



ENTRUST Corporate Plan

2016-2019

1. Chair and Chief Executive's Summary

The 2016-2019 Corporate Plan has been developed to take into consideration the Chancellor's announcement in November 2015 to reduce the size of the Landfill Communities Fund (LCF) to £39.3m for 2016/2017, whilst still allowing for ENTRUST to provide high quality regulatory services. As a direct consequence of the reduction in the size of the LCF, we have carefully reviewed the level of core services we are able to offer. We have reduced our budgeted costs from last year by 14 per cent. While we recognise that this saving does not fully reflect the overall reduction in the fund, we consider it is important to note that:

- since 2010, we have delivered a 30 per cent reduction in our funding requirement; and
- we require a minimum level of funding to allow us to deliver our core functions, or we will be unable to provide assurance to HM Revenue and Customs (HMRC) that the LCF is regulated to an appropriate standard.

Taking into account this cost reduction, we have focused the 2016-2019 Corporate Plan on the following key strategic themes:

Strategic changes – update and reform of the LCF

As a consequence of the Government's response to the Reform Consultation in the Autumn Statement, we will:

- review and update our guidance as discussed with EBs;
- work with HMRC and the sector to make the necessary changes to implement the proposed reforms of the LCF; and
- support Environmental Bodies (EBs) as they implement the changes.

Demonstrating Value for Money (VfM) of the LCF

It is important to demonstrate the value that the LCF delivers to local communities and we have worked with EBs over the last twelve months to enable more information to be made available. We will continue to build on this key area by:

- reviewing the current project completion reporting; and
- encouraging an understanding of the LCF.

Service improvement and delivery

As we strive for excellence in our work, we review continually our approach to delivering our regulatory duties. Our overarching aim is to secure EBs' compliance with the Landfill Tax Regulations 1996 (Regulations). We will help them to do this by:

- publishing our updated guidance manual;
- upgrading our training package to improve its effectiveness; and
- reviewing and updating the services that we offer through e-delivery to help reduce the administrative burden on EBs.

Scheme closure in Scotland and Wales

We will continue to manage the closure of the LCF in Scotland, ensuring that all lessons learnt are captured and incorporated in our planning process for the closure of the LCF in Wales. We will also work with the Welsh Government to develop a plan for this closure.

Organisation

We note that the value of the LCF reduces by 26 per cent in 2016/2017. We have therefore robustly reviewed our funding requirements to reflect the monies we require in delivering this Plan.

We recognise that the next 12 months will be a challenging time for both ENTRUST and the sector, as we manage both the reduction in our funding, and at the same time ensuring that the Government's plans to reform the LCF are implemented. Additionally, we still have to manage our core business and also the closure of the fund in Scotland with a particular focus on providing HMRC with an independent assurance that all of the remaining LCF monies have been spent compliantly. We are confident that this plan enables us to deliver all of these objectives, despite a substantially reduced funding level.

Dr Ann G Limb CBE DL
Chair, ENTRUST

Christopher Welford
Chief Executive, ENTRUST

2. Strategic changes – update and reform

HMRC's consultation on the reform of the LCF closed on 10 June 2015, and the Government's response was published in the Autumn Statement on 25 November 2015.

The response contained a package of reform measures designed to simplify the scheme, reduce the administration burden on EBs and speed the flow of money to communities. These legislative and other reform measures include:

- limiting record retention to six years;
- limiting the requirement to monitor assets; and
- removing the investment and administrative services objects.

The Government has also announced that the size of the fund for 2016/2017 will be £39.3m, resulting in a diversion rate of 4.2 per cent.

In 2015/2016, we worked with HMRC to implement the changes to the regulation of the LCF, which came into operation on 1 April 2016. In 2016/2017, we will continue to support the sector to implement and embed the changes to reform of the LCF. We will also ensure that our systems and processes remain efficient and effective as EBs work to limit their administration costs to the cap given in new guidance, which will maximise funding for projects whilst maintaining the integrity of the fund.

We recognise that the changes will provide EBs with fundamental challenges, as we believe that a number will have to change their business models, but we remain committed to ensure that funding is provided to support local communities and the environment.

Additionally, we will work more closely with Landfill Operators (LOs) to minimise the administration burden and maximise the funding that they provide to the LCF.

