

## **LCF Forum**

**9 May 2014**

The LCF forum, hosted by HMRC, met on 9 May 2014. The minutes of the meeting are now available below.

Unfortunately we were unable to send a representative to the forum so are now working with HMRC to further understand the points raised at the meeting and to respond to these issues.

Event	LCF Forum
Location	HMRC, Ralli Quays, Manchester
Date	9 May 2014
Participants	Robin Squire (Veolia North Thames Trust) Kim Gutteridge (RSPB) Phil Larkin (National Trust) Phil Gregory (SITA) Steve Robinson (HMRC) Ivor Berry (HMRC) Helen Derbyshire (HMRC) Leonne Jackson (HMRC)
Apologies	Angela Haymonds (Cory Environmental Trust)

SR welcomed the group to the forum and explained that as shared (in the email confirming the details of the forum) the group was small the event would be informal.

For the benefit of HD a new member of the LCF team the group took turns to introduce themselves sharing a little about their organisation, what they were pleased to achieve in 2013/14 and their biggest challenge for 2014/15.

The highlights going around the group were

- being able to support a wide range of projects
- spending time with the passionate and enthusiastic project applicants
- being able to fund a diverse range of projects
- giving people access to nature
- the speed of securing LCF funding in comparison to other schemes

Concerns were

- bureaucratic nature of some elements of the LCF for example form 4 records funding down to the pence
- missing form 7's presented an issue when completing their form 4, this caused difficult conversations with funders
- without an EOL system supervisor available during the peak form 4 period reconciliation of an incorrect opening balance has been difficult
- conflicting advice from ENTRUST staff regarding the form 4

Opportunities for the year ahead

- guidance notes for the form 7 sender and recipient would have been helpful
- double checking that all the additional information boxes on EOL provide up to date advice after a guidance change

The group also discussed

## **Biodiversity**

The general consensus was that the group could understand the reasons for the challenge but felt the effect had been felt most by Biodiversity projects due to the long term nature of their funding which they felt was difficult now with the pressure to spend funds quickly. SR asked whether the encouraged practice of breaking the projects into two or three year projects worked.

The group were all in agreement that Biodiversity projects were not well suited to being broken down into short term projects. Starting a project without having all the funding in place may mean initial elements are completed without later stages and the Biodiversity benefit would not be realised and any LCF (and CTP) monies spent would have been wasted. In addition when land is given specifically for a biodiversity project the requirement to have all the funding in place may mean that it is no longer an appropriate project for LCF funding. The group felt that this was a real shame as the LCF had been a great supporter of biodiversity projects and was a particularly useful source of funding as there was not the same pressure to increase visitor numbers as the group experienced with other funders.

### **The Government Challenge**

The group shared some of their experiences over the period of the Challenge. Concern was shared over whether the actions of a small group in not addressing the issue would impact on the whole group even those who have met the challenge.

An individual shared that they thought the effects were already being felt in the reduction of the value of the fund for 2014/15.

SITA were very positive about the process improvements they have been able to make internally to ensure that the flow of money to projects is not unnecessarily delayed. SITA have streamlined their end to end process making dramatic improvements to the time taken to fund projects. SITA now have a target not to have any uncommitted funds.

VNT gave their intention to publish their performance against the challenge.

The increased importance of the project end date was welcomed by the group. One member of the group was surprised that the guidance regarding end dates hadn't been universally followed as they felt it had been clear until the reminders from ENTRUST showed that their approach hadn't been taken by all.

### **Accreditation**

An accredited member of the group was asked to share whether they found it beneficial to be accredited and whether they felt the distributing EBs should be encouraged to seek accreditation. They agreed explaining that they initially did not see a reduction in the checks or a change in the nature of the checks but that had now changed and they did see a real benefit in accreditation. The group felt that there was a good argument for accreditation to be a stipulation for the largest EBs.

The group as a whole confirmed that it would be beneficial to look for an effective way to capture knowledge about their organisations to aid the compliance officer. Understanding the reasons behind rotating the officers inspecting their organisations they thought it was not the best use of their time or the officers to have to explain the same elements of the way the work year after year to aid the officer. If there were an effective way to share the information amongst the compliance team they thought it would be helpful.

### **Budget 14**

When asked how the group felt about Budget 2014 a member suggested that the reduction of the value of the fund hadn't come as a surprise, but that it was disappointing and they did feel concerned it would be a sign of things to come.

## **Value for Money**

SR shared with the group that the scheme was based on the intention to spend and value for money. The reduction of ENTRUSTs resource bid for 2014/15 is part of the move towards objectives we can all consider within our own organisations and its important to consider all elements of our spending for example overheads and regulatory costs to ensure that the scheme provides value for money.

## **Devolution**

The group shared that they were interested to see how a new scheme for Scotland might be set up and the opportunities it would offer. The group noted the complexities of running two sets of LCF records during the transition period and were supportive when the use of frequently asked questions and illustrative examples was suggested.

## **Inconsistent systems**

The group shared their experiences of working with a variety of funders and the effects the differences in their systems was having on their funding and possible far reaching effects.

One DEB is not prepared to pay the EB upfront for work or to reimburse them for payments they could make to contractors. The result is a potential delay in the payment reaching the contractor and a late payment recorded against the EB, adversely affecting their trading profile. There is a concern that the ultimate effect of these negative 'black marks' may mean they are seen as a higher risk than they would be if they could pay contractors directly and on time.

## **Contributing Third Parties**

The group touched the long standing issue of money bequeathed which without express consent cannot be used as a CTP payment to unlock LCF funding.

SR thanked all for attending and for their open discussion. The group agreed that they felt it was a useful discussion. We discussed the October forum and the consensus was to avoid a Friday if possible, there was general interest and support in holding the next forum at a project.