

1. Introduction to the Landfill Communities Fund (LCF)

This Guidance manual covers aspects of the LCF including the [Regulations and conditions](#) agreed under The Landfill Tax Regulations 1996, as amended. These statutory requirements, with which EBs must comply, are highlighted in **bold type** within this guidance manual.

1.1 How the fund operates

The LCF is a tax credit scheme which allows Landfill Operators (LOs) to contribute a portion of the monies they pay as landfill tax directly to approved organisations called Environmental Bodies (EBs) to fund community and environmental projects in the vicinity of landfill sites in England and Northern Ireland. LOs are able to claim a credit against their landfill tax liability for 90% of their contribution. Please see the [About the Landfill Communities Fund](#) page on our website for the current diversion rate.

Responsibility for collecting landfill tax has been devolved to Scotland and Wales. As a consequence, the LCF has ceased to operate in both these countries. The LCF only funds projects in England and Northern Ireland. Alternative schemes have been set up in both Scotland and Wales. For more information [please see our website](#).

The LCF is regulated by ENTRUST and managed by Her Majesty's Revenue & Customs (HMRC). It is ENTRUST's role to ensure that LCF monies are paid to eligible organisations and spent on projects which satisfy the objects set out in 'The Landfill Tax [Regulations](#) 1996 (the Regulations)'.

ENTRUST regulates the LCF in a number of ways including: reviewing and enrolling each organisation as an EB before they are able to receive LCF monies; reviewing and approving each project proposal before expenditure starts; and undertaking compliance visits. ENTRUST provides this Guidance Manual to assist organisations and individuals to comply with the Regulations.

The responsibility for managing breaches of the Regulations is split between ENTRUST and HMRC. Where ENTRUST considers that a regulatory breach has occurred or there is a risk of a breach by an EB then a series of actions will take place, under the general heading of the enforcement process. For further information on our enforcement framework please see the [enforcement](#) page of our website.

Information on what to expect from a compliance visit is available on the [inspection process](#) page of our website.

Who's who in the LCF?		
Name	Abbreviation	Description

Her Majesty's Revenue & Customs	HMRC	HMRC collect landfill tax and assess LOs claims for tax credit in respect of the qualifying contributions made. HMRC are also responsible for approving and monitoring ENTRUSTs actions and for taking final enforcement sanctions where there is non-compliance by an EB.
Environmental Trust Scheme Regulatory Body	ENTRUST	The Regulator of the LCF.
Landfill Operator	LO	Responsible for the operation of one or more licensed landfill sites and for the payment of landfill tax to HMRC in respect of waste deposited at their landfill sites. LOs make contributions to EBs to fund LCF projects. The sum given by a LO to an EB is called a qualifying contribution.
Environmental Body	EB	An organisation enrolled by ENTRUST to receive, distribute and spend LCF monies.

1.2 The objects

LCF monies given to an EB must be spent only on projects that meet the approved objects of the LCF or on running costs. The Regulations define the nature of work that can be funded by the LCF. Information on the objects and the types of projects that can be registered under them can be found in Section 4: Submitting a Project for ENTRUST approval.

1.3 Eligible project site locations

With the exceptions of objects A and B, which are described in section 4 of our Guidance, LCF money can only be used to fund community or environmental projects in the vicinity of a landfill site. We interpret vicinity to be within 10 miles of a licensed landfill site, however, if you are able to provide evidence that your project site is adversely impacted by activity from a licensed landfill site which is further than ten miles away, we will consider your evidence. A grid reference or map showing the ten mile radius may be appropriate when applying to register a project but the minimum of a postcode for the project site will be required to demonstrate eligibility.

The Regulations do not require the closest applicable landfill site to be owned by the LO contributing to your project, however, some funders may have their own requirements. Some require the project location to be in the vicinity of one of their own sites or to be closer than 10 miles to a landfill site.

A 'licensed' landfill site is one where there is a licence, resolution or permit authorising disposal of materials as waste in or on the land. Some inactive landfill sites are still 'licensed'. Sites that are closed but are still licensed are eligible. In practice most funders won't deem a licensed closed site eligible even though it would meet our requirements as the Regulator. In such cases please check with the funders on a case by case basis.

A guide to locating landfill sites can be found on the [training resources](#) page of our website.

1.4 Publicity and Promotion

We encourage the use of the LCF logo on all materials connected with the scheme. Further information can be found on the [Brand Guidelines](#) page of our website to include Visual Identity Standards which must be used, and wording suitable for press releases about projects funded by the LCF.

Only reasonable and relevant promotional activities may be funded by LCF monies. If you are concerned about the compliance of a planned promotional activity please contact us to discuss.