



Regulating the Landfill Communities Fund  
Benefiting people and the environment

# 2020 – 2023 Corporate Plan

ENTRUST is the regulator of the Landfill Communities Fund (LCF), an innovative tax credit scheme enabling Landfill Operators to contribute money to enrolled Environmental Bodies (EBs) to carry out environmental projects in local communities.

The aim of the LCF is to offset some of the impacts that landfill sites have on local communities. All projects must satisfy the environmental objects contained in the Landfill Tax Regulations 1996 (Regulations).

We regulate both the EBs' activities and the work they undertake through the delivery of approved projects. We assess each project before any LCF money is spent to ensure it is clearly going to deliver an approved object.

We do not allocate or have influence over the distribution of landfill tax monies.

We are funded through:

- an application fee of £100 which is payable by organisations when they apply for approval to become an EB and enter the scheme; and
- a levy paid by all approved EBs on all qualifying contributions received from Landfill Operators in England and Northern Ireland. For 2020/2021, HMRC have set the levy at 2.26 per cent which applies to all contributions received on or after 1 April 2020.

Front cover images (clockwise): Sutton Parish Council Outdoor Gym, image courtesy of Grantscape; Wainley Forest Park, image courtesy of Envovert Community Trust; Kirtlington Village Hall Solar Panels, image courtesy of Vidior Credits Environmental Company; Slupper Buttery, Southern Pennines Grassland, Lancashire Wildlife Trust funded by FCC Communities Foundation Ltd, image courtesy of PHI Reddell, image courtesy of Yorkshire Wildlife Trust; Back cover image: Believer Moor and Meadow Nature Reserve, funded by Vidior Credits Environmental Company, image courtesy of Devon Wildlife Trust.



	2019/2020 Approved Budget £'000	2020/2021 Approved Budget £'000	Variation £'000
Resource Requirement	1,051	1,066	15
Funding Requirement	946	862	(84)



www.entrust.org.uk



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Since its inception in 1996 the Landfill Communities Fund (LCF) has supported more than 60,000 community and environmental projects across the UK with funds totalling over £1.6bn.

## Summary from the Chair and Chief Executive

ENTRUST's 2020-2023 Corporate Plan sets out the activities which we consider are key to ensuring we provide HM Revenue & Customs (HMRC) with independent assurance that Landfill Communities Fund (LCF) monies are spent compliantly and sets out the delivery of our services as an efficient, proactive and robust regulator. It also recognises the positive change in behaviour of Environmental Bodies (EBs) in complying with two of HMRC's key strategic priorities for the LCF:

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

### Service improvement and efficiency

In 2020/2021 we will maintain our 'coaching to compliance' ethos by focusing on the stakeholder experience that we offer and minimising the administration burden on EBs. We consider it essential that all stakeholders have the information they need to participate in the LCF. We support stakeholders through the use of ENTRUST Online (EOL), by providing written guidance and telephone support. We will also:

- Provide updated information to HMRC on EBs administration costs and the level of unspent funds they hold;
- Implement pre-registration project visit and inspection criteria to allocate our resources to the areas of highest risk; and
- Utilise our risk model and risk-based compliance approach to inspect at least one third of active EBs to monitor compliant spend.

Vital to our service improvement and efficiency is our innovative stakeholder engagement plan which includes positive partnering relationships between the ENTRUST Board members and Chief Executive (CEO) and the Boards and CEOs of our largest stakeholders. We will also continue to facilitate an annual engagement meeting between these stakeholders and HMRC.

### Delivering Value for Money (VfM)

As LCF monies are derived from public funds (foregone landfill tax diverted into the LCF scheme) we believe it remains important to demonstrate the value that the LCF delivers to local communities and the wider environment.

In 2020/2021 we will continue to publish benchmarking data to enable EBs to assess their performance and continue to publish an annual VfM report, agreed with HMRC. We will also update ENTRUST's Economic Impact Assessment (EIA) framework, which allows an objective assessment to be made of the added value that the LCF brings to communities and the environment.

### Scheme closure in Wales

Following the end of the transitional period for the closure of the LCF in Wales on 31 March 2020, we will complete our regulatory activities. We will then be able to provide assurance to HMRC that all LCF monies in Wales have been spent compliantly.

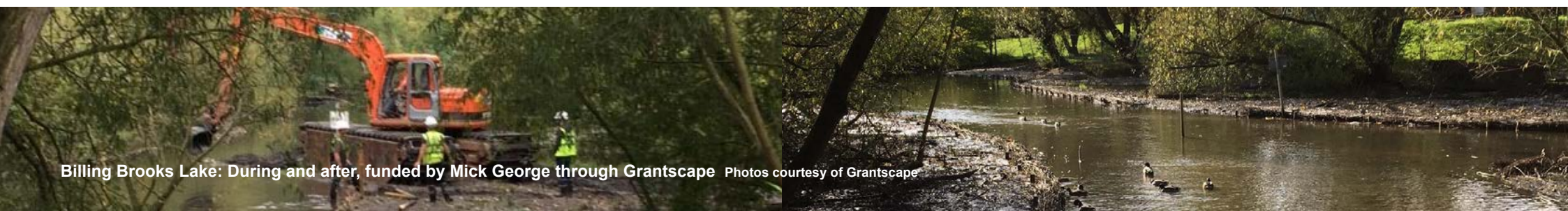
### Organisation

Our organisational structure remains an effective and efficient configuration with which to undertake regulation of the LCF. To utilise our staff most effectively, we ensure that they are multi-skilled across teams and continually seek methods to improve and increase our regulatory assurance to HMRC whilst minimising our resource requirement.