Key outcomes

Actions:

- Review updated guidance to ensure it is effective in implementing the required changes to the LCF throughout the year;
- Provide support to EBs and LOs to effectively implement the changes arising from the reform of the LCF; and
- Continue to work with EBs to ensure they have effective customer support from us and access to information, advice, guidance and training.

Measures:

- Maintain levels of satisfaction with our regulatory services against the baseline levels attained in surveys in previous years.

3. Demonstrating Value for Money of the LCF

Project completion reporting

Following the introduction of the project completion process in 2014/2015, EBs are now providing Value for Money (VfM) and project outcome data (Form 9) as projects are delivered, rather than reporting this information at the start of projects. This change has enabled more accurate and detailed information on the value of the LCF to be shared with HMRC and other stakeholders.

During 2016/2017, in consultation with HMRC we intend to make available some of the data we have received from the completion reporting process. This will contribute to a wider understanding of the impact of the LCF from project application through to completion. This will be further supplemented by working with EBs to produce and publish their data on the economic impact of the LCF through the assessment framework we developed in 2015/2016.

We intend to review the questions in Form 9 to consider whether they continue to be appropriate or should be revised. We will also look at the volunteering questions included in Form 2 and consider whether these should be included in Form 9 to bring together all the project questions in one place.

In order to ensure that our reporting is comprehensive, we will continue to review the return rate of Form 9s. For 2014/2015 more than 90 per cent of completion forms were submitted. For those organisations who do not submit these returns, we will use our compliance processes to encourage EBs to submit forms promptly after a project has been completed and final spend is made. As part of this process, we will issue guidance/recommendations where appropriate to improve the return rate and ensure reporting of data is comprehensive and representative.

We will continue to communicate with stakeholders regarding why we collect this information and why it is important and to remind stakeholders to complete and submit returns. We will continue to report to HMRC and look to agree an appropriate level of information to be published and to share with the sector.

Further publication of data/distribution of information

The information provided by EBs is key in supporting our regulatory activities and to provide Government and other stakeholders with information on the impact and effectiveness of the LCF. We will work with HMRC to continue to develop our suite of management information reports to ensure that HMRC have the information they need available to them.

In response to EB feedback on issues regarding funded EBs extending completion dates for projects, but funders not being aware of that extension and on funder's data not being up to date, we intend to make this information more readily available. During 2016/2017, we will review our website, looking in particular at what EB and project data is published and how this can be updated and improved to assist the regulation of the LCF, for example, extensions to project completion dates. We will also look at information provided about EBs that distribute funding and how we can ensure that as funders change their funding criteria this can be more speedily updated on our website so that this is most useful for potential project applicants.

We will ensure that up to date information and data on the impact of the LCF, including case studies are published and available to stakeholders through our website.

LCF branding

Our 2015 LCF Project Applicant survey showed that 23 per cent of applicants found it very difficult, or somewhat difficult to find out about the LCF. We are also aware that there is low awareness of the LCF with the general public. As the regulator we firmly believe that a cohesive and sector wide approach to provide neutral information on the LCF is both in the best interests of the longevity of, and to minimise any reputational risk to, the fund.

We will continue to work closely with the LCF communications forum to ensure funders and EBs have all the tools, material, information and guidance they need to appropriately and compliantly provide information on the operation of the LCF. This will include working with HMRC to update current communications guidance, updating the current suite of logos and ensuring they are easily available to the sector to encourage the use of the LCF logo on appropriate materials.

We will continue to seek to understand the communications challenges faced by the sector, particularly with regard to EBs prioritising resources as part of their commitment to reduce running costs. We will continue to offer guidance on producing appropriate and effective communications.

Key outcomes

Actions:

- Work with HMRC to agree an approach on making more information available on the impact and VfM of the LCF;
- Review the questions on Form 9;
- Improve the information available on our website about funders; and
- Update the LCF brand guidelines and communications guidance.

Measures:

- Increase the return rate for Form 9s from the baseline in 2015/2016; and
- Publish 12 new case studies on our website.

