



Pre-approval project visit approach

June 2020

1. Introduction

- 1.1 One of ENTRUST's Registration functions is to review and assess project applications from Environmental Bodies (EBs) to ensure that they comply with the Landfill Tax Regulations 1996 (Regulations) and ENTRUST guidance.
- 1.2 During 2019/2020 we identified a small number of projects, where registration was approved on the basis of the information submitted by an EB, but during our follow up compliance work it was found that there were non-compliance issues with the projects. To address this matter, and to ensure that Landfill Communities fund (LCF) monies are spent compliantly, we consider that it is prudent to review and, where necessary, visit certain higher-risk projects prior to approving them. This approach aims to ensure that:
 - Information provided in a project application is accurate;
 - ENTRUST project approval is based on a holistic view of the project, supported by documented evidence (for example public access policy, detailed cost breakdowns);
 - All project works are covered by the project approval; and
 - Benefits accruing to a community or environment are in accordance with the Regulations and there is no unique benefit to an individual or related party.
- 1.3 Projects will be identified for further review, and potential visits, using set criteria (see section 2 for more details on the specific criteria), and will be set to pending status while the review takes place. No project expenditure or works can take place while a project is in pending status and so we will always ensure that the review is completed as soon as possible, and if a visit is required this will be undertaken in a timely fashion.
- 1.4 The new process has been implemented in April 2020, and will be reviewed periodically to ensure it remains fit for purpose. It is expected that a maximum of 5% of project applications will be impacted by this, and only a small fraction of these will require a full site visit. The process was first reviewed in June 2020. Following this review the 'Large Projects' criteria was amended by increasing the total project cost threshold to £200,000 from £100,000.

2. Criteria for identifying project applications requiring a potential visit

- 2.1 We have set out clear criteria to assess each project application and identify those which require a review, and potential visit, before they can be approved. These criteria fall into two categories, 'High-Risk Indicators' and 'Secondary Factors', which will be applied as follows:
- 2.2 Where one or more high-risk indicator is identified a project application will be pending for further review. The high risk indicators are:
 - High value project (LCF cost is greater than £100k);
 - Large projects (with total project costs over £200k) with a % of LCF funding of 50% or less (multiple funders); and

- Projects with access statements on school or other restricted grounds.

2.3 Where two or more secondary factors are identified a project application will be pended for further review. The secondary factors are:

- Projects submitted by EBs which are planning to revoke;
- Projects with direct funding from a Landfill Operator (LO);
- Where the project's funder conducts limited checks;
- Where the funder has a small number of projects;
- Where the funder asks the project to register as an EB; and
- Where the project is the first project for an EB.

3. The process

3.1 Project applications will be reviewed against the criteria above. In the small number of cases where the project meets these criteria the project will be pended. A letter will be emailed to the Main Contact of the EB confirming that the project has been pended for a further review and a member of the ENTRUST team will be in contact to discuss the review as soon as practical and within 5 working days. As mentioned above, it may not be necessary for a visit to be carried out and this will be discussed with you.

4. Further help

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