



**Entrust Regulator Standards (ERS)
Review for the financial year 2022/2023**

June 2023

Introduction

The Entrust Regulator Standards (ERS) consist of 21 standards spread across five areas encompassing the regulatory work undertaken throughout Entrust whilst delivering our statutory duty to provide HM Revenue & Customs (HMRC) with independent assurance that Landfill Communities Fund (LCF) monies are spent in compliance with the Landfill Tax Regulations (1996) (Regulations).

The ERS reflect the Government's Regulators' Code which was published in April 2014 (<https://www.gov.uk/government/publications/regulators-code>). The Regulators' Code provides a clear, flexible and principles-based framework for how regulators should engage with those they regulate. The standards were reviewed and updated in 2021.

This report provides a summary of our self-assessment of our performance against our ERS for 2022/2023. Each standard is listed below with evidence as to how Entrust has met the standard in 2022/2023.

1. Our duties and requirements

1.1 **We carry out our duties as the approved regulator for the Landfill Communities Fund (LCF) in accordance with the Terms of Approval (TOA)... *in order that...* We maintain compliance with HMRC's requirements and provide HMRC with independent assurance that LCF funds are spent in compliance with the Regulations.**

When carrying out compliance reviews, we ensure that the contents of the TOA are recognised, aligning any developments, or changes to our processes with our duties as set out in the TOA.

1.2 **We consult Environmental Bodies (EBs) and other relevant stakeholders regarding any potential changes to the Regulations, guidance or requirements... *in order that...* Stakeholder feedback has a central role in the development of proposals for change to the Regulations, Entrust's guidance, or our operational model.**

While we ran no formal consultation exercises in 2022/2023, we worked with the Association of Distributive and Environmental Bodies (ADEB), used feedback from satisfaction surveys and during regular communication during our registration process, sought feedback on our operations. These communication channels were particularly helpful, when considering updates to our guidance.

All EB comments following compliance reviews are assessed and responded to. Within 2022/2023, it was identified that further clarity was required on the document uploads page of Entrust Online (EOL) to enable EBs to submit information to support our compliance reviews and therefore a video was developed to explain how to operate the uploading documents facility on EOL.

1.3 **We report on any outcomes of reviews and consultations, including providing appropriate feedback to those who took part... *in order that...* Stakeholders and EBs can be confident that their input is critical in shaping the future of the LCF and our operational framework.**

When undertaking reviews, we take into consideration the impact on Stakeholders to assesses how changes can be made to achieve the best outcome while at the same time minimising the administrative burden on them and helping them to mitigate their risk of non-compliance with the Regulations.

In 2022/2023, we issued all regular reports to Stakeholders including:

- Project Application Framework Updates – October 2022
<https://www.entrust.org.uk/news/project-application-registration-assessment-framework-updates>
- The EB Satisfaction Survey Findings January 2023:
<https://www.entrust.org.uk/news/2022-eb-satisfaction-survey-publication>
- Quarterly Breach Management and Compliance Findings; and
- A new Annual Breach Management Findings report:
<https://www.entrust.org.uk/environmental-bodies/breach-management/breach-management-activity/>

1.4 We provide clear and timely guidance to EBs on what they can expect, before, during and after a compliance review, providing assistance to guide EBs in continued compliance with the Regulations... *in order that...* EBs understand their responsibilities and have an appropriate period of time to respond to and make any interventions to address any non-compliance that are identified as part of the compliance review process.

Entrust has in operation defined processes and procedures, which include communicating the requirements of an inspection visit, or review to an EB. To inform EBs of the conduct of the inspection, they are issued with an email letter and a compliance inspection leaflet outlining our processes and the expectations of EBs during the compliance visit. Initial contact with EBs that are subject to review is normally made at least six weeks prior to a review commencing.

We allow EBs an appropriate period (28 days) to respond to any findings of our compliance inspection report unless serious non-compliance issues are identified, in which case we would require a response within the statutory 14 calendar day time limit. Furthermore, EBs are allowed additional time to introduce changes to any of their policies/procedures, implement any action plans in accordance with the timescales agreed with Entrust in the compliance inspection report.

We also obtain feedback on our compliance inspection review process via our online compliance satisfaction forms. The overall satisfaction with the advice and guidance provided in 2022/2023 was 4.5 out of 5, which met our target.

1.5 We set out details of how breaches in the Regulations are managed and how we consider risk... *in order that...* Stakeholders can be confident that we operate to achieve compliance with the least overall burden for those concerned.