4. Service improvement, managing risk and resource, responding to feedback, developing information and training

In parallel with the Government's consultation on the reform of the LCF, during 2015/2016, we continued to review our policies, procedures and processes to ensure that we are constantly improving the quality of our services while delivering VfM. This included increasing accountability, scrutiny and performance monitoring through publishing on our website our first self-assessment against the ENTRUST Regulator Standards (ERS).

We will continue to make the following planned improvements to our services.

Guidance

One of our key roles is to provide information to assist EBs in carrying out their obligations under the Landfill Tax Regulations (1996) Regulations. We have updated, restructured and revised our Guidance Manual so that it is more understandable to EBs and makes a clear distinction between regulation and advice. We will continue to work with HMRC to update the Regulations and our guidance to support the simplification of the LCF where appropriate.

In 2015/2016, we reviewed and updated our compliance processes to take into account our work within strengthening controls and improving governance arrangements within EBs. We developed governance tests by benchmarking these against similar control environments so that we can assess and report on EBs' compliance with statutory and best practice UK governance requirements. We will further update our compliance approach to identify best practice and efficiencies within the sector in order to support EBs in their response to the demands of reform.

Training

During 2015/2016, we undertook a survey of EBs about their understanding of the LCF and their use of our current training offer. The majority of respondents (87 per cent) considered their level of knowledge of the LCF as adequate, good, or very good. We identified that EBs primarily gain knowledge through the information, advice and guidance provided by us via the website, email and telephone and that time and resource is a barrier for EBs when it comes to improving their knowledge of the LCF.

Our training events continue to receive high ratings from those who attend them, and we will continue to plan training events whilst minimising costs by not hiring external venues. However, we will also continue to provide further training resources on recent changes to the LCF (for example on record keeping and asset management requirements) as well as other topics identified by EBs including: finding funding, project approval, form completion and making the best use of ENTRUST Online (EOL).

ENTRUST online (EOL)

The reforms announced by government required no changes to EOL. To ensure that future development is delivered effectively we will make sure that all EBs are kept informed of planned changes through the ENTRUST email newsletter and via our website when changes are released to the live system. We will communicate clearly to EBs so that users are not faced with unexpected changes when they choose to use the system.

We will continue to ensure that all current and future users of EOL have appropriate guidance available to them through our website on how to use the system and that EOL becomes their preferred method of submitting information to us.

We will also continue to review and make changes to EOL to enable the user to operate the system effectively and ensure that there is a clear route from the start to the end of each process, for each user. We will also look at more innovative ways of developing and providing training to people who use the LCF and EOL so that they become familiar with common terms and the obligations placed on EBs. We will seek out the future requirements of EOL from end users and other stakeholders to ensure that we have a clear picture of how we need to develop, or redevelop, EOL in the future.

E-delivery of forms

We receive notifications of approximately 520 qualifying contributions from EBs each year, although with the closure of the LCF in Scotland, we anticipate that this number will reduce by approximately 100 returns.

While we encourage EB users to submit their contribution notices online using EOL, we still find that over 15 per cent of all returns are sent to us in paper format, including those sent in via email and this carries a greater risk to EBs that forms may not be received and consequently the EB is in breach of the Regulations.

To ensure that EBs have the confidence to use EOL for the submission of forms, which is the most effective and efficient way of submitting information to us and provides a clear audit trail for compliance purposes, we will continue to review and update our guidance to EBs who use any paper forms to support their move to the online system.

Improving the enrolment process

We are concerned that we have a low first time enrolment rate for organisations wishing to become EBs. We look at enrolment data each month and have identified the aspects prospective EBs find difficult. In 2015/2016, we reviewed Forms 1 and 2 to look for revisions which would make the forms simpler to understand.

During 2016/2017, we will review our process for organisations enrolling as EBs to make the enrolment payment. This is an aspect which we have identified as slowing enrolment on first submission so we will consider a change to our policy regarding the enrolment fee – at present it is charged for the enrolment and so refunded if an applicant cannot be enrolled. We would like to change to charging the fee for the administration of the enrolment, explicitly stating that the fee will not be refunded, irrespective of whether the application is successful. This would enable us to ask for the payment at the start of the enrolment process without the need to wait until we know whether the application is successful.

