



Recovering Energy from Waste

## Board Meeting Minutes

**Monday 17<sup>th</sup> May 2021  
15.00 via Video Conference**

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

Minute Taker S Kaur

		Action
1.	<b>Minutes of Previous Meeting</b> The minutes of the previous meeting on 8 <sup>th</sup> February 2021 were agreed. Mr Gray to print and sign them following the meeting and send a scanned copy to the Company for filing.	Mr Gray
2.	<b>Matters Arising</b> Previous meeting actions discussed with no matters arising.	
3.	<b>Environment, Health &amp; Safety Report</b> 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 were no injuries in February, March and April.  There were no breaches of the operating permit, no instances of abnormal operation and no external environmental complaints since the last Board Meeting.  Staff compliance with CSWDC pandemic control measures remains high. Meetings are planned with senior managers to review key government changes in May and June.  The EA have launched an informal consultation on the draft permit templates in relation to the Best Available Technique Reference (BREF)	

Documents and have requested that operators provide commentary to them on this via the Environmental Services Association (ESA).

Mr Starkey concluded his report by referring to the 2021 Improvement Programme. All the projects are on track for completion within the designated timescales.

**4. Commercial Report**

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

**5. EH&S Management Review 2020**

The Environment, Health & Safety Review for the year to 31<sup>st</sup> December 2020 was presented by Mr Starkey and noted by the Board following a discussion. Mr Gray asked Mr Starkey if he thought there was going to be more pressure from the EA/government for EFWs to achieve R1 status in the near future. Mr Starkey agreed that this was a risk and that a working group had been set up at CSWDC with the aim of achieving/applying for R1 status as well as future proofing against environmental legislation changes. However due to the age of the plant and space constraints, future modifications may not be viable.

**6. Company Performance Report**

Mr Starkey presented the plant performance for the year ended 31<sup>st</sup> March 2021 and noted that it has been a record breaking year in terms of waste throughput, electrical generation, availability and profit.

The waste throughput is 7% ahead of budget and 4% higher than last year. A and B Shareholder waste throughput was 10% lower than budget and 3% higher than last year. C Shareholder waste throughput was 6% ahead of budget and 32% higher than last year. Non-shareholder waste throughput was 155% higher than budget and 35% lower than last year.


A and B Shareholder waste accounted for 43% 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 77% in the same period last year.

Plant availability was 92% compared with a budget of 90% and a prior year performance of 90%, and average waste throughput per unit hour was ■■■ tonnes compared with a budget of ■■■ tonnes and a prior year performance of ■■■ tonnes.

Electricity export was 3% higher than budget and 4% higher than last year.

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

<p>The profit before tax and pension provision for the year is £15,277k which is £3,691k ahead of budget and £1,080 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 £692k below budget. There have been cost savings compared to the budget in most categories, notably in maintenance, transport and disposal, utilities and administration.</p> <p>The year-end cash position was £17.9m. This was higher than the most recent forecast due to better than anticipated trading and also the significant amount of capital expenditure in the final month of the year which pushed the related cash outflows into the following period.</p> <p>Mr Johnson noted that year-end financial performance was much better than that which has been forecast and presented to the Shareholder Panel in January. Mr Penson stated that the budget and forecast was prepared almost six months in advance of the year end, and that a profit range was discussed with the Board following each quarterly forecast. Mr Johnson suggested that consideration be given to disclosing the possible range in the paper presented to the Shareholder Panel in support of the annual budget and five year plan.</p>	<p>Mr Penson</p>
<p><b>7. Review of Risk Register</b> Mr Starkey and Mr Penson updated the Board on the items listed in the Business Risk Register which were discussed and approved.</p>	
<p><b>8. Audit 2020-21</b> Mr Penson updated Board members on the status of the audit and confirmed that it had been substantially completed at the end of the previous week with no adjustments or significant matters raised.</p>	
<p><b>9. Going Concern</b> Mr Penson presented the draft Going Concern Report to support the Going Concern statement and treatment in the financial statement for the year ended 31st March 2021. It was noted by the Board and an updated version will be presented to the meeting at which the financial statements for the year ended 31<sup>st</sup> March 2021 are approved.</p> <p>Mr Hastie and Mr Johnson confirmed respectively that Coventry City Council and Solihull Metropolitan Borough Council were not experiencing financial difficulties such that they would not be able to meet their financial obligations to the Company for the treatment of waste.</p> <p>Mr Hastie and Mr Johnson re-affirmed their position on behalf of the Councils, as set out in the previous year, that there would be no intention on their part to seek to enforce onerous penalties included in their service</p>	<p>Mr Penson</p>

	level agreement if this caused the Company financial hardship.	
10.	<p><b>Insurance renewal 2021-22</b></p> <p>Mr Penson presented a summary of the insurance renewal for 2021-22 which was reviewed and noted by the Board. Mr Penson drew the Board's attention to the fact that the FM Global policy covering property would come out of a three year long term agreement on 31<sup>st</sup> March and that it was probable that the next renewal would see a substantial increase in rate and therefore cost with possible adverse changes in deductibles due the hardening market for EFW risks. Following a discussion with the Board Mr Starkey and Mr Penson assured the Board that Aon were focussed on negotiating the best possible renewal terms with FM Global whilst exploring other possible options for insurance. Mr Starkey and Mr Penson stated that they would keep the Board informed of developments at the appropriate time.</p>	Mr Starkey Mr Penson
11.		
12.	<p><b>Senior Manager Bonus</b></p> <p>The Board approved the payment of the senior managers' and directors' bonus in the June 2021 payroll.</p>	Mr Penson
13.	<p><b>Any other Business</b></p> <p>Mr Starkey informed the Board that work was ongoing to explore new options for selling electricity with a view to deriving better value. A proposal will be brought forward for the Board's consideration in due course.</p> <p>The arrangements for future meetings will be kept under review with the any return to face to face meetings only likely to occur after the Government announcement on 21 June 2021.</p>	Mr Starkey  Mr Starkey

## Dates of next meetings

The dates of the next meetings were confirmed as:

Management Review Meeting      Monday 7<sup>th</sup> June 2020 commencing at 10.00am via Teams

Shareholder Panel Meeting      Wednesday 16<sup>th</sup> June 2021 commencing at 4.00pm.  
Method of meeting TBA.

Board Meeting      Monday 12<sup>th</sup> July 2021 commencing at 10.00am. Method of  
meeting TBA.

There being no further business, the Chairman closed the meeting at 16.40pm.

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Chairman