

**CONFIRMED MINUTES OF THE 115TH BOARD MEETING
MONDAY 19 SEPTEMBER 2016 AT HOLLY WALK, LEAMINGTON SPA**

Present:	Dr Ann Limb CBE DL (AL) (Chair) Anna East (AE) Jon Carlton (JC) Justin McCracken (JM) Gerry McCormack (GM) Christopher Welford (Chief Executive)
In attendance:	Alison Bennett (Deputy Chief Executive Officer) Jess O'Brien (Communications Manager)
Apologies:	Daniel Taylor (HMRC)
Board secretary:	Helen Maccallum (HM)

1. Introduction

1.1 The Chair welcomed everyone to the 115th Board meeting.

2. Apologies

2.1 Apologies were received from Daniel Taylor.

3. Declaration of Interests

3.1 The Chair reminded Board Members that if a topic was discussed during the meeting and they had an interest in it then they should declare this to the Chair.

3.2 Declaration of Interest forms will be sent out for the Board Members to complete and return to the Board secretary.

3.3 **Action:** The Secretary to send Declaration of Interest forms to the Board Members.

4. Minutes of last meeting

4.1 The minutes of the 114th meeting held on 22nd June 2016 were approved as being an accurate record and were signed by the Chair.

5. Action points

5.1 The Board noted that the action points for this meeting had been completed and cross referenced to Board papers as necessary.

5.2 There were two issues that the Chief Executive Officer (CEO) brought to the Board's attention as **Addendum items for the Board**.

6. HMRC Update

6.1 Daniel Taylor (DT) had met with the CEO during August 2016 and they had discussed a number of ongoing issues.

6.1.1 Addendum item for the Board.

6.2 The Chair acknowledged that a copy of the ADEB letter from Paul Taylor to HMRC has been received. The contents of the letter were discussed at a meeting with some of the Chairs of the Top Ten Environmental Bodies (EBs), particularly areas which were considered to be inaccurate or incomplete. It was therefore agreed that the Chairs would be sent an update clarifying these inaccuracies, which would also be sent to Paul Taylor.

6.3 **Action:** The CEO to arrange for a note correcting the inaccuracies in Paul Taylor's letter to be sent to the Chairs of the Top Ten EBs and Paul Taylor.

7. Audit Committee

7.1 GM provided an overview of the items discussed by the Committee at its meeting, including:

- Quality Assurance Review on Regulations and Training which provided a SUBSTANTIAL level of assurance;
- Quality Assurance Review on Compliance which provided a SUBSTANTIAL level of assurance;
- Cyber Security arrangements in operation;
- Business Continuity plan update;
- Management Assurance – this paper gave a SATISFACTORY level of assurance;
- Risk Management issues; and
- Capability Matrix for business resilience.

7.2 It was agreed that the compliance risk model would be reviewed by the Board at its October 2016 Strategy day.

8. Human Resources and Remuneration Committee

8.1 The Committee discussed at the meeting:

- The Health & Safety (H&S) policy;
- Human Resources update; and
- H & S update.

9. Enrolment and Revocations

9.1 The Deputy Chief Executive (DCEO) informed the Board that, as requested, the report details had been analysed to show the Voluntary Revocations from Scotland separately and so also provide information on the continuing business.

9.2 The Board formally noted the list of enrolments and approved the list of voluntary revocations between 1 June and 31 August 2016.

10. Recommendation for enforced revocation of Environmental Bodies

- 10.1 The Board agreed to refer to HMRC the enforced revocation of two EBs from Scotland which had been brought forward for failing to submit a statutory Form 4 for two financial years. It was noted that both of these EBs were unfunded.
- 10.2 **Action:** The DCEO to refer the EBs to HMRC for enforced revocation within five working days following the agreed procedure.

11. Information Technology Strategy

- 11.1 The CEO presented the IT Strategy which detailed our planned IT requirements for 2017-2021, which the Board noted and approved.

12. 2015/2016 Form 4 Strategy Evaluation

- 12.1 The DCEO introduced this paper. The main agreed change to the strategy is that we are not chasing EBs with nil returns. Data presented in the paper demonstrated that regular communications with EBs have helped in reminding EBs to submit their annual return although it was noted that large EBs are not able to submit their forms until nearer the deadline when the last EB in their group provides its information.