We will consider whether a training video, or other training materials, would make it easier for applicants to complete Form 1 via EOL. We are also considering how we can work with funders to provide materials to applicants and thus prepare them at an earlier stage. We will create a new funders information page on EOL to enable EBs to update their own funding information as required, which will then automatically feed through to the ENTRUST website.

Assessing our own performance

Our Inspectors will continue to encourage completion of our inspection visit feedback surveys and we will continue to send reminders to EBs when these are not returned. We will aim to maintain a return rate of at least 50 per cent. Our Inspectors will continue to be set objectives around their understanding of an organisation and the way that they undertake compliance visits. All satisfaction comments are reviewed and where required these are followed up by the Inspector's line manager to enable resolution and better understanding of issues faced by EBs.

Following detailed analysis of our EB Satisfaction Survey results, we reviewed our Form 4 communication strategy to ensure that EBs with infrequent contact are receiving the information and service they require. As part of the Form 4 strategy for 2015/2016, we developed an enhanced communications plan that segments stakeholders according to their Form 4 completion requirements to increase the number of Form 4s submitted by the statutory deadline. We have also communicated separately with EBs in Scotland about their Form 4 reporting requirements and remind them that the LCF has ended in Scotland and they may wish to take this opportunity to revoke from the LCF. We will keep this approach under review for 2016/2017 in order to maximise our focus and resources by following up on EBs posing a risk to the fund.

Although EBs receiving enforcement action are not likely to welcome that action, we continue to strive to ensure that all action is proportionate and EBs are clear about the action being taken and the reasons for that action. We will improve the clarity of the enforcement questions in the EB Satisfaction Survey for 2016 to enable those subject to enforcement action across the previous year to provide more detail about their experiences and enable us to further improve our processes in the future. We will also seek direct feedback from EBs following enforcement action.

Implementation of conditions

In 2015/2016, we introduced a new condition whereby EBs who had not returned a Form 4 by the due date of April 28, had their status 'frozen' following the completion of the enforcement process (a series of advice and guidance, warning and enforcement letters). In 2016, we will freeze EBs who have not made their statutory annual return by the due date and we will not send any further communication to them. This will enable us to focus our resources on EBs who have received funding during the reporting period and pose a far greater risk if they fail to report their expenditure. These EBs will have their status 'frozen' meaning they cannot receive, or spend LCF monies. If any frozen EBs wish to continue in the scheme then they will need to contact us and return their Form 4 to have their status further updated.

Additionally, in 2015/2016, a second new condition was introduced to make it non-compliant for EBs to spend money on a project before the estimated start date and beyond the estimated end date, or extension date (where applicable). We consider that this has supported EBs in managing and monitoring their expenditure and increased the flow of funding to communities by

releasing funds not required for approved projects that completed, or were not now going ahead. We will continue to monitor and enforce this condition in 2016/2017.

Customer service standards

As a direct consequence of the Fund reducing, the number of staff we employ has also reduced. However we believe, as a leaner organisation, we will still be able to provide the same service levels to our stakeholders and the same high standards of service. Our updated Customer Charter sets out what stakeholders can expect from us and clear standards for responding to queries and what stakeholders can do if we do not maintain them.

Based on the information provided to us, we will ensure we provide consistent answers to all enquiries in a response that:

- answers the question(s);
- is factually correct, is easy to read and easy to understand; and
- signposts relevant sources of information, where appropriate.

We will record the enquiries we receive by email, by telephone and those made directly to our Inspectors to identify key themes and issues. In response to these themes and issues we will review the clarity of our guidance, our website content and update our frequently asked questions and relevant training resources.

Although we are not covered by the requirements of the Freedom of Information Act, we do welcome requests for information and all enquiries.

We will build consistency in our responses for telephone/helpline email queries and review our current customer interaction with the aim of developing consistent and accurate scripts to aid with customer enquiries. We will also consider how we can measure the quality of our customer service so as to continuously improve, for example requesting immediate feedback in response to helpline enquiries.

We will agree customer service standards across the business, focusing on quality and consistency, ensuring that systems (email/website/phone-routing service) support an easy customer journey from initial enquiry to resolution. Furthermore, we will review our communications to target the information that EBs with infrequent contact receive about ENTRUST and the LCF.

