



## 7. Appendix – Glossary of Terms

Name	Abbreviation	Concept
Asset Register		An asset register is a record that contains detailed information about assets acquired using LCF monies. This can be as simple as an excel spreadsheet.
Association of Distributive and Environmental Bodies	ADEB	<a href="#">ADEB</a> is the representative body for practitioners within the LCF and has two levels of membership - full members are funding EBs that pay the ENTRUST levy and associate members are other EBs.
Benefit		A benefit is any material or financial advantage, asset, gain or benefit in kind. Neither the contributing LO nor the CTP may receive a benefit from having made a contribution. On a project level the recipient of a benefit can be an individual or group, and can include contractors or landowners who may gain from a project going ahead.
Breach Management		Where ENTRUST considers that an EB's actions or responses suggest regulatory breaches or imminent breaches, a series of events will take place under the general heading of the Breach Management Process.
Building or structure of historical or architectural importance		A building or structure which can be demonstrated to have historical or architectural importance, for example, listed status or support from a County architect.
Clawback		In certain circumstances (such as an EB's expenditure being non-compliant, an EB breaching a condition or when an EB is revoked) HMRC have the power to recover from the funding LO the tax credit claimed by the LO in respect of the qualifying contribution it made to the EB. This recovery from the LO is known as clawback.
Compliant expenditure		Expenditure that has been made in accordance with the Regulations. For an EB's expenditure to be compliant it must be spent on either an approved object or its running costs.
Connected person/party		Any person, organisation or group which is related or linked to the EB. This can include any director, partner, shareholder, manager or other employee or employer. Relations and links can be through personal or business

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		connections, for example a spouse, a civil partner, a relative or a person connected by virtue of being a fellow trustee.
Contributing Third Party	CTP	Any person, organisation or group who makes a payment to the LO in order that the LO makes a qualifying contribution to the EB.
Conditions		Additional statutory clauses to the Regulations (1996), agreed with HMRC in 2015, the <a href="#">conditions</a> require LCF project expenditure to occur in an approved project's timeframe and stipulate the consequence for EBs who have not filed their annual return.
Derived income		See Income Derived.
Diversion rate		The portion of a LO's landfill tax liability that it can give to EBs as qualifying contributions. This is reviewed and set by HMRC annually. For the current diversion rate see our <a href="#">website</a> .
Enrolment		The process by which an organisation can become an EB with ENTRUST, thereby enabling it to receive and spend LCF monies on approved projects that are compliant with the Regulations.
ENTRUST		The Regulator of the LCF.
ENTRUST Online	(EOL)	An online database that enables EBs to access, update and file all their regulatory obligations and submissions. EOL allows EBs to undertake and manage their own data rather than being reliant on our administration which greatly reduces the administrative burden on all parties.
Environmental Body	EB	An organisation enrolled by ENTRUST. Once an organisation is an Environmental Body (EB), it is allowed to receive, distribute and spend LCF monies.
Expenditure		LCF monies spent by an EB. For an EB's expenditure to be compliant it must be spent on either an approved object or its running costs.
Form 1 <i>(all forms are found and completed on EOL)</i>		The form for an organisation to apply to enrol as an Environmental Body with ENTRUST.
Form 2		The form for an EB to register a project with ENTRUST.
Form 3		The form for an EB to report it has received LCF monies direct from a LO – it is a statutory requirement that this information is sent to ENTRUST within seven days of the LO receiving the monies.

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Form 4		The form to make a statutory annual return required from every EB. The annual return is required even where there is nil balance or there has been nil project activity during the year.
Form 7		The form for an EB to report it has transferred LCF monies to another EB – it is a statutory requirement that this information is sent to ENTRUST by the transferring EB within seven days of the transfer of the monies.
Form 9		The form for an EB to report the completion of a project.
Funding agreement		The legal contract under which the project EB or project applicant can receive LCF monies from another EB (often a funding EB) or the LO.
His Majesty's Revenue & Customs	HMRC	HMRC collect Landfill Tax and allow an LO's claims for tax credit in respect of the qualifying contributions made. HMRC are also responsible for overseeing ENTRUST and for taking final breach management sanctions where there is non-compliance by an EB.
Income derived		Any income generated by LCF monies or by an asset funded with LCF monies, or by the sale of LCF funded assets. Income derived includes bank interest, royalties, rent, admission charges or proceeds from the sale of LCF asset.
Landfill Communities Fund	LCF	The scheme which enables LOs to contribute a portion of the monies, which would otherwise be paid as Landfill Tax to HMRC, to enrolled EBs for the purpose of those EBs carrying out projects (in accordance with The Landfill Tax Regulations 1996) which benefit the communities in the vicinity of landfill sites.
Landfill Operator	LO	A registered person, responsible for the operation of one or more licensed landfill sites, and (for the purposes of the LCF) responsible for the payment of Landfill Tax to HMRC in respect of waste deposited at their landfill sites.
Landfill site		Land is a landfill site if at any given time there is in force a licence, resolution or permit described in section 66 of the Finance Act 1996. For the purposes of LCF, such a site must be owned or operated by a person registered to pay Landfill Tax.
Landfill tax		The tax paid by LOs on waste deposited at their landfill sites.
Landfill Tax Credit Scheme	LTCS	The old name for the Landfill Communities Fund.

