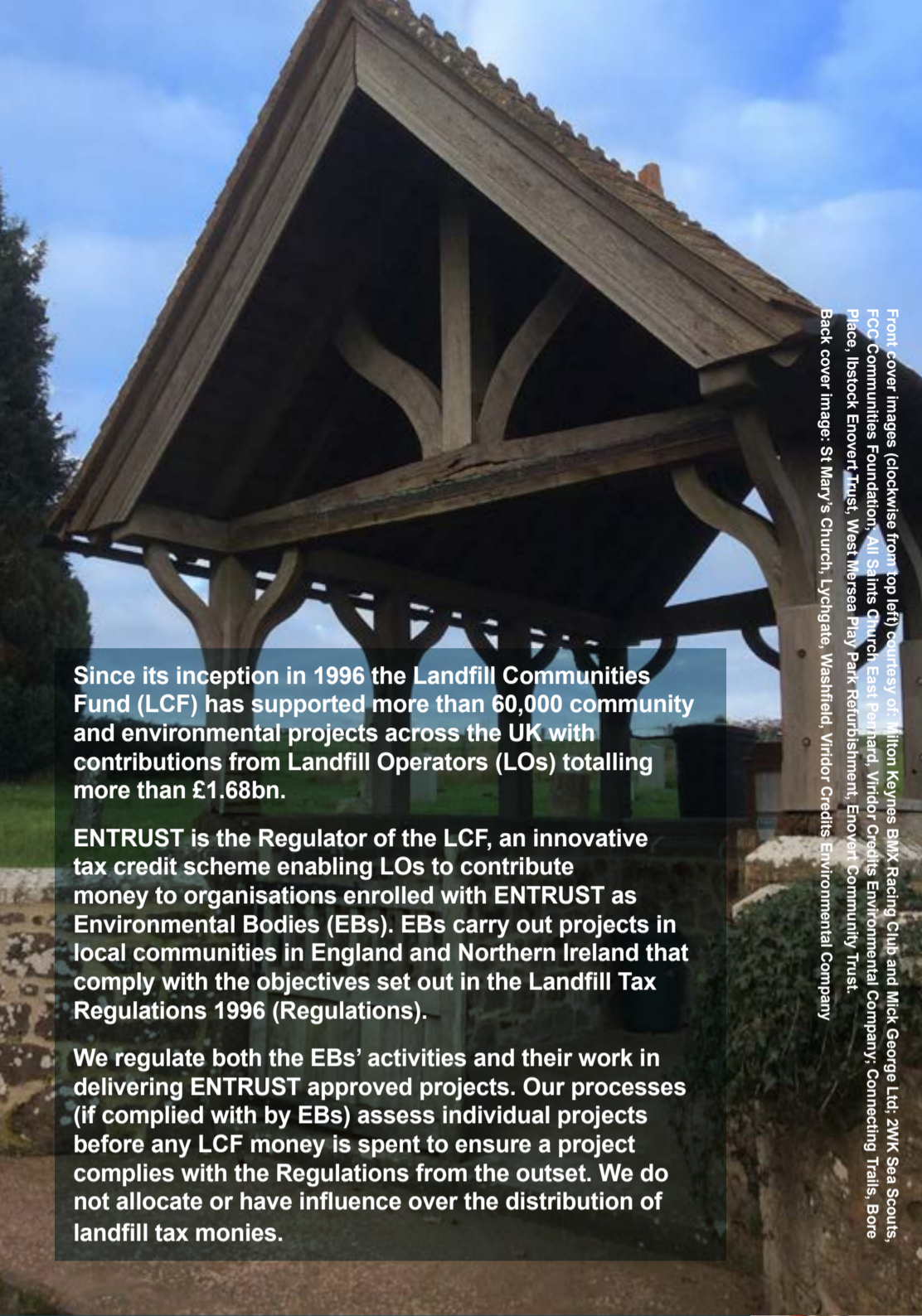




# 2019 – 2020 ANNUAL REPORT



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Back cover image: St Mary's Church, Lychgate, Washfield, Viridor Credits Environmental Company

Since its inception in 1996 the Landfill Communities Fund (LCF) has supported more than 60,000 community and environmental projects across the UK with contributions from Landfill Operators (LOs) totalling more than £1.68bn.

ENTRUST is the Regulator of the LCF, an innovative tax credit scheme enabling LOs to contribute money to organisations enrolled with ENTRUST as Environmental Bodies (EBs). EBs carry out projects in local communities in England and Northern Ireland that comply with the objectives set out in the Landfill Tax Regulations 1996 (Regulations).

We regulate both the EBs' activities and their work in delivering ENTRUST approved projects. Our processes (if complied with by EBs) assess individual projects before any LCF money is spent to ensure a project complies with the Regulations from the outset. We do not allocate or have influence over the distribution of landfill tax monies.