Improved stakeholder engagement and satisfaction

In late 2015/2016, we reviewed and updated our email marketing, including appointing a new email marketing provider and the recommendations arising from this review will be implemented during 2016/2017. These changes will allow us to progress a more nuanced communication strategy with our stakeholders to allow for better delivery of key communications and messages. It will also provide us with the opportunity to reduce the number of contacts who have unsubscribed from our mass email communication system. We will also undertake an exercise to ensure that we have relevant email contact details for all main contacts, where possible, to ensure that our stakeholders are kept up to date with important developments relating to the LCF. We will review the quarterly e-newsletter with the aim of improving the content to make it more useful to EBs when undertaking their role.

We will conduct our 2016 EB Satisfaction Survey and create an action plan to implement any changes identified by the survey. We aim to again improve the response rates for all segments to the survey to ensure viewpoints of all types of EB stakeholder are represented, for example, those who have infrequent contact with ENTRUST and those who work with us on a daily basis. We will ensure we address the different needs of these distinct user groups in our action plan.

One action from the 2015 EB Satisfaction Survey was to undertake a specific training survey (undertaken October 2015) to better understand EBs training needs. We will amalgamate the questions from the stand alone training survey into the 2016 EB Satisfaction Survey to ensure that we capture the training needs of EBs on an annual basis.

Further website development

In 2015/2016, we reviewed the content and navigation of the ENTRUST website. We will continue to work with our external website supplier to ensure its smooth functioning and to conduct development work, as and when necessary, to support the information needs of EBs. We know from the training survey that our website is the primary point of accessing information and guidance for EBs, therefore we will make it a priority that the website is fully updated by April 2016 to ensure that it takes into account all of the changes from the reform announcements made in November 2015.

We will update the 2016 Satisfaction Survey to include questions to assess the performance of the website as a means of communicating with EBs.

Key outcomes

Actions:

- Seek the opinion of users and other stakeholders of adopting a completely online approach to the submission of forms;
- Ensure the website is fully ready to support the reform of the LCF announced in the November 2015 Autumn Statement;
- Update the 2016 EB Satisfaction Survey to include a section on the website and a more detailed training and information section to understand EBs engagement and interaction with these areas;
- Update our email contact list for EBs to ensure that stakeholders are kept up to date with important LCF developments and their obligations under the LCF;
- Ensure that our systems support an easy customer journey from initial enquiry to resolution;
- Seek immediate feedback at the point of closure of enforcement cases; and
- Seek immediate feedback from helpline enquirers on receipt of our response.

Measures:

- Increase the number of EBs using EOL; and
- Increase satisfaction rates with our services.

5. Scheme closure in Scotland and Wales

As tax devolves across the UK, the LCF has closed in Scotland and is due to close in Wales. The following section outlines the impact of this and our plans to support the smooth closure and transition to new schemes where relevant.

	All UK	Scotland only	Wales only
No of projects registered in 2015/2016	2616	312	106
No of enrolled EBs at 31 March 2016	2857	502	185

Scotland

Following the closure of the LCF in Scotland after 31 March 2015, we remain on track to deliver the framework for the transitional period which we developed and agreed with HMRC in 2013/2014. Our focus during 2015/2016 was on monitoring the remaining funds held by EBs in Scotland and on projects completing in Scotland during the year.

Enrolments from organisations based in Scotland diminished during the year, whilst requests for revocation from the LCF increased. Project applications continued during the year as EBs worked to spend the remaining monies through the transitional period.

The key remaining milestones in the framework are:

Date	Milestone
30 April 2016	Review of incomplete projects
30 November 2016	Ongoing monitoring of LCF funds held by EBs in Scotland and project completion
31 March 2017	LCF closes in Scotland – end of transitional period
From 1 April 2017	HMRC will seek clawback from LOs of remaining LCF funds held by Scottish EBs which do not operate outside Scotland

We will review the information and training provided to EBs through the first part of the transitional period, which related to the closure of the LCF in Scotland in order to ascertain what further guidance, training and/or information is required for the second year of the closure.

We will continue to issue guidance throughout the transitional period, both to EBs based in Scotland and to EBs based in the rest of the UK with projects in Scotland funded with remaining LCF monies. We will continue to invite specific issues and queries to be raised with us if EBs have any concerns so that any issues we have not addressed through guidance can be considered where necessary.

