

**CONFIRMED MINUTES  
101<sup>ST</sup> BOARD MEETING  
WEDNESDAY 13 MARCH 2013 AT HOLLY WALK, LEAMINGTON SPA**

**PRESENT:** PHILIP SMITH (PS) (Chairman)  
WILL LIFFORD (WL)  
LORRAINE CLINTON (LC)  
ANN LIMB (AL)  
ANNA EAST (AE)  
CHRISTOPHER WELFORD (Chief Executive)

**IN ATTENDANCE:** MARK CROOK (Head of Finance)  
STEVE ROBINSON (SR) HMRC

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

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**1. INTRODUCTION**

1.1 The Chairman welcomed everyone to the 101<sup>st</sup> Board meeting.

**2. APOLOGIES**

2.1 There were no apologies.

**3. DECLARATION OF INTERESTS**

3.1 Declaration of Interest forms have been issued to the Board Members, the Chairman requested that these were returned to the Board Secretary as soon as possible.

3.2 WL declared that a member of his family was involved with an organisation who were in receipt of funding from an Environmental Body (EB).

**4. MINUTES OF LAST MEETING**

4.1 The minutes of the last Board meeting were tabled. SR felt that he had been slightly misquoted in paragraph 6.7.2 and it was agreed that the wording should change to read "the Board were of the view..."

**5. ACTION POINTS FROM PREVIOUS MEETING**

5.1 Point 6 – **Shared workspace with HMRC.** The Head of Finance (HOF) explained that this is a facility where documents can be worked on with HMRC, which is more secure than sending via email. SR will be putting forward a business case to allow ENTRUST to have access to HMRC's servers.

5.2 Point 11 – **Stakeholder Satisfaction Survey.** The Chief Executive (CEO) explained that the Company is preparing this year's Survey, which will be based on the same process as in previous years, but we would be reviewing the questions to make sure

that they remained extant. Due to staffing changes the implementation date of 31 March 2013, was being changed to 30 June 2013.

### 5.3 Point 14 – **Addendum item for the Board**

## 6. **OPERATIONAL REVIEW**

6.1 The HOF introduced this paper, which covered the following issues.

6.2 **Contributions** provided to EBs from LOs are expected to be in excess of £3m higher than the HMRC forecast for the year.

6.3 **Inspection Costs.** Although more inspections are expected to be delivered than originally planned and there is a variance in cost between the different kinds of inspection, due to the weighting of work actually undertaken compared to the forecast from the commencement of the year, the HOF stated it is the overall average cost that is the key measure and this is on target. The HOF has spoken to the Compliance Managers about the cost of travel and the importance of flights not being booked at the last minute so as to get best value on ticket prices

6.4 **Levy.** We are on target to receive the levy required to fund our operations for the year. Information from HMRC indicates that standard waste tonnage while still reducing, is being offset by the tax escalator and that contributions will be higher than expected. The HOF informed the Board that any surplus levy will be offset against future resource requirements.

6.5 **Performance targets.** As previously reported KPI 3.1 has missed the original target date but is on target for completion by the revised date of 31 March 2013. HMRC are aware of the reason for the revision in deadlines and have accepted the explanation for the move.

## 6.6 **CHIEF EXECUTIVE'S UPDATE**

6.6.1 The CEO began his update by thanking SR and his team at HMRC for their work over the last quarter.

6.6.2 **LCF in Scotland.** The CEO had attended a workshop held by the Scottish Government on the implementation of a new Scottish LCF. This will be the first tax for Scotland and they are keen to get it correct. If HMRC request us to help it was noted that we would not be able to spend UK LCF monies on Scottish Government work. The CEO had invited members of the Scottish Government to visit ENTRUST to discuss our operation, but this has not been taken up.

6.6.3 **Information to HM Treasury (HMT).** The CEO has worked with HMRC and have copied the Board in on the response to HMT. A further meeting with HMT is scheduled for 24 April 2013.

6.6.4 **EB transfer guidance.** We have worked with EBs to satisfactorily resolve this matter and have now reached an agreement on the way forward, which involves an amendment to our reporting system.

6.6.5 **Unspent Funds.** HMRC asked us for a detailed analysis of the breakdown of unspent funds held by the top ten EBs. After receiving the information an analysis was carried out and reported to HMRC, which is subject to further review.

## **7. COMPLIANCE UPDATE**

7.1 The CEO introduced this paper and discussed the enforcement issues

7.2 **This item was an addendum item for the Board (See Appendix A).**

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7.6 **Risk Model and Compliance.** He explained that AE spent some time with the Compliance Manager to gain a better understanding of the operation of the risk model.

7.7 **Cases referred to HMRC.** It was agreed that SR would provide the Board with a formal update.