Entrust's Breach Management Framework is set out on our website and explains each step of the process when an issue of non-compliance with the Regulations is identified:

<https://www.entrust.org.uk/environmental-bodies/breach-management/>

We also publish a quarterly report, and a new annual report, detailing regulatory breaches and how we work with EBs to resolve them. It also provides advice on how EBs can mitigate the risk of breaching the Regulations:

<https://www.entrust.org.uk/environmental-bodies/breach-management/breach-management-activity/>

1.6 As part of the breach management process, we clearly explain to non-compliant EBs the actions required of them, the reasons for these actions, as well as providing opportunities for dialogue... *in order that...* EBs understand their responsibilities and requirements to comply with the Regulations and have the opportunity to discuss any non-compliance with us.

In line with best regulatory practice, we aim to manage an EBs failure to comply with the Regulations in a proportionate, consistent and fair manner. In accordance with the breach management process each case is set out in a breach management matrix which is reviewed by Entrust's Compliance Manager (CM) and Chief Operating Officer (COO) to ensure the appropriate level of intervention is applied. Cases must be reviewed and approved by the CEO before closure and if warranted due to the materiality of a breach, a case may be referred to the Board before it is closed.

When we issue a breach management letter, we set out the action(s) that an EB needs to take to rectify their non-compliance. As part of our review process any EB subject to breach management action is invited to provide further information and an explanation for the reason for their non-compliance. We also issue with every Advice and Guidance (A&G) letter, a list of an EB's responsibilities, as part of our 'coaching to compliance' ethos.

1.7 In all areas, we only collect data (including personal data) when it is essential to the regulation of the LCF... *in order that...* We comply with all data legislation including the UK General Data Protection Regulation (UK GDPR) and Data Protection Act 2018 (DPA 2018) and uphold the highest standards of data privacy.

We only request information from EBs when it is required to allow us to deliver our statutory duties, or comply with the TOA. During 2022/2023, we believe we took appropriate actions to mitigate and minimise the information requests that we made:

- We continue to anonymise personal data, in accordance with the Entrust Privacy Policy, on a monthly basis; and
- We removed the need to provide employment information for EB directors, as it was no longer deemed necessary for our regulatory tasks.

All data requests made to EBs in 2022/2023 made clear the timetable for any information to be provided within the request in accordance with our statutory powers of 14 calendar days.

2. Training and guidance

- 2.1 We provide information, advice, guidance and training which is accessible, timely, focused and provides Value for Money (VfM)... in order that... EBs understand they can approach us for advice and guidance, can utilise our training and guidance provision and gain greater understanding of their responsibilities.**

We recognised in 2021/2022 that the training offering that we made to EBs could be improved. We therefore developed a programme in our [Training Strategy](#), to issue short bitesize videos and resources that can be accessed as and when required by EBs.

We also run a helpline service that consistently received high satisfaction scores, 100% in 2022/2023, ensuring an accessible source of advice and guidance.

- 2.2 We review Stakeholders' training needs as a result of feedback from all Satisfaction Surveys and other communications with stakeholders... in order that... Our training and guidance for all Stakeholders continues to be relevant, accessible and fit for purpose.**

We continued to deliver out training events virtually and these events were held in June and October 2022 and in February 2023.

The feedback from EBs' attendance at the training events was reviewed after each session and incorporated in the annual scheduled review of our training package, alongside feedback gathered through the delivery of the Registrations Team's day to day activities and responses to the Helpline and EB Satisfaction Surveys.

Our training strategy for 2022/2023 incorporated measures to deliver a programme which met the needs of all EBs through a range of channels, including new bitesize training and introductory videos and updating the online training module for new EBs, new Staff, and volunteers of existing EBs.

3. How we prioritise our activities

3.1 **In reviewing our operations, we use an evidence-based approach to determining priority risks in accordance with the Regulators' Code... *in order that...* All our operations are effective, proportionate and not unnecessarily burdensome.**

When reviewing our operational framework, we use the ERS to guide our processes, ensuring that the Regulators Code is core to the application of our business model. As part of our continuous improvement programme, we regularly review our systems and operations and monitor feedback we receive from EBs to best inform our strategy for any developments to our processes.

The findings of our annual EB satisfaction survey and feedback from other mediums, such as meetings with ADEB and Information and Networking Forum (INF) provides us with a baseline of independent empirical evidence to help us to assess the effectiveness of our work.