13. Stakeholder Satisfaction Survey

- 13.1 The CEO introduced the paper.
- 13.2 Overall 80% of our stakeholders responding to the survey consider we provide high quality services. He explained that the survey included a number of areas, which had not previously been covered. The Board then reviewed the report's findings.
- 13.3 Following the morning's meeting with some of the Chairs of the top ten Environmental Bodies (EBs), the Chair asked whether we should send a quarterly one page summary to the joint Chairs/CEOs. Each quarter would have a different topic and would include data as evidence. It was agreed that the CEO would arrange this and would let HMRC know that we are doing this. The first one would be on, Communications and Form 4; December/January quarter would be on the Compliance Risk Model, which had been a specific topic covered at the Chairs' meeting; and the March/April quarter would be a summary of "you suggested... we said..."
- 13.4 The Chair also considered it would be beneficial for the CEOs of the Top Ten EBs to be invited to the next Chairs meeting
- 13.5 The Board was content for the satisfaction survey action plan to be published and agreed that the survey should be issued slightly later next year.
- 13.6 **Action:** The CEO to arrange for quarterly summaries to be sent to the Chairs/CEOs of the top ten EBs.
- 13.7 **Action:** The Communication Manager (CM) to publish the findings of the satisfaction survey and the action plan on the website.

14. Corporate Support

- 14.1 The CEO introduced this paper which gave the Board an update on our financial position and income received during the year. He informed the Board that the H&S section had been expanded to include greater detail.
- 14.2 Quality Assurance and Performance – As a result of the Quality Assurance and Performance Officer (QAPO) leaving the Company, the CEO will be looking at the Quality Assurance programme to reprioritise the scheduled work. He will send the reworked draft schedule to the Chair of the Audit Committee and discuss and agree with him a revised plan. The Board was informed that we are currently recruiting for this position and the CEO was asked to send the role profile to the Chair of the Audit Committee.
- 14.3 **Action:** The CEO to send the reworked draft schedule of the Quality Assurance Programme along with the role profile for the QAPO to the Chair of the Audit Committee.

15. Compliance

- 15.1 The DCEO introduced this paper. The Board was informed that 290 reviews had been allocated to Inspectors and we are on track to meet the inspection coverage target for 2016/2017 set by HMRC. The satisfaction surveys are reviewed at monthly meetings and any issues are addressed. It was noted that data relating to the findings of compliance inspections and corrections made for 2016/2017 are published on our website each quarter, and attached as an appendix to each Compliance Update for the Board.

16. Enforcement

- 16.1 The DCEO gave the Board an update on enforcement issues and described the current closed and ongoing cases which were being managed.

16.2 to 16.5 Addendum items for the Board

- 16.13 Form 3s and 7s – the Board noted that the number of late forms received to date are slightly lower than for the same period last year.

17. Registrations

- 17.1 The DCEO reported that 100% of applications to enrol as EBs have been approved within the five working day target, Registrations are working hard to get EBs enrolled on first submission. Enquiry handling is now being reported and a survey about Helpline responses has been implemented with the results for the first quarter showing 90% of respondents were satisfied with the timeliness of the response they received.
- 17.2 Overrunning projects – we are focussing on projects that have overrun and contacted EBs for an update as to when the project will be completed. There are a small number of remaining projects in Scotland that have overrun and we are monitoring these monthly. The Board asked for a breakdown of the length of time that projects were over running to be included in the next Registrations update for the December 2016 Board.

17.3 **Action:** The DCEO to include a breakdown of the length of time that projects were over running in the next Registrations update.

18. Regulations

18.1 The DCEO advised the Board that the guidance following the Reform of the LCF had been published and there were three areas where feedback had indicated that further clarification was required: these were on the definition of Plant and Machinery; the use of LCF funds as restricted funds and the application of unique benefit.

18.2 Open Day and Training - an Open Day was held in June 2016 and the Board felt that it was important that another was scheduled for next year. We are investigating online training for EBs.

19. Communications

19.1 The CM introduced this paper which set out the communications activity over the past quarter. The Board was informed that the ENTRUST website is moving to a new server and it is currently being tested to make sure there will be no problems when it moves.

19.2 Communications Forum – this was held on 14 September 2016 and the CM gave a verbal update on the discussions at the meeting.

19.3 Logo suite – The Board was informed that the LCF logo suite has now been fully developed with all the necessary file types created. The Board was interested to know who owns the LCF logo and the CEO will look into this.

19.4 **Action:** The CEO to look into who owns the LCF logo.

20. Any other business

20.1 The Board agreed to a revised date for the summer 2017 Board meeting and the Board Secretary will send updated meeting invitations.

20.2 **Action:** The Board Secretary to send updated meeting invitations for the summer 2017 Board meetings.

20.3 The Board discussed information paper 115.20.

21. Date of next meeting

21.1 The next meeting will be held on 7 December 2016, at 60 Holly Walk, Leamington Spa.

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CHAIR'S SIGNATURE

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DATE