During 2015/2016, we introduced a requirement for in year monitoring of funds held by EBs based in Scotland. In 2016/2017, we will continue to monitor funds held by EBs based in Scotland through additional reporting requirements to monitor expenditure during the year. Requests are targeted at EBs holding funds and utilise existing reporting procedures via EOL to minimise any additional burden on EBs. We will also carry out the programme of project

compliance reviews to ensure funds have been spent compliantly and manage the voluntary revocation of EBs.

We will continue to take proportionate enforcement action for any breaches identified during the transitional period and will seek accelerated processes as we approach the final end of the LCF in Scotland in March 2017.

We will review the communications and marketing plan for closure of the LCF in Scotland, which was developed in 2013/2014 and update it where necessary. We will utilise existing communications channels such as the Form 4 communications strategy to segment and target our messages. We will also launch a programme of Scotland specific communication to release information and guidance about winding up and revocation.

Wales

The LCF in Wales will close after 31 March 2018 and we have developed an outline framework to audit out the scheme. As part of this process we have been working with the Welsh Government and as they formalise their plans, we will be able to refine and develop our framework. The key milestones in the current framework are:

Date	Milestone
During 2016	Continue communications with EBs on the closure of the LCF in Wales
30 June 2018	Last LCF funding contributions from LOs to EBs
31 July 2018	Confirm levels of LCF funds held by EBs in Wales
30 November 2018	Ongoing monitoring of LCF funds held by EBs in Wales and project completion
30 April 2019	Review of incomplete projects
31 March 2020	LCF closes in Wales

We will continue to participate in any discussions with the Welsh Government and liaise where appropriate in planning the closure of the current UK scheme in Wales including providing data and information on current EBs and projects. In addition, we will utilise any lessons learned from the closure of the LCF in Scotland to ensure that any closure proceeds as smoothly as possible, minimising the administration burden, whilst ensuring compliant spend of LCF monies.

We will review the lessons learned from Scotland in order to establish what guidance and training will be required for the orderly closure of the LCF in Wales from 2018. This will be further informed using:

- Data from the Form 4 to establish scope of money held in Wales; and
- Data from the Form 9 to establish scope of assets in Wales.

We will consider whether any bespoke data request will be required for EBs and projects taking place in Wales.

During 2016/2017, we will create a communications and marketing plan to support the smooth closure of the UK wide LCF scheme in Wales, outlining key communications audiences, timelines and activities. The communications and marketing plan will utilise lessons learned from the communications plan for the closure of the LCF in Scotland. We will coordinate any communications and information needs which stakeholders have regarding the closure of the LCF in Wales along with details of any potential successor.

Key outcomes

Actions:

- Develop a reporting schedule to HMRC about the closure of the LCF in Scotland;
- Develop a reporting schedule to HMRC about the closure of the LCF in Wales;
- Review and update the communications plan for the final year of the transitional closure of the LCF in Scotland; and
- Create a communications plan to support the smooth closure of the UK wide LCF scheme in Wales.

Measures:

- Value of remaining LCF funds in Scotland reduced;
- Number of projects completing in Scotland; and
- Number of Scottish EBs revoking from the LCF.

6. Organisation

Organisational structure

The changes announced by the Government in November 2015 on the size of the LCF in 2016/2017, mean that we need to ensure that we have in place the right type and size of organisation to deliver our regulatory functions on a reduced funding basis.

We have therefore critically reviewed our structure, which has resulted in a reduction in our staffing levels and a refocusing of the way we work.

Maintaining staff skills

The reforms have resulted in a change to our structure and the adoption of different ways of working to ensure that we maintain our high standards of service while delivering our regulatory role. Whilst we are a leaner organisation, we will still ensure that our staff members are provided with the appropriate training opportunities to enable them to maintain and develop their skills to meet the challenges placed upon them by the reforms.

Resource requirement

We actively promote the importance of achieving VfM from the levy we receive across the organisation, seeking opportunities to reduce costs, or improve the benefit we receive from the funds we expend.

Each year we critically appraise our expenditure requirements for the coming year to ensure that the resource requirement we submit to HMRC, based on the commitments we make in the Plan, deliver VfM.