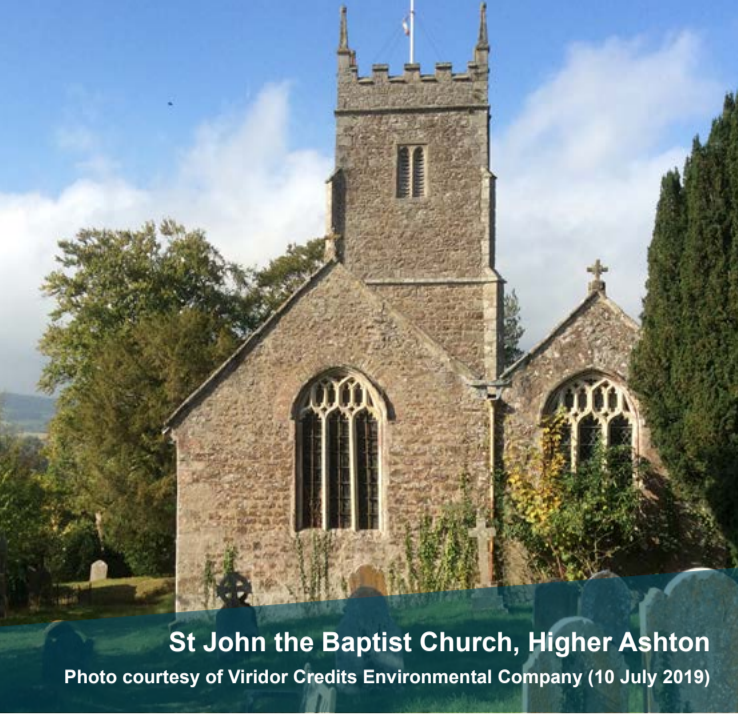
We will also ensure we maintain our compliance with all Data Protection laws and regulations and undertake our annual self-assessment and external verification of our cyber security arrangements.

Dr Ann G Limb CBE DL  
Chair, ENTRUST

Christopher Welford  
Chief Executive, ENTRUST



Billing Brooks Lake: During and after, funded by Mick George through Grantscape Photos courtesy of Grantscape



**St John the Baptist Church, Higher Ashton**  
Photo courtesy of Viridor Credits Environmental Company (10 July 2019)



**Charfield Memorial Hall toilets**  
Photo courtesy of Enover Community Trust



**Beaford Green Play Park**  
Photo courtesy of Viridor Credits Environmental Company



## Key performance indicators for 2020/2021

### Target 1

**Achieve standards of service delivery and effectiveness acceptable to stakeholders of a modern regulator**

- Approve 98% of eligible applications to enrol as an EB within five working days.
- Approve 98% of eligible project applications within five working days.
- Undertake a customer satisfaction survey by 31 August 2020 and use the findings to improve EBs' level of satisfaction with our services with identified improvements included in an action plan developed by 31 December 2020.



### Target 2

**Enhance the accountability and transparency of the LCF by reporting and publishing information about its operation**

- Provide reports to HMRC against the agreed reporting schedule.



### Target 3

**Secure/increase the level of compliance with the Regulations**

- During the 2020/2021 year inspect at least one third of active EBs to monitor compliant spend, focusing on the areas of highest risk based on previous non compliance, risks identified through the risk model and issues identified during the year.
- Ensure that 99 per cent of LCF funds are reported through the Statutory Annual Return (Form 4) by the due date of 28 April 2020.



### Target 4

**Deliver value for money**



- Following the implementation of our e-delivery policy, maintain the online submission of all forms at 100 per cent in 2020/2021.
- Publish 2019/2020 benchmarking data for EBs by 30 June 2020.

### Target 5

**Report to HMRC by 31 July 2020 priority regulatory improvements to the Landfill Tax Regulations 1996. Implement agreed changes to guidance or regulation in accordance with agreed timescales**

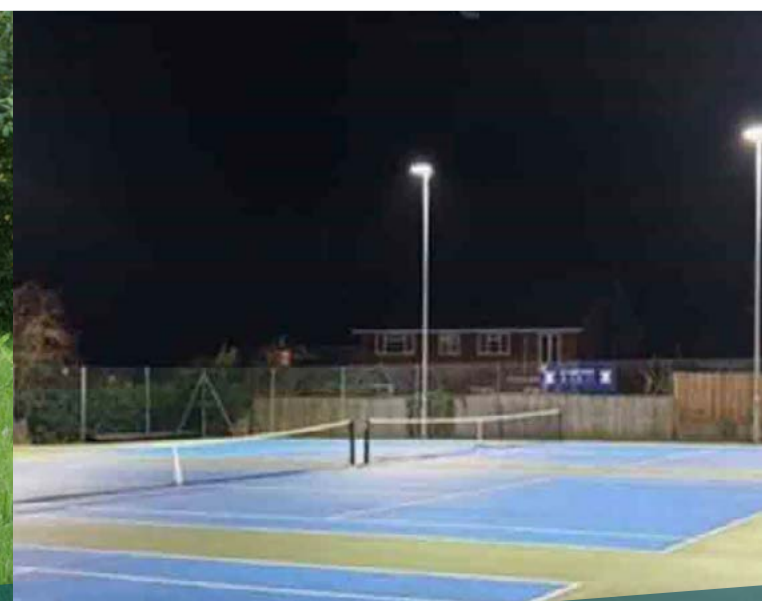
- Conduct targeted compliance interventions and if necessary consultation exercises to identify issues and make recommendations supported with robust analysis and evidence.



**Havergate Sea Lagoons**  
Photo courtesy of Viridor Credits Environmental Company



**Lyme and Wood Pit Country Park**  
Photo courtesy of Enover Community Trust



**Stamford Tennis Club**  
Photo courtesy of Grantscape