

## Board Meeting Minutes

**Monday 4<sup>th</sup> November 2024**  
**10.00am via Teams**

Present: R Gray (Chairman)  
 B Hastie  
 A Felton  
 K Starkey  
 C Penson

In attendance: S Kaur - Minute Taker

|   | Actions    |
|---|------------|
| <b>1. Minutes of Previous Meetings</b><br>The minutes of the previous meeting on 8 <sup>th</sup> July 2024 were approved as a true record of the meeting. Mr Gray noted a typographical error on page 5 of the minutes which was to be corrected and the minutes then sent to Mr Gray for signature.  | Mr Penson  |
| <b>2. Matters Arising</b><br>There were no matters arising.   |            |
| <b>3. Environment, Health &amp; Safety Report</b><br>Mr Starkey began his report by referring to the trend charts for injury frequency rate and he gave a summary of injuries by type.<br><br>There were two injuries to staff reported in August, both involving members of the public who injured themselves whilst using the HWRC facilities. There was one injury to persons in September, involving a member of staff who tripped on a scaffold pole and twisted their ankle, causing some swelling. The individual made a swift recovery and didn't lose any time off work. There were no injuries in October.<br><br>Mr Gray requested that details of the one RIDDOR incident during the year be circulated to the Board following the meeting by Mr Starkey.<br><br>There were no breaches of permitted emission limit values, environmental | Mr Starkey |

incidents reported, abnormal operations or environmental complaints received in August, September or October.

Mr Starkey concluded his report by referring to the 2024 improvement programme. All projects were on target to be completed within the designated timescales.

Mr Starkey updated the Board that due to Mick Schilling's impending retirement the position of EH&S Advisor has been advertised and a replacement recruited. Carla Mitcheson will join the Company in January 2025.

**4. Commercial Report**

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

Mr Starkey informed the Board that the [REDACTED] debt of more than £250k which was considered doubtful at the last meeting had now been received in full.

Mr Starkey and Mr Penson informed the Board that [REDACTED] had been identified as a problem slow payer with a current debt in excess of £500k. Discussions had been had with [REDACTED] the company and details of their plan to improve their cash position have been received although confirmation of their interim payment plan was still awaited. [REDACTED]

[REDACTED] The Board approved the Company's continued trading with [REDACTED] on the understanding that payment behaviour did not deteriorate further and any increase in the value of the amount outstanding was due to activity rather than delays in payment.

**5. Dividend**

Mr Penson updated the board on the planned dividend payments for the current year, the budget and the five year plan. The Board agreed the schedule of proposed dividends as set out subject to any further adjustments necessitated by the finalisation of the budget and the five year plan.

**6. Company Performance Report**

Mr Starkey gave an update to the Board regarding the G1 turbine failure.

[REDACTED]

[REDACTED] All other ancillary work is progressing well with the turbine expected to be back in service by the end of November.

[REDACTED]

[REDACTED]

Mr Penson updated the Board on the financial impact of the claim. [REDACTED]

[REDACTED]

[REDACTED]

Mr Starkey presented the plant performance for the six months ended 29<sup>th</sup> September 2024.

The waste received was 2% higher than budget and 3% ahead of last year. A and B Shareholder waste throughput was 13% lower than budget and 5% behind last year. C Shareholder waste throughput was 2% lower than budget and 4% ahead of last year. Non-shareholder waste received was 141% higher than budget and 25% higher than last year.

A and B Shareholder waste accounted for 41% of total throughput in the current and 45% for the prior year. A, B and C Shareholder waste accounted for 84% of total throughput compared with 87% in the same period last year.

Plant availability was 87% compared with a budget of 88% and prior year performance of 87%. The average waste throughput per unit hour was [REDACTED] tonnes compared with a budget of [REDACTED] tonnes and a prior year performance of [REDACTED] tonnes.

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 £4,827k which is £1,724k higher than budget and £2,307k lower than year. Revenues are £681k higher than budget and £2,458k behind last year. The better than budget performance is mainly due to higher waste volumes, a positive sales mix and lower costs. The lower than prior year performance is due principally to the G1 loss.

Electricity generation revenues are £344k lower than budget due to lower prices and £3,814k lower than prior year due to the G1 loss.

Mr Penson reported that total EfW costs were £1,093k lower than budget. There have been significant cost savings in operations, utilities, insurance and depreciation.

Mr Penson presented a revised forecast for the year ending 31<sup>st</sup> March

2025. The forecast profit before interest, pensions and tax is £12.9m compared with a budget of £10.2m. [REDACTED]

**7. 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.

**8. Any other Business**

***Insurance***

Mr Penson informed the Board that an early indication of rates for 2025/26 for property insurance from FM showed [REDACTED]. This position was still subject to negotiation.

Mr Starkey asked the Board if there was an appetite to seek excess layer insurance to cover any increases in deductibles and it was determined that at this stage there was not. The Board also agree after a discussion that the retention of a cash buffer to offset any potential future enhanced losses caused by higher deductibles was not a desirable course of action.

The Board agreed that the Company should seek to improve the FM offering by negotiation and investigate whether there were any alternative markets, whilst acknowledging that this might be problematic without a period of steady operation for the re-instated G1 turbine.

***Private Wire and Insurance Cost Savings***

Mr Starkey gave an update on the better than anticipated results arising from the private wire arrangements [REDACTED].

***Insurance Mitigation Claim Savings***

Mr Starkey gave an indication of the savings that had been made on the loss relating to the G1 failure arising from the Company's investment in the G1 steam by-pass system and the recent amendment to the grid connection to allow G2 to operate on the the 33KV network.

***Long Term Planning Options Meeting – 2<sup>nd</sup> December 2024***

Mr Starkey advised the Board that he had invited Mr Truelove to attend the meeting.

### **Dates of next meetings**

The dates of the next meetings were confirmed as:

|   |   |
|---|---|
| Management Review Meeting<br>followed by Budget Meeting | Monday 9 <sup>th</sup> December 2024 commencing at 10.00.<br>Method of meeting: Teams |
|---|---|

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|---------------------------|---|
| Shareholder Panel Meeting | Monday 29 <sup>th</sup> January 2024 commencing at 16.00.<br>Method of meeting: Teams |
|---------------------------|---|

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| Board Meeting | TBC |
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There being no further business, the Chairman closed the meeting at 11.45am.

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Chairman