We have funded the first year of Scottish closure activity from our existing resources, but have included a provision as part of our resource requirement to HMRC to meet the cost of the second year of activity.

To ensure we can meet the costs of activity set out in this plan and implement the changes required to meet the changes required by the reform of the LCF, we have calculated our resource requirement to be £1.166m, a 14 per cent reduction on the previous year's requirement.

Details of the requirement submitted

Cost	2015/2016 Approved Budget £	2016/2017 Budget £	Variation 2015/2016 and 2016/2017
Staffing	1,149,343	968,101	(181,242)
Operating			
Personnel	76,810	64,850	(11,960)
Establishment	106,270	103,190	(3,080)
Operating	23,150	20,900	(2,250)
Professional	29,000	23,460	(5,540)
IT	33,960	34,160	200
Depreciation	3,960	3,960	-
Total Operating	273,150	250,520	(22,630)
Investment Income	(12,000)	(10,000)	2,000
Total	1,410,493	1,208,621	(201,872)
Less Wind Up Costs in Scotland provided from DI Reserve	(50,000)	(42,741)	7,259
Resource Requirement	1,360,493	1,165,880	(194,613)

Sustainability

We aim to continue to have a low impact on the environment around us and take seriously our obligations to the principles of sustainability. As we cover the whole of the UK, this is not always possible in terms of the types of transport we use.

Proposals have been developed to move further towards undertaking our activities using e-delivery where possible and in a way that has a low impact on current and potential stakeholders.

Overall our approach to ensuring we are meeting our sustainability obligations is to:

- use recycled materials wherever possible and encourage our staff to recycle;
- issue most communications electronically;
- save energy as much as possible, using low energy lighting within our offices; and
- encourage our staff to use alternative and more carbon neutral ways of travelling for business purposes and in their commute to work for example taking part in the Cycle to Work Scheme, walking to work and using public transport.

7. HMRC reporting requirements

We report a wide range of information relating to the LCF and our own performance to HMRC and the schedule of formal reports that will be provided during 2016/2017 are set out below:

Timing/Frequency	Title
31 May 2016	Annual Report
31 May 2016	Scotland Closure Update Report
30 June 2016	Form 4 Data
31 July 2016	Regulatory Improvement Report
31 August 2016	Value for Money Report
15 December 2016	Draft Corporate Plan and KPIs
By end December 2016	Annual Accounts
Quarterly	ENTRUST Board papers
Monthly	TOA report
Monthly	KPI update
Ad hoc	Data requests

8. HMRC key performance indicators

HMRC monitor our performance as the Regulator of the LCF and we agree a number of key performance indicators (KPIs) with them that encompass key targets. The KPIs agreed for 2016/2017 are set out below:

Target 1	Achieve standards of service delivery and effectiveness acceptable to stakeholders of a modern regulator
1.1	Approve 98 per cent of eligible applications to enrol as an EB within five working days.
1.2	Approve 98 per cent of eligible project applications within five working days.
1.3	Undertake a customer satisfaction survey by 31 August 2016 and use the findings to improve EBs' level of satisfaction with our services with identified improvements included in an action plan developed by 31 December 2016.
Target 2	Enhance the accountability and transparency of the LCF by reporting and publishing information about its operation
2.1	Provide reports to HMRC against the agreed reporting schedule.
Target 3	Secure/increase the level of compliance with the Regulations
3.1	During the 2016/2017 year inspect EBs holding at least 90 per cent of LCF funds at 31 March 2016.
3.2	Maintain the proportion of Form 4s received by the due date of 28 April 2016 (2014/2015 baseline of 81 per cent).
Target 4	Deliver value for money
4.1	Maintain the proportion of projects submitted online (2015/2016 baseline of 95 per cent).
4.2	Maintain the proportion of reporting forms (Forms 3, 4 and 7) submitted online (2015/2016 baseline of 89 per cent.)
Target 5	Report to HMRC by 31 July 2016 priority regulatory improvements to the Landfill Tax Regulations 1996. Implement agreed changes to guidance or regulation in accordance with agreed timescales
5.1	Conduct targeted compliance interventions and if necessary consultation exercises to identify issues and make recommendations supported with robust analysis and evidence.