## **8. REGULATIONS UPDATE**

8.1 The CEO introduced this paper. The planned consultation exercises for 2012/2013, had been delayed due to higher work priorities. It was agreed that these consultation exercises would take place in 2013/2014.

8.2 **Management of Landfill Communities Funds Assets.** The CEO had discussed this matter with HMRC who advised that they will respond to us after the completion of their budget work.

8.3 **Transfer Guidance.** Following discussions with EBs, a way forward has been agreed.

## **9. ENROLMENT AND REVOCATION**

9.1 The Board formally approved the list of enrolments and voluntary revocations between December and February 2013.

## **10. CORPORATE PLAN**

10.1 The HOF apologised to the Board that the draft layout of the Corporate Plan, which unfortunately had not been finalised. The CEO went on to explain that Plan had been agreed with HMRC and we were in the process of finalising the KPIs. Once these are finalised the Board agreed that the Plan could be published and distributed to stakeholders.

## **11. 2012/2013 REGULATIONS TEAM STANDARD**

- 11.1 The CEO informed the Board that a self assessment exercise had been completed. However, while the Board noted that the standards had been delivered, the asked the SMT to consider whether there could be any alternate ways of carrying out future assessments, possibly via external sources.
- 11.2 **ACTION:** The SMT to review the current assessment arrangements to assess whether there are any other more suitable ways of carrying out the assessments.

## **12. 2012/2013 TRAINING REPORT**

- 12.1 The CEO introduced this paper and outlined the delivery of the training programme against the Plan for the year. He drew the Board's attention to a number of key issues, including:
- Stakeholder feedback;
  - Numbers attending the training;
  - Whether it delivered Value for Money.
- 12.2 The Board thanked him for his update. They went onto raise a number of issues, including:
- Whether the current arrangements, were the most appropriate for delivering training; and
  - How successful the informal networking events were.

In response to these points the CEO advised that once the new Head of Operations (HOO) was recruited they would review these issues.

- 12.3 **ACTION:** The HOO to review these issues on raised in paragraph 12.2 of these minutes.

## **13. COMMUNICATIONS AND MARKETING STRATEGY**

- 13.1 As requested at the last Board meeting, the HOF had updated the previous paper by seeking the advice of a professional Communications Company. Having reviewed he paper the Board agreed that it could now be implemented, but they considered it was important that the Executive fully investigate the benefits that using social media could deliver to the business.
- 13.2 **ACTION:** Communications Manger to implement the Communications strategy

## **14. QUALITY ASSURANCE FRAMEWORK**

- 14.1 The HOF introduced this paper. Fundamentally, assurance on the effectiveness of the Quality Assurance Framework and the achievement of continuous improvement will be provided through assessment and statement confirming the adequacy of the Framework from SMT and will be provided in a statement from SMT to the Board at each meeting. The method of capturing and reporting data will be developed and presented to the Board following the recruitment of the Quality Assurance Officer

14.2 The Chairman felt that the Board should wait for the first report to see if the expected information is reflected and the correct indicators for regulations issues set.

## **15. HMRC VERBAL REPORT**

15.1 SR advised the Board on a number of issues:

- The Budget is on 20 March 2013 and a notification on the Levy will follow;
- He would send through the trends on the Landfill Tax tonnage;
- He would be attending a meeting with HM Treasury in April with the CEO; and
- He was finalising the KPI's for 2013/14 with the CEO.

Finally, he thanked the CEO for the work on Unspent Funds and the Challenge.

15.2 The Chairman thanked SR for the co-operation from HMRC.

## **16. AUDIT COMMITTEE**

16.1 WL provided a review of the items discussed at the Audit Committee meeting including:

- Six internal audits had been carried out;
- Business Continuity Plan;
- Review of the Internal Audit plan for the next 12 months; and
- External Audit plan.

## **17. HUMAN RESOURCES & REMUNERATION COMMITTEE**

17.1 AL provided the Board with an update of the items discussed by the Committee at their meeting including:

- The Human Resource report;
- Health & Safety report;
- Current vacancies;
- Reaccreditation of IIP;
- Staff Pay Rise;
- Annual Leave entitlement;
- Staff Survey; and
- HR&R Committee Terms of Reference were agreed

## **18. ANY OTHER BUSINESS**

18.1 Credit cards. The HOF informed the Board that the Company would like to change the existing Company credit card provided to HSBC as they had encountered problems with Barclaycard. HSBC require a signed resolution from the Board before issuing cards. The Board agreed to the change from Barclaycard to HSBC. The HOF will send the resolution for signing to the Chairman. A copy of the resolution is attached at Appendix B.

18.2 **ACTION:** The HOF to send the Chairman a resolution to be signed for HSBC

**19. DATE OF NEXT MEETING**

19.1 The next meeting will be held on 19 June 2013, at 60 Holly Walk, Leamington Spa.

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CHAIRMAN SIGNATURE

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DATE