possible options with Mr Hastie, who was not present at the meeting, and that Mr Hastie's preference regarding the timing of the payment of the higher dividend would take precedence. If</p>	<p>K Starkey C Penson</p>



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<p>the existing timing of payments remained the same then the Shareholder Panel report and the presentation to the Shareholder Panel would be amended to better explain the timing of cash and reserves movements.</p>	C Penson
<p>Mr Gray pointed out a small number of typographical errors in the Shareholder Panel report for correction.</p>	C Penson
<p>Subject to the above changes being made the Budget and Five Year Plan and the Shareholder Panel report presented were approved for presentation to the Shareholder Panel on 20th January 2021.</p>	
<p>2. Dividend</p> <p>The interim dividend for 2020/21 was agreed at £7.5m subject to the above mentioned discussion between Mr Penson and Mr Hastie, following which it might be increased to £10.5m, this amount to be paid in March 2021.</p>	C Penson
<p>3. Any other business</p> <p>Mr Starkey updated the Board on the progress of negotiations regarding the private wire connection to the Sherbourne MRF and confirmed that heads of terms were close to being agreed.</p>	

There being no further business, the Chairman closed the meeting at 12.05pm.

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Chairman