3.2 **We prepare a corporate plan annually which is approved by our Board and HMRC... *in order that...* Stakeholders can be assured that we are a transparent organisation, whose work is structured, planned and monitored, while delivering VfM.**

We believe our 2022/2023 Corporate Plan explained how we:

- Mitigated the risk of financial loss to the Exchequer by providing HMRC with independent assurance that LCF monies are spent compliantly in accordance with the Regulations; and
- Continue to deliver the requirements of the TOA, which ensure that we deliver the annual objectives and Key Performance Indicators (KPIs) that HMRC sets us.

3.3 **We use a risk model to help determine how often each EB, or project should be reviewed. From the model, EB risk scores are generated based on their history within the LCF... *in order that...* EBs are not reviewed more often than is proportionate and necessary in order that we can provide assurance to HMRC that LCF monies are spent in accordance with the Regulations.**

All EBs are awarded an individual risk score consisting of a number of key risk indicators, which are based on the data held on EOL. These risk scores are updated in real time and are based on an EBs activity and performance and are used to determine how often EBs are subject to compliance inspections. Our website details the risk assessment process, risk indicators and weightings used in the EB Risk Model:

<https://www.entrust.org.uk/environmental-bodies/compliance-process/>

The Risk Models are reviewed annually to ensure that they continue to reflect HMRC priorities for the Fund. Individual EB, or Project risk scores are included in the compliance inspection reports. EB risk scores are one of the Benchmarking indicators which are also detailed within inspection reports and published on the website:

<https://www.entrust.org.uk/environmental-bodies/compliance-process/good-practice/>

4. Transparency and accountability

- 4.1 We publish several corporate documents including our Customer Charter, service standards, and details of our performance against these standards. These are measured through the feedback from the annual EB Satisfaction Survey... *in order that...* Stakeholders understand our service standards are transparent, know what is expected of us and understand our expectations of Stakeholders when working with our staff.**

Our Customer Charter and service standards were updated and published on our website in December 2021 (www.entrust.org.uk/about-us/standards-of-service/). These are reviewed every two years to ensure they remain fit for purpose.

The EB Satisfaction Survey ran from May to July 2022 and the results were published on the Entrust website in January 2023.

<https://www.entrust.org.uk/about-us/environmental-body-satisfaction-survey/>

- 4.2 We publish details of our Staff and their contact details... *in order that...* Stakeholders know who to contact and how to contact them.**

Details of all Entrust Staff including job titles, direct dial phone numbers and photographs are included on the 'contact us' page of our website. We use the Entrust website to ensure that all information relating to the regulation of the LCF is transparent and accessible at:

www.entrust.org.uk/contact-us

- 4.3 We set out a clear complaints policy and publish anonymised accounts of the outcomes of formal complaints... *in order that...* Stakeholders understand how to make a complaint, how any complaint will be handled and can view the results of the complaints process.**

Our complaints procedure and whistle blowing policies are clearly laid out on the Entrust website and were reviewed in March 2021 as part of the website content review. No complaints were lodged with Entrust in the reporting period.

www.entrust.org.uk/about-us/complaints-process/

- 4.4 We provide a clear and impartial route to appeal against our decision to reject a project, or enrolment application. The route to appeal, either in person or in writing, is clearly explained to those whose applications are not accepted... *in order that...* Stakeholders have confidence in the projects and enrolment approval processes, their transparency, and that all applications that comply with the Regulations will be approved.**

We have a clear, documented process for appeals and applicants have a clearly identified route by which they can appeal and provide representations associated with enrolments and project approvals:

(www.entrust.org.uk/projects/review-panel/)

Our EB enrolment and project application Review Panel met once in May 2022 to discuss one rejected project and one rejected enrolment application. Both appeals were partially upheld and following the submission of further information and amendments they were processed and approved.

5. Better regulation

5.1 **We operate an ethos of coaching to compliance... *in order that...* We achieve the objectives of compliance through quality information, advice, guidance and training, reducing the need for breach management measures.**

Our defined enrolment process requires our Registrations Team to contact new enrolments to talk through general EB responsibilities and to answer any queries before projects are submitted. When issuing breach management letters, these are accompanied by a requirement to detail how the EB can change their processes to mitigate the risk of further breaches in the future.

As part of our ethos of 'coaching to compliance', we provide advice and guidance to enable the EB to address any issues identified in our compliance inspection reports.

