

**CONFIRMED MINUTES****96<sup>th</sup> BOARD MEETING****TUESDAY 13 DECEMBER 2011 AT HOLLY WALK, LEAMINGTON SPA**

**PRESENT:** PHILIP SMITH (PS) (Chairman)  
JOHN KING (JK)  
WILL LIFFORD (WL)  
LORRAINE CLINTON (LC)  
CHRISTOPHER WELFORD (Chief Executive)

**IN ATTENDANCE:** MARK CROOK (Head of Finance)  
MARY HAWKINS (Head of Operations)

**BY CONFERENCE CALL:** LEONNE JACKSON (LJ) HMRC  
ANDY WIGGINS (AW) HMRC

**BOARD SECRETARY:** HELEN MACCALLUM (HM)

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**1. INTRODUCTION**

1.1 The Chairman welcomed everyone to the meeting.

**2. APOLOGIES**

2.1 There were no apologies.

**3. DECLARATIONS OF INTEREST**

3.1 There were no Declarations of Interest recorded.

**4. MINUTES OF THE PREVIOUS MEETING**

4.1 The minutes of the last Board meeting were tabled and it was agreed that they represented a true record.

**5. ACTION POINTS**

5.1 The Chairman requested an update on the outstanding action points from previous Board Meetings.

5.1.1 Serial 1 – Accreditation system – The Head of Operations (HOO) advised that the report would be finalised for the next Board meeting.

**6. OPERATIONAL REVIEW**

6.1 The Head of Finance (HOF) introduced the paper and ran through the main points of his report and he drew the following issues to the Board's attention:

6.1.1 Any surplus from this year's outturn will be carried over to the General Reserve.

6.1.2 Over the last two years the amount of income that we have received from application fees has reduced. The HOF will look at the data to see which EBs have been funded to see if there is any reason for this change.

6.2 In response the Board raised the following points:

6.2.1 They requested a more detailed breakdown of the professional fees for their next meeting.

6.2.2 They also requested some further detail on the breakdown of the calculation of inspection costs.

6.2.3 They asked what would be the impact the £17,000 forecast surplus on our future resource requirement, which the HOF informed them that there would be none, which LJ agreed with.

6.2.4 In Appendix E the table shows that the total project spend by region for Wales is greater than the contributions received by region. The HOF will review these figures to make sure they are correct as HMRC uses this information in looking for trends.

6.2.5 **ACTION:** The HOF to review the above issues and report back to the next meeting

6.3 **Chief Executives (CEO) Update** – The CEO updated the Board on his recent discussion with EBs about Income Derived and in order to clarify this policy, he advised that we were working closely with HMRC on this matter.

## 7. COMPLIANCE UPDATE

### 7.1 - 7.5 – ADDENDUM ITEMS FOR THE BOARD

7.6 **Enforcement action on Forms 3 and 7** – The HOO advised that overall there had been significantly less enforcement action this year compared to last year, which helps to demonstrate the effectiveness and positive impact of our enforcement process.

7.7 **Form 4s** – The percentage of EBs submitting the Form 4 Annual Return for 2010/2011, is still slightly lower than for 2009/2010, although the HOO did not consider this difference to be significant with over 97% of returns being achieved for both years.

7.8 **Managing Breaches in the Regulations** - HMRC are currently looking at our revised procedures, which now includes a provision relating to the repayments of qualifying contributions.

## 8. REGULATIONS UPDATE

8.1 The HOO introduced this paper, which covered a number of issues:

8.1.1 **Contributing Third Party (CTP)** – This is an area where ENTRUST were planning to carry out a consultation exercise. However, HMRC have now decided that they will carry out their own consultation because of the need to involve Landfill Operators (LOs) in the process.

- 8.1.2 **Income Derived** – The HOO clarified that this is a complex issue, which we are working with HMRC to assess, in order to provide EBs with a clear policy position which we aim to finalise early next year.
- 8.1.3 **Training** – The Board enquired as to whether our training delivers value for money. In response the HOO considered that given the mix of locations and training medium that it did deliver this objective. The Executive agreed to review this issue during the next financial year.
- 8.1.4 **Small Grant Scheme (SGS)** – The HOO advised that the scheme had gone live, although there was little take up at this time. However, she agreed to provide a more detailed update for the next Board meeting

**ACTION:** The HOO to provide a more detailed update for the next Board meeting on take up of the SGS

- 8.1.5 **Regulations Team Standards** – The HOO outlined our position on the comments raised by HMRC. The Board thanked her for her update and asked HMRC for their views on this matter, which they explained briefly. However, on balance the Board were concerned about some of the comments that HMRC had made, which they considered had not been fully substantiated by HMRC. They therefore agreed it was appropriate for the Chairman to write to HMRC on this matter expressing the Board's position.
- 8.1.6 The CEO then explained that he had already agreed to meet with HMRC to review this current system with them as he considered it was appropriate to deal his concerns which were similar to those expressed by the Board.

**ACTION:** The Chairman to write to HMRC to express the Board's concerns regarding the current assessment system.

## 9. ENROLMENT AND REVOCATIONS

- 9.1 The list was reviewed and approved by the Board.

## 10. WEB-SITE REPLACEMENT

- 10.1 The paper was introduced by the CEO who outlined the main proposals and recommendations of the document, which had been reviewed and agreed with the SMT before being submitted to the Board. Having reviewed the paper, the Board agreed to its recommendations, but requested that rebuild starts on 01 April 2013.

## 11. CORPORATE PLAN

- 11.1 The CEO updated the Board on the status of the draft Plan which had been circulated and asked board members for any final comments, by 14 December 2011, to ensure that it could be submitted to HMRC by the due date.

## 12. HMRC UPDATE

- 12.1 HMRC provided an update on current issues. In relation to the devolution of Landfill Tax in Scotland, HMRC advised that they had held another meeting with the Scottish

Office and considered it was appropriate for ENTRUST to make contact with them to brief them on the LCF.

12.2 **ACTION:** The CEO to contact the Scottish Office and offer to meet with them to explain the operation of the Fund and ENTRUST's role.

**13. AUDIT COMMITTEE UPDATE**

13.1 WL provided a review of the items discussed including:

- Internal audit's post implementation review of EOL;
- RSM Tenon's review of the off-site inspections arrangements for staff;
- An update on the progress of delivering previous audit recommendations;
- A review had been completed of our overarching Corporate Governance framework;
- The Treasury Management policy had been reviewed and updated; and
- The Strategic Risk Register had been updated.

**14. HUMAN RESOURCES & REMUNERATION COMMITTEE UPDATE**

14.1 JK provided a review of the items discussed including:

- The Human resource report -- no issues to report
- Health & Safety report -- no issues to report
- Revised pensions arrangements for staff; and
- The proposed bonus scheme arrangements for staff.

**15. ANY OTHER BUSINESS**

15.1 The schedule for the Board dates for 2012 were confirmed.

**16. NEXT MEETING**

16.1 The next meeting is to be held on Wednesday 21 March 2012, at 60 Holly Walk, Leamington Spa.

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**CHAIRMAN SIGNATURE**

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**DATE**