



Framework for reviewing high risk project applications

October 2023

1. Introduction

- 1.1 One of the functions of ENTRUST's Registrations Team is to review and assess project applications from Environmental Bodies (EBs) to ensure that they comply with the Landfill Tax Regulations 1996 (Regulations).
- 1.2 EBs submit each project application through ENTRUST Online (EOL). These applications are then assessed against a control framework, which includes a checklist to assess whether they comply with the [Regulations](#) and/or [ENTRUST guidance](#). At this stage of the review process if there are concerns regarding the eligibility of the project or its compliance with the Regulations an application is pended prior to the issue being resolved.
- 1.3 If ENTRUST's concerns cannot be addressed the application will be rejected and, independently reviewed at the quarterly ENTRUST Review Panel, which HMRC attend. For more information on the project approval process see our [Guidance](#) and the project approval page of our [website](#).
- 1.4 The project registration process is an integral part of the regulatory regime, which provides HMRC with independent assurance that LCF monies are spent compliantly in accordance with the Regulations. However, in line with best practice and based on our regulatory experience ENTRUST regularly reviews its operational frameworks to strengthen and improve them.
- 1.5 Based on our experience of recent regulatory activity, the High Risk Project Framework was reviewed in October 2022, and updated to specify areas in which further information may be required in complex cases.

2. High risk project registration framework

- 2.1 The following table sets out ENTRUST's checks for projects considered high risk. These checks either require further assurance about the EB registering the project or regarding the project applicant itself if the LCF recipient is not the EB.

3. Further help

- 3.1 Please contact the Helpline if you have any questions on the Framework on 01926 488 300 or helpline@entrust.org.uk

High risk project registration framework

Area of project registration and associated risk	Checks by ENTRUST	EB requirements
<p>Projects on school grounds – it is a requirement of the Regulations that projects must be available to the public with guidance stating that this must be for at least 104 days per year. Any projects on school grounds are usually registered on a proportional basis.</p>	<p>For all projects on school grounds the access arrangements will be cross referenced against publicly available information and the EB will be asked to confirm the access, in all cases.</p>	<ul style="list-style-type: none"> • Access statement signed by the applicant confirming the public access the times, days, fees, booking method and how users obtain physical access. Uploaded on ‘Specific Details’ page; • Confirmation that the project can be used at these times, for example floodlighting required or if the school intend to run after school/holiday clubs; • Booking of the facility process required; • Confirmation via the access statement that the school will only use the facility in hours stated for community use on an ad-hoc basis and that community groups will have priority access at these times; • Proposal for management of Income Derived (ID) if appropriate • Evidence of community engagement and public need via a business case, survey or similar; and • All projects on school grounds regardless of information submitted will be pended to seek confirmation on public access.
<p>Amenity with community use but single user group focus (e.g. Scout Hut) - it is a requirement of the Regulations that projects must be available to the public with guidance stating that this must be for at least 104 days per year.</p>	<p>For projects in amenities with single user group focus the access arrangements will be cross referenced against publicly available information.</p>	<ul style="list-style-type: none"> • Access statement signed by the applicant confirming in relation to public access the times, days, fees, booking method and how users obtain physical access. Uploaded on ‘Specific Details’ page; • Evidence of community engagement and public need via a business case, survey or similar; • Booking process required and checked; and • Projects will be pended if publicly available information does not confirm access statement.
<p>Purchase of equipment –</p>	<p>For all projects purchasing portable</p>	<ul style="list-style-type: none"> • Storage and security arrangements for portable equipment; • Compliance with the framework in Appendix B;

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<p>As with all LCF funded elements, all equipment must be an eligible cost under the relevant regulatory Object. All equipment must be secured and used for that site(s) only.</p>	<p>equipment (as per category 1 and 4 of the asset list in the guidance) the security and storage arrangements will be requested.</p>	<ul style="list-style-type: none"> • Any ID generated from asset; and • EB must declare equipment as assets
<p>High value assets (over £100,000) - As with all LCF funded elements, all high value assets in a cost breakdown must be eligible under the relevant regulatory object and need to be managed as per the asset monitoring guidance.</p>	<p>The EB will be required to confirm that any high value assets will be handled according to our guidance.</p>	<ul style="list-style-type: none"> • EB to confirm that the assets will be handled as per the guidance: <ol style="list-style-type: none"> 1. Asset monitoring requirements 2. Protection of land and buildings if necessary • EB must declare assets as such.
<p>High expenditure (over £100,000) – As with all LCF funded elements, all elements of a cost breakdown must be eligible under the relevant regulatory object and all expenditure must follow the Value for Money guidance on tendering and quotes.</p>	<p>If the project applicant is not a charity, company, local authority, Community Council, Charitable Incorporated Organisation, Community Interest Company, statutory body, community sports club, Community Benefit Society or Community Amateur Sports Club the funding agreement will be sought.</p>	<ul style="list-style-type: none"> • EB must confirm what type of organisation the applicant/amenity operator is; and. • EB must provide sufficient detail in cost breakdown <p>EB to upload Funding agreement on the ‘Specific Details’ page if the applicant is not a charity, company, local authority, Community Council, Charitable Incorporated Organisation, Community Interest Company, statutory body, community sports club, Community Benefit Society or Community Amateur Sports Club. It is acceptable to provide the draft agreement if not signed.</p>

