



Recovering Energy from Waste

Board Meeting Minutes

Monday 8th February 2021
10.00 am via Video Conference

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

Minute Taker S Kaur

	Action
<p>1. Minutes of Previous Meeting The minutes of the previous meeting on 11 November 2020 and 7th December 2020 were agreed. Mr Gray to print and sign them following the meeting and send a scanned copy to the Company for filing.</p> <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. There was 1 injury in November involving a contractor, no injuries in December and 1 injury in January to a member of staff. Both injuries were investigated and actioned.</p> <p>There was an abnormal operation reported to the EA in January 2021 and a permit breach was reported in December 2020.</p> <p>There have been no external environmental complaints since the last Board meeting.</p>	Mr Gray

Working from home has been increased where possible to help minimise the exposure of key operational and engineering staff. An additional measure has been introduced whereby face coverings must be worn at all times by all staff, contractors and visitors when moving around the site.

Meetings continue to discuss the recent changes in the Best Available Technique Reference Documents (BREF) at the Environmental Services Association (ESA).

Mr Starkey concluded his report by referring to the 2021 Improvement Programme. Although progress has been minimal so far because it is so early in the year no issues are envisaged with all projects being completed within the designated timescales.

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 nine months ended 27th December 2020.

The waste throughput is 6% ahead of budget and 5% 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 7% higher than budget and 42% higher than last year. Non-shareholder waste throughput was 142% ahead of budget and 42% lower than last year.

A and B Shareholder waste accounted for 42% of total throughput compared with 43% in the same period last year. A,B and C Shareholder waste accounted for 86% of total throughput compared with 75% in the same period last year.

Plant availability was 93% compared with a budget of 90% and a prior year performance of 89%, and average waste throughput per unit hour was ■■■ tonnes compared with a budget of ■■■ tonnes and a prior year performance of ■■■ tonnes.

Mr Gray asked whether the higher throughput rate seen this year is sustainable or will return to historic levels once the period of lockdowns ends. Mr Starkey stated that the throughput rate has returned to the previous year's rate since the spike seen during the first lockdown. The rate forecast in the five year plan was based on the past two years' experience but discounting the impact of lockdown. It is believed, therefore, that the current throughput levels are sustainable, although they could also be affected by the impact of the government's latest waste strategy.

<p>Electricity export was 3% higher than budget and 4% higher than last year.</p> <p>Mr Starkey gave a further update on the plant performance up to period 10. Waste throughput is 256k tonnes against a budget of 240k which is an improvement of 6.5%. Availability is 92.6% compared with a budget of 90%. Waste throughput rate is 12.89 against a budget of 12.4. Electricity export year to date is 92,770, 3% higher than the budget of 90,190.</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 first nine months is £11,041k which is £2,471k ahead of budget and £947k higher than last year. This is partly due to higher revenues, arising from higher availability, increased throughput and a more favourable sales mix. It is also due to lower total EfW costs which are £558k below budget. There have been cost savings compared to the budget in most categories, notably maintenance, compliance and performance, utilities, administration and depreciation.</p> <p>Mr Penson presented a revised forecast for the year ending 31st March 2020. The forecast profit before interest, pensions and tax was £13.9m compared with a budget of £11.6m. The year-end cash position was forecast to be £16.8m, compared with a budgeted figure of £12.0m, due mainly to a better than budgeted opening position and better forecast trading.</p> <p>Mr Starkey to confirm when CV analysis is next due and share the report with Mr Gray.</p> <p>Any potential gain from the scrap value of the existing crane has not be factored into the budget. Mr Starkey to confirm the plan for the realisation of the scrap value of the old crane.</p>	<p>Mr Starkey</p> <p>Mr Starkey</p>
<p>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.</p> <p>Mr Penson confirmed that the No Deal Brexit risk has been removed from the risk register as a deal was done. However, the Company is experiencing increased costs and administration dealing with the import of goods across the customs border with the EU.</p> <p>7 [REDACTED]</p>	

<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>[REDACTED]</p>	<p>[REDACTED]</p>
<p>9. Dividend Mr Penson presented the timetable for dividend payments which was discussed and noted.</p>	<p>[REDACTED]</p>
<p>10. Any Other Business There was no other business.</p>	<p>[REDACTED]</p>

Dates of next meetings

The dates of the next meetings were confirmed as:

- | | |
|---------------------------|---|
| Management Review Meeting | Wednesday 10 th March 2020 commencing at 10.00am via Teams |
| Shareholder Panel Meeting | Wednesday 24 th March 2021 commencing at 4.00pm (informal meeting to be confirmed. Method of meeting TBA but expected to be Teams) |
| Board Meeting | Monday 17 th May 2021 commencing at 3.00pm via Teams |

There being no further business, the Chairman closed the meeting at 11.30am.

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Chairman