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Landfill Tax Regulations (1996)		The <a href="#">Regulations</a> governing the LCF.
LCF monies		The sums held and spent by an EB under the LCF scheme.
Local authority		Local government administrative body, such as a local council, district council or parish council.
Main contact		A person nominated by the EB to act as the main contact for LCF purposes. Generally, ENTRUST will contact the main contact in the first instance with any query we may have.
Object A		An approved object of the LCF which involves the reclamation, remediation or restoration of land, the use of which has been prevented by some previous activity.
Object B		An approved object of the LCF which involves either: <ul style="list-style-type: none"> <li>• the reduction or prevention of any potential for pollution; or</li> <li>• remediation or mitigation of the effects of pollution on land where that pollution has been caused by an activity that has now ceased.</li> </ul>
Object D		An approved object under the LCF which involves the provision, maintenance or improvement of public parks or other public amenities in the vicinity of a landfill site.
Object DA		An approved object under the LCF which involves the conservation or promotion of biodiversity.
Object E		An approved object under the LCF which involves the maintenance, repair or restoration of buildings or structures which are either places of worship or demonstrated to be places of architectural or historical interest.
Place of worship		A building or structure that is exempt from business rates by virtue of Schedule 5, Case 11 of the Local Government Finance Act 1988 or has a certificate issued under the Places of Religious Worship Act 1855 to confirm it is a place of worship.
Project		Works funded by LCF monies, approved by ENTRUST, under an approved object.
Project applicant		A person or organisation who wishes to undertake a project and who seeks LCF money to fund the project works. It is not necessary to be an EB in order to seek an offer of LCF funding from a funding EB or LO but only an enrolled EB can apply to ENTRUST for project approval.

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Project application		The process by which an EB submits details of a project to ENTRUST for approval. Once a project has been submitted by an EB then ENTRUST will decide whether the proposed project complies with the Regulations. If the project is compliant then ENTRUST will give project approval.
Project approval		The approval of a project application by ENTRUST, confirming that the project meets the criteria of one or more of the approved objects under the Regulations.
Public access		<p>Projects under Objects D or E must be available to the public.</p> <p>Object D: generally, a park or public amenity must be available for more than four evenings or two days a week - if it was available for fewer than 104 days in any one year it would not be considered sufficiently open to the general public to qualify.</p> <p>Object E: a religious building or structure must be open for an appropriate amount of time as would be expected from similar buildings or structures, otherwise it would not be sufficiently open to the general public to qualify.</p>
Qualifying contribution		The sum given by a LO to an EB under the LCF scheme, together with any income derived from such a qualifying contribution. When an EB receives a qualifying contribution from a LO, it must complete and return a Form 3 to ENTRUST within seven days of the receipt of the qualifying contribution.
Regulations		The Landfill Tax Regulations 1996 (S.I. 1996/1527), as amended
Regulatory body		The regulatory body is ENTRUST.
Review Panel		The Review Panel, whose purpose is to ensure that ENTRUST applies consistent standards when deciding to reject enrolment and project registration applications.
Revocation		Voluntary revocation is the process by which an EB chooses to cease its registration as an EB from the ENTRUST roll of EBs. Forcible revocation is when HMRC exercises the sanction of removing an EB from ENTRUST's roll of EBs for one or more serious breaches, or a number of less serious breaches, of the Regulations.
Small Grants Scheme	SGS	Under this scheme, qualifying EBs can register a single umbrella project under which they can then award grants (not exceeding £5,000 per project) with total project expenditure under the registered EB's SGS

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		each year not exceeding £100,000 or 10% of the registered EB's LCF income in the previous year.
Tax credit		An amount of money that the LO is able to claim by way of deduction to its Landfill Tax liability due to making qualifying contributions to an EB.
Transfer		The transfer of LCF monies between EBs, typically a payment from a funding EB to another EB. A transfer of LCF funds must be reported to ENTRUST, on Form 7, by the transferring EB within seven calendar days of the transfer being made.
Vicinity of a landfill site		Projects under Objects D, DA and E must take place in the vicinity of a landfill site. We interpret "in the vicinity" as being within ten miles of a site (although some funding EBs and LOs have more stringent requirements). However, this 10 mile requirement can be relaxed if evidence can be provided that the project site has been adversely affected by the landfill site.

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