

## Entrust Admin Costs Consultation 2025

Call For Evidence – June 2025

### 1. Introduction

- 1.1. In the September 2024 Regulatory Improvement Report, we proposed a formal consultation with Environmental Bodies (EBs) on Administration Costs.
- 1.2. The key purpose for this was that some of the most common questions asked by the Association of Distributive and Environmental Bodies (ADEB), are on the topic of allowable administration fees.
- 1.3. Some EBs believe the cap set at 7.5% of project spending per annum is too restrictive, others are happy with this level, and others are of the opinion that it is not intelligent enough to account for the reality of their scenarios.
- 1.4. This feedback, combined with the progression of the fund to a simplified Operating Model, and the reduction being seen in contributions, means that a review of the current methodology is appropriate.

### 2. Purpose

- 2.1. An open consultation will enable us to understand the impact of the Administration Fee Cap in light of the evolving position of the fund.
- 2.2. As an organisation, we are committed to listening to and engaging with EBs. This topic is of key importance to the EBs, many of whom are having to reposition the way they work due to changes to their expected income stream. For some there are significant fluctuations due to shifts in the landfill sector landscape.
- 2.3. This part of the consultation, evidence gathering, is the first step. The answers we get as part of the call for evidence survey, will influence the next appropriate actions.
- 2.4. The possible outcomes of the consultation are that we will change the way we discuss the cap breaches, the way we report on the cap, or we may recommend changes to the strategic priorities to HMRC as part of regulatory improvements.

### 3. Scope

- 3.1. The call for evidence will cover the following areas:
  - Section 1: Current Methodology
  - Section 2: Administration Cost Calculation Methodology
  - Section 3: Cost Effectiveness
- 3.2. A list of all questions relating to each of these areas is detailed in Appendix A.
- 3.3. Due to the nature of the questions, the Survey will be offered as anonymous if a respondent wishes. However, we welcome the opportunity to discuss specific responses and will be encouraging respondents to include their contact details.

- 3.4. All responses will be anonymised with no EB details included in any public version of the report.

## 4. Timeframe

- 4.1. The questionnaire will be uploaded to Microsoft Forms, a link provided on the Entrust website, and an email sent to all EBs who receive contributions. It will run for 4 consecutive weeks from Monday 26 May 2025 to Monday 20 June 2025.
- 4.2. HMRC have been consulted on the questions within this Call for Evidence.

Activity	Day/Week Commencing	Date
Consultation Opens	Friday	4 July 2025
Consultation Closes	Monday	2 August 2025
Further discussions and feedback		2-15 August 2025
Public version of the evidence gathered, next steps and timeline.	Thursday	December 2025
<i>Entrust Board Meeting</i>	Wednesday	December 2025
<i>Future steps to be set out in December 2025 timeline</i>		

## Evidence Gathering

- 4.3. All EBs who receive contributions and charge administration costs will be sent a general link to the online questionnaire.
- 4.4. Any EBs who wish to respond but are unable to use the Microsoft Forms option, will be offered alternative methods such as emailing the helpline for a word document that can be completed and returned.
- 4.5. As part of the Call for Evidence, a focus group and/or one-to-one discussions will be offered for those wishing to contribute further in the weeks commencing 2 and 11 August 2025.
- 4.6. A summary report of this Call for Evidence will be presented to the Board on 10 December 2025. During that meeting the outcome of the consultation will be discussed and the next steps will be agreed. A public document will be uploaded to the Entrust website with an accompanying news item, delivered by email, in December 2025.

## Entrust

### June 2025

#### Appendix A – Questions for Admin Costs Call for Evidence 2025

## Appendix A – Questions for Admin Costs Call for Evidence 2025

The list of questions that will be presented on Microsoft Forms is set out in the following table:

Question No.	Question	Response
<b>Qualifying Question: Current Status</b>		
1.	Do you currently receive contributions directly from a Landfill Operator?	If Yes go to Section One  If no go to Section Four
<b>Section 1: Current Framework</b>		
2.	Are you aware of the Framework for reviewing, monitoring and managing the level of Administration Costs?  <a href="https://www.entrust.org.uk/resources/strategic-priorities/">https://www.entrust.org.uk/resources/strategic-priorities/</a>	Y/N
3.	Having read the Framework do you consider it is clear in explaining how the Framework operates and why it is in place?	Y/N
4.	Having read the Framework do you consider it is clear in explaining how the Administrative Cost cap percentage is calculated?	Y/N
5.	If your answer to Q3 above is no, please explain what is not clear, and what additional information you would like to see.	Text Response
<b>Section 2: Administration Cost Calculation Methodology</b>		
6.	Do you consider the current methodology of calculating administration costs as a percentage of project expenditure fair and appropriate?	Y/N
7.	If No – what alternative methodology would you implement, assuming the goal of not exceeding 7.5% remained the strategic priority?	Text Response
8.	What are the alternative options to present/benchmark EB running costs?	Text Response
9.	Do you have a provision for winding up costs?	Y/N
10.	If yes, how have you decided the appropriate amount to set aside for winding up?	Text Response
11.	Do you think the reporting on the total administration costs of the fund is sufficiently transparent?	Y/N
12.	Are there any other points you would like to make with regard to the way admin costs are calculated and reported?	Text Response

Section 3: Cost Effectiveness		
13.	Have the changes to guidance over the past 12 months enabled you to reduce your administrative burden?	Y/N
14.	What, if any, additional changes could Entrust make to enable you to reduce your running costs?	Text Response
15.	Considering the reduction in contributions that many EBs have experienced in recent years, do you expect your income to drop in 2025/2026?	Y/N
16.	If yes, what action have you taken/do you intend to take to ensure your cost base is reduced in line with your activity?	Text Response
17.	How do you think EBs could work together to reduce administration costs?	Text Response
18.	What further support or changes would you need from Entrust to enable you to reduce costs?	Text Response
Section 4: EBs without contributions		
19.	What is the total value of LCF projects you currently have open?	Text Response
20.	How did you pay for the administration costs to run the LCF projects/programmes in 2024/2025?	Text Response
21.	Do you have any thoughts on how you could fairly be permitted to recover Administration Costs against the LCF funding you receive?	Text Response
22.	Have you considered the option of deregistering as an EB and applying for LCF funding as a project applicant?	Y/N
23.	If yes, what is the reason you have decided to/need to remain an EB?	Text Response