5.2 **In responding to consultations, developing proposals for change, revisions and additions to forms we consider risk and burden... *in order that...* We assess which method would best achieve the intended outcome with the least burden for Stakeholders.**

Part of the Regulatory Improvement Report (RIR) that we prepare for HMRC every year includes our proposals for changes to the Regulations and/or guidance. We ensure that suggested changes to how the LCF is regulated have been fully reviewed prior to inclusion in the report. Evidence is also collected prior to the collation of the report to ensure any changes are evidence based and will be effective and proportionate, taking into account the associated risks and the administrative impact on EBs.

When reviewing, or making additions to forms, we always look to do so in a way which will minimise the regulatory burden placed upon EBs through consultation and consideration of the consequences. EOL is available for all reporting requirements as per our online delivery strategy. We look to constantly improve EOL and implement any improvements that will improve the usability of EOL and reduces the burden for EBs where possible.

5.3 **We seek to understand those we regulate through regular liaison with representative groups and individual EBs in all our interactions with them... *in order that...* We understand the impacts and outcomes of our work on Stakeholders.**

In regular meetings with the larger EBs, via the ADEB and INF forums and our communication with individual EBs, we believe we listen to their views and positions, recognising the consequences of any changes to the Regulations, or our processes. After our meetings with Stakeholders, we record any points that they raise and where appropriate follow up the issues that are raised.

5.4 **We ensure that all members of our Staff have the skills to assist Stakeholder enquiries, understanding the principles of good regulation and service standards... *in order that...* Stakeholders are confident in a quality service and consistent advice.**

The training needs of our members of Staff are assessed through the annual performance review process and are incorporated into their individual training programme. We also develop a collective training programme to ensure that members of Staff have the knowledge and skills to meet the needs of Entrust and those we regulate. The training plan is approved annually by the Entrust Board.

The Staff training programme delivered in 2022/2023 incorporated sessions on cyber security, well-being, customer service, and IT skills. Once appointed new members of Staff undergo a comprehensive induction plan that incorporate relevant training on UK GDPR and data protection, Health and Safety, Fire awareness and job specific training requirements.

5.5 We publish anonymised benchmarking data for a range of metrics including EB risk scores... *in order that...* EBs can measure their performance compared to other EBs.

In July 2022, we published our sixth set of anonymised data (provided by EBs via annual returns and other reporting requirements) against a set of key scheme metrics to enable EBs to benchmark their own performance against that of the Sector. The data was published alongside guidance instructing EBs on how to best make use of the information:

<https://www.entrust.org.uk/news/environmental-body-benchmarking-data-2021-2022>

Conclusion

The ongoing assessment of our work against the ERS throughout the year is key to ensuring that our regulatory activity follows the principles set out in the Regulator's Code and best regulatory practice. We believe that for each of the ERS, we believe that the evidence provided in the report, demonstrates that we have fully met the Standards.

However, as an organisation committed to continuous improvement, we listen to the constructive comments that we receive from our Stakeholders. While we believe that all of the requirements of the ERS have been met, we recognise that there are some areas where we can improve our service levels. We have therefore rates some of these areas as amber/green and during 2023/2024 and 2024/2025, we intend to review our approach and work in these areas to ensure that we deliver excellence in all areas of our regulatory framework.

APPENDIX

Appendix - Entrust Regulator Standards - Annual Assessment - 2022 2023 - RAG matrix

Entrust

June 2023

Entrust Regulator Standards (ERS)

2022/2023 Annual Assessment

Section 1: Our duties and requirements				
Ref	Standard			Rating (Green, Amber, Red)
1.1	We carry out our duties as the approved regulator for the Landfill Communities Fund (LCF) in accordance with the Terms of Approval (TOA)	<i>In order that...</i>	We maintain compliance with HMRC's requirements and provide HMRC with independent assurance that LCF funds are spent in compliance with the Regulations.	Green
1.2	We consult Environmental Bodies (EBs) and other relevant stakeholders regarding any potential changes to the Regulations, guidance or requirements	<i>In order that...</i>	Stakeholder feedback has a central role in the development of proposals for change to the Regulations, Entrust's guidance, or our operational model.	Green
1.3	We report on any outcomes of reviews and consultations, including providing appropriate feedback to those who took part	<i>In order that...</i>	Stakeholders and EBs can be confident that their input is critical in shaping the future of the LCF and our operational framework.	Green
1.4	We provide clear and timely guidance to EBs on what they can expect, before, during and after a compliance review, providing assistance to guide EBs in continued compliance with the Regulations	<i>In order that...</i>	EBs understand their responsibilities and have an appropriate period of time to respond to and make any interventions to address any non-compliance that are identified as part of the compliance review process.	Green
1.5	We set out details of breaches in the Regulations are managed and how we consider risk	<i>In order that...</i>	Stakeholders can be confident that we operate to achieve compliance with the least overall burden for those concerned.	Amber/Green
1.6	As part of the breach management process, we clearly explain to non-compliant EBs the actions required of them, the reasons for these actions, as well as providing opportunities for dialogue	<i>In order that...</i>	EBs understand their responsibilities and requirements to comply with the Regulations and have the opportunity to discuss any non-compliance with us.	Green