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<p>New build amenity or facility – Any new build must be eligible under Object D in the Regulations</p>	<p>For new builds only, if the project applicant is not a charity, company, local authority, Community Council, Charitable Incorporated Organisation, Community Interest Company, statutory body, community sports club, Community Benefit Society or Community Amateur Sports Club the funding agreement will be sought. Planning permission information requested.</p>	<ul style="list-style-type: none"> • Confirmation that planning permission has been granted or sought. EB to provide planning reference; • Proposal for accounting for ID; and • EB must confirm what type of organisation the applicant/amenity operator is <p>EB to upload Funding agreement on the ‘Specific Details’ page if the applicant is not a charity, company, local authority, Community Council, Charitable Incorporated Organisation, Community Interest Company, statutory body, community sports clubs, Community Benefit Society or Community Amateur Sports Club. It is acceptable to provide the draft funding agreement if not signed.</p>
<p>Object D projects for sports facilities where community participation is not evident - it is a requirement of the Regulations that projects must be available to the public with guidance stating that this must be for at least 104 days per year.</p>	<p>For sports facilities that are associated with a specific team the community availability will be checked. This is to ensure that the community have actual access to the facility and not just as spectators. This only applies when the project is funding an upgrade to the sporting facilities. The access</p>	<ul style="list-style-type: none"> • EB to confirm public access on the ‘Specific Details’ page if not confirmed by public information i.e. the club has various teams at different levels, confirming community participation; • Projects will be pended if publicly available information does not confirm access statement; and • If the project is for improving community facilities (i.e. when the club has rooms that can be booked for community use) this does not apply.

Area of project registration and associated risk	Checks by ENTRUST	EB requirements
	arrangements will be cross referenced against publicly available information	
Object DA projects with costs associated with managing the physical works such as salaries for project officers - all elements of a cost breakdown must be eligible under Object DA in the Regulations and the guidance provides further detail on allowable costs, for example all costs must be associated with physical activity at site	All costs will be checked to ensure that they are necessary for direct physical works for that specific project.	<ul style="list-style-type: none"> • EB to provide “Staff Hours – For project Registration”, available to request from the registrations team, or similar document. The document should include job title, description of project works role, hours estimate and total cost. It should show how the costs lead to physical works for that specific project and are not simply operational costs; and • EB to provide assurance that a timesheet will be kept to evidence hours of LCF funded staff time.
Multi-site Object DA projects - all elements of a cost breakdown must be eligible under Object DA in the Regulations; any multi-site projects must meet further guidance requirements	Projects with multiple locations can be registered in particular circumstances if there is a link between the sites. This link and further criteria are checked.	<ul style="list-style-type: none"> • EB to provide details of the physical or ecological connection between the sites, postcodes or grid references for each location and a map which shows the boundary of the larger connected area and the individual locations within it and the relevant landfill site.
When the project site is not owned by a council, charity or other appropriate body that ensures its protection – projects must continue to be compliant for as long as possible but for the minimum as detailed in the guidance on project monitoring or asset protection.	Where the amenity is not owned by the following, we will ask for the funding agreement: Local authority, Community Council, Charity, Charitable Incorporated Organisation,	<ul style="list-style-type: none"> • EB to upload the funding agreement on the ‘Specific Details’ page if the project site is not owned by a Local authority, Community Council, charity, church, Charitable Incorporated Organisation, Community Interest Company, Statutory Body, Community Benefit Societies, community sports clubs or Community Amateur Sports Club. It is acceptable to provide the draft agreement if not signed. • EB to provide the lease agreement in cases where securities are not evident and further assurance is deemed necessary; and

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	Community Interest Company, Statutory Body, Community Benefit Societies, community sports club or Community Amateur Sports Club.	<ul style="list-style-type: none"> EB must confirm what type of organisation the owner is.
When the project site is not owned by the project operator or a body set up by the project owner - projects must continue to be compliant for as long as possible but for the minimum as detailed in the guidance on project monitoring or asset protection.	Details of the lease or management agreement will be requested.	<ul style="list-style-type: none"> Confirmation of the lease or management agreement detailing the parties and the length of the agreement.

OBJECT D EQUIPMENT PURCHASE FRAMEWORK

Category	Description	Compliance
1	Available to all users and designed for all users.	Compliant
2	Available to all users, designed with a user group/specific focus <i>but</i> beneficial to access or use of the wider public amenity.	Compliant
3	Available to all users, designed with a user group focus <i>and</i> does not benefit access or use of the wider public amenity.	Non-compliant
4	Not available to all users.	Non-compliant