## Chair's overview

The Landfill Communities Fund (LCF) was launched in 1996 and ENTRUST has operated as the Regulator of the scheme since its inception. This report covers our activities across a full twelve-month reporting period. However, during the final quarter of 2019/2020 our normal office based business model was interrupted by the need to adapt to the unprecedented COVID-19 pandemic.

Our first priority was to ensure the health and well-being of our staff, stakeholders and their families and we acted proactively to take appropriate and proportionate steps to ensure we could continue providing services to our stakeholders. In March 2020 we implemented our Business Continuity Plan (BCP), moving all staff, where possible, to home working. The innovative work, delivered between 2017 and 2020, to move to 100 per cent e-delivery of services enabled us to quickly and efficiently respond and ensured that ENTRUST could still provide a 24/7 service for our stakeholders.

I am proud of ENTRUST's ability to respond to the fast changing and challenging circumstances we have all operated under, and ensuring that we regularly updated stakeholders on the changes we were implementing to support them. As this situation continues to unfold, I would like to reassure you that ENTRUST will continue to do all we can to support our stakeholders over the next financial year.

Reflecting on our activities over the course of 2019/2020, we continued to work closely with all LCF stakeholders including the Association of Distributive and Environmental Bodies (ADEB), the Chairs of the largest Environmental Bodies (EBs) and Landfill Operators (LOs) and HMRC.

Finally, despite the disruption caused by COVID-19, I believe that 2019/2020 was another strong year for ENTRUST, during which we delivered all of our objectives and Key Performance Indicators (KPIs) on time and on budget and completed the transitional phase of the closure of the LCF in Wales. Alongside these achievements, we continued to receive positive feedback with 86 per cent overall satisfaction recorded by EBs who responded to our annual satisfaction survey. These results would not be possible without ENTRUST's most important asset – our staff. I would like to end by thanking them for their hard work, and in particular for how they have adapted and responded to the significant changes of the last few months.

Dr Ann G Limb CBE DL  
Chair, ENTRUST

## CEO's operational review

ENTRUST's 2019-2022 Corporate Plan set out the activities which we considered key to our delivery of regulatory services in the reporting period. Alongside delivery of our core services we continued to place emphasis on ensuring the Government's strategic priorities for the LCF were met. In particular to:

- Reduce EB administration costs to below the recommended guidance of 7.5 per cent of annual project expenditure; and
- Reduce EB unspent funds at year end to no more than 1.5 times an EB's LCF income in that year.

As part of our continuous improvement programme, in April 2019 we introduced an innovative new framework to enhance our approach when processing projects considered high risk, by implementing enhanced checks for such projects to further mitigate the risk that LCF monies may be spent non-compliantly. During the year we further developed this approach to introduce criteria to assess the need for a pre-approval project visit under certain circumstances. This was due to be implemented from April 2020, but due to COVID-19, we have adapted it to allow us to continue this work, by requesting applicants provide us with digital evidence.

We implemented an in-house improvement plan to future proof ENTRUST Online (EOL) in relation to the underlying code system, its support platform and to provide a more robust security framework. We also undertook a competitive tender exercise to identify the best option for bringing the entrust.org.uk website up to date. Whilst the content of the website remains principally the same, we took the opportunity to make some changes following stakeholder feedback during the 2018 Provision of Information consultation.

Under our agreed KPIs with HMRC, we are required to ensure that 99 per cent of LCF monies are reported through the Statutory Annual Returns by 28 April each year. This was exceeded with 99.5 per cent of funds reported by the due date. Following the closure of the scheme in Wales, all funds in Wales have been fully accounted for and we will be submitting a final report to HMRC in June 2020.

Whilst recent events in relation to COVID-19 may be top of mind, I hope that the content of this report will showcase the depth and breadth of work that ENTRUST has undertaken across the previous twelve months.

Christopher Welford  
Chief Executive, ENTRUST



Milton Keynes  
BMX Racing Club  
New Start Gate  
Photo courtesy of: Milton Keynes BMX  
Racing Club and Mick George Ltd



Teigngrace Meadow Nature  
Reserve, Wildflower project  
Photo courtesy of: Devon Wildlife Trust



Morton-Arthur Radford Ground  
Play Area, FCC Communities  
Foundation  
Photo courtesy of: James Dymond



Since 1996 the Landfill Communities Fund has supported more than **60,000** projects with contributions from landfill operators totalling **£1.68bn** as at 31 March 2020

**In 2019/2020**



We have enrolled 39 EBs and registered 1,170 new projects. Our compliance inspectors have conducted 180 reviews. The following charts show the spread of activity across the UK.