1.7	In all areas, we only collect data (including personal data) when it is essential to the regulation of the LCF	<i>In order that...</i>	We comply with all data legislation including the UK General Data Protection Regulation (UK GDPR) and Data Protection Act 2018 (DPA 2018) and uphold the highest standards of data privacy.	Green
Section 2: Training and guidance				
2.1	We provide information, advice, guidance and training which is accessible, timely, focused and provides Value for Money (VfM)	<i>In order that...</i>	EBs understand they can approach us for advice and guidance, can utilise our training and guidance provision and gain greater understanding of their responsibilities.	Green
2.2	We review Stakeholders' training needs as a result of feedback from all Satisfaction Surveys and other communications with stakeholders	<i>In order that...</i>	Our training and guidance for all Stakeholders continues to be relevant, accessible and fit for purpose.	Green
Section 3: How we prioritise our activities				
3.1	In reviewing our operations, we use an evidence-based approach to determining priority risks in accordance with the Regulators' Code	<i>In order that...</i>	All our operations are effective, proportionate and not unnecessarily burdensome.	Amber/Green
3.2	We prepare a corporate plan annually which is approved by our Board and HMRC	<i>In order that...</i>	Stakeholders can be assured that we are a transparent organisation, whose work is structured, planned and monitored, while delivering VfM.	Green
3.3	We use a risk model to help determine how often each EB, or project should be reviewed. From the model, EB risk scores are generated based on their history within the LCF	<i>In order that...</i>	EBs are not reviewed more often than is proportionate and necessary in order that we can provide assurance to HMRC that LCF monies are spent in accordance with the Regulations.	Green
Section 4: Transparency and accountability				
4.1	We publish several corporate documents including our Customer Charter, service standards, and details of our performance against these standards. These are measured through the feedback from the annual EB Satisfaction Survey	<i>In order that...</i>	Stakeholders understand our service standards are transparent, know what is expected of us and understand our expectations of Stakeholders when working with our staff.	Amber/Green

4.2	We publish details of our Staff and their contact details	<i>In order that...</i>	Stakeholders know who to contact and how to contact them.	Green
4.3	We set out a clear complaints policy and publish anonymised accounts of the outcomes of formal complaints	<i>In order that...</i>	Stakeholders understand how to make a complaint, how any complaint will be handled and can view the results of the complaints process.	Green
4.4	We provide a clear and impartial route to appeal against our decision to reject a project, or enrolment application. The route to appeal, either in person or in writing, is clearly explained to those whose applications are not accepted	<i>In order that...</i>	Stakeholders have confidence in the projects and enrolment approval processes, their transparency, and that all applications that comply with the Regulations will be approved.	Green
Section 5: Better regulation				
5.1	We operate an ethos of coaching to compliance	<i>In order that...</i>	We achieve the objectives of compliance through quality information, advice, guidance and training, reducing the need for breach management measures.	Green
5.2	In responding to consultations, developing proposals for change, revisions and additions to forms we consider risk and burden	<i>In order that...</i>	We assess which method would best achieve the intended outcome with the least burden for Stakeholders.	Green
5.3	We seek to understand those we regulate through regular liaison with representative groups and individual EBs in all our interactions with them	<i>In order that...</i>	We understand the impacts and outcomes of our work on Stakeholders.	Green
5.4	We ensure that all members of our Staff have the skills to assist Stakeholder enquiries, understanding the principles of good regulation and service standards	<i>In order that...</i>	Stakeholders are confident in a quality service and consistent advice.	Green
5.5	We publish anonymised benchmarking data for a range of metrics including EB risk scores	<i>In order that...</i>	EBs can measure their performance compared to other EBs.	Green