**EB enrolments**

**Project registrations**

**Compliance reviews**

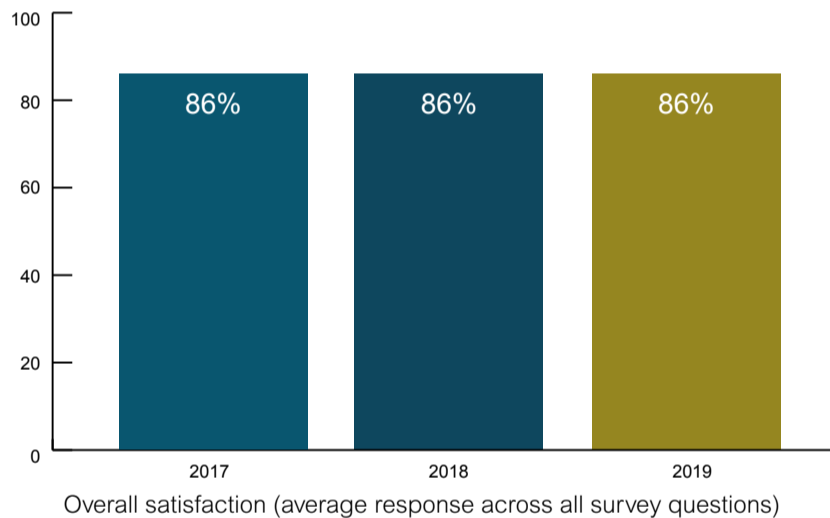


\*includes Landtrust who are based in Scotland but operate in England

**EB satisfaction with ENTRUST**

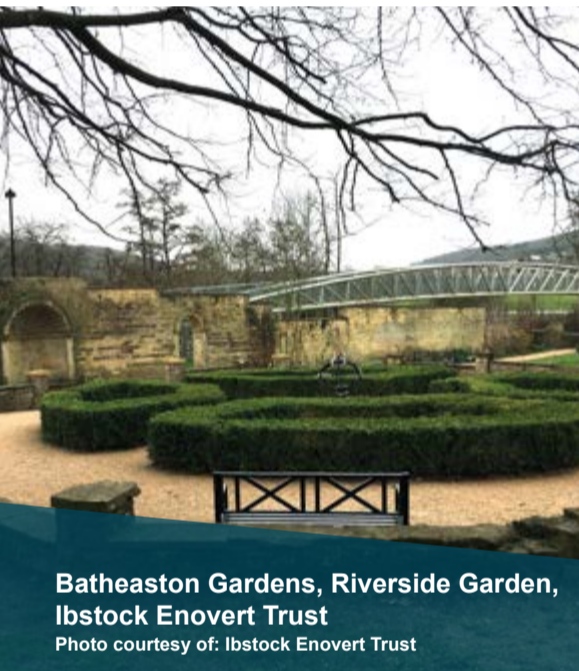
Each year we invite EBs to feed back on the services that we provide through an online satisfaction survey. The results from the 2019 survey were very positive overall and we were able to report the following. We also received strong feedback scores for our training events and compliance reviews.

The following chart shows the percentage of those who agree/agree strongly.



Overall satisfaction (average response across all survey questions)

Overall satisfaction with the Compliance process	Target	Actual	▲
	4.5/5.0	4.5/5.0	
Overall satisfaction with the ENTRUST training events	Target	Actual	▲
	4.5/5.0	4.9/5.0	



Batheaston Gardens, Riverside Garden, Ibstock Enovert Trust  
Photo courtesy of: Ibstock Enovert Trust



Compton Bassett Village Hall roof replacement, Community First  
Photo courtesy of: Peter Alberry, Chairman, Benson Hall Compton Bassett



The Hamlet at Three Sisters Recreational Area, Wigan  
Photo courtesy of: Enovert Community Trust

**Achievements**

We have delivered on all of our objectives and we have met all of our agreed Key Performance Indicators (KPIs) on time and on budget as agreed with Her Majesty's Revenue & Customs (HMRC). As a best practice organisation we also set a number of internal targets. The table below shows our performance against those. More details are in our full annual report available at [www.entrust.org.uk](http://www.entrust.org.uk)

	TARGET	ACTUAL	
Number of EBs enrolled in five working days	98%	100%	▲
Number of projects enrolled in five working days	98%	99.3%	▲
Number of compliance inspection reviews	1/3 active EBs	180	✓
Ensure that 99 per cent of LCF funds are reported through the Statutory Annual Return by the due date	99%	99.5%	▲
Maintain the proportion of Forms 2, 3 and 7 submitted online at 100 per cent in 2019/2020	100%	100%	✓
Ensure the proportion of Statutory Annual Returns (Form 4) received online is 90 per cent or above	90%	99.9%*	▲
Publish the 2018/2019 ENTRUST Regulator Standards	By 31 July	Published 24 June	✓

\*includes those supported to complete electronic returns via email, as well as those completed directly online.