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# **Entrust Corporate Plan - 2026/2027**

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## 1. Introduction

The Landfill Communities Fund (LCF) continues to operate in a climate of structural change. Waste to landfill is reducing year on year, driven by policy commitments, operational changes in the waste sector, and wider environmental targets. This downward trajectory directly impacts LCF contributions and places increasing importance on proportionate, value-for-money regulation.

For 2026/2027, HMRC has confirmed that only a limited level of detail is required within the Corporate Plan while it continues its review of the Fund's long-term sustainability. In response, this plan sets out three clear objectives that position Entrust to support HMRC, guide the sector, and deliver efficient regulation during a period of transition.

This Corporate Plan also reflects the outcomes of the Committee/Board's discussions on 14 January 2026, the resource pressures created by the lower than expected Fund value confirmed by HMRC in November 2025, and the modernisation work delivered over the past two years.

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## 2. Operating Environment

The value of the Fund confirmed by HMRC for planning purposes is £18.7m, below expectations. This reinforces the need for a regulatory model capable of operating at lower volume and lower cost, without compromising assurance.

Across the sector:



Landfill Operators continue to reduce their reliance on landfill as they invest in recycling efficiency, energy from waste technologies, and climate aligned infrastructure.



The number of Environmental Bodies (EBs) Entrust now oversees has reduced significantly following operational model reforms, enabling a shift towards more proportional, upstream compliance and assurance.



Guidance simplification, improved EB engagement, and major progress on the rebuild of Entrust Online, position the organisation strongly for further efficiencies in 2026/2027.

Against this backdrop, Entrust's role remains critical: ensuring all LCF funding continues to deliver compliant, high-quality community and environmental outcomes.

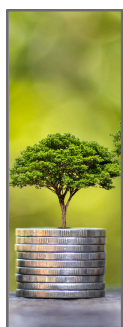


# 3. Corporate Plan Objectives for 2026/2027

HMRC has agreed in principle the three headline objectives for this year. Each objective is supported by a clear set of activities and intended outcomes.

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## Objective 1



### **Support HMRC in its project to review the future and long-term sustainability of the Fund**

Entrust will continue to work closely with HMRC, providing high-quality regulatory insight, sector intelligence, and data to support its ongoing review of LCF sustainability.

#### **Key Activities**

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- Provide evidence, analysis, and insight to HMRC upon request, ensuring contributions to the sustainability review are timely, accurate, and operationally grounded.
- Maintain transparent, reliable reporting in line with the Terms of Approval and established schedules.
- Share emerging trends in Fund activity, compliance performance and sector behaviour.

#### **What success looks like**

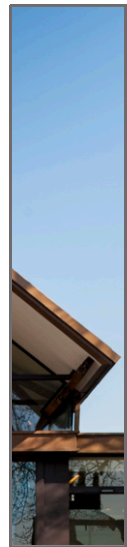
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- HMRC receives clear, usable inputs that support long term policy decisions.
- Entrust's reporting continues to provide strong assurance and trusted insight.
- Any regulatory implications of HMRC's sustainability review are anticipated and prepared for.

# Objective 2

## Support EBs in maximising efficiencies, informed by evidence from the 2025 Call for Evidence on Administration Costs

Entrust will support Environmental Bodies (EBs) to operate efficiently and sustainably by incorporating the insights gathered through the 2025 Call for Evidence into our regulatory and engagement approach. The consultation highlighted strong understanding of the current administration cost framework but also identified challenges arising from volatility in income and project expenditure, a desire for greater fairness and flexibility, and continuing pressure on EB operational capacity.



### Key Activities

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- Introduce a more proportionate assessment of administration costs by moving from a single-year snapshot to a three-year rolling review, addressing EB concerns that year on year volatility penalises organisations whose project expenditure fluctuates despite stable staffing and administrative workload.
- Increase flexibility for one off or exceptional costs by ensuring such costs (e.g., redundancy, system upgrades) can be considered within the multi-year framework, smoothing spikes and reducing the risk of EBs breaching the cap due to circumstances outside their control.
- Improve transparency and reduce administrative burden by streamlining guidance, clarifying expectations, and continuing to refine compliance processes to ensure they are proportionate, risk-based and aligned to the simplified Operating Model. EBs have emphasised that while guidance has improved, administrative workload remains a key pressure.
- Support EB sustainability by recognising that the current model creates constraints during periods of declining income, with many EBs reporting staffing pressures, reductions in outreach, and difficulties planning under volatile contribution patterns. Through improved guidance, engagement and data insight, Entrust will support EBs to budget more predictably and maintain service quality.

- Promote collaboration and shared practice, responding to EB calls for opportunities to reduce cost through joint activity—such as shared site visits, regional partnerships, or common tools—and working with ADEB on emerging sharedservice approaches.
- Encourage more efficient project processing, reflecting feedback that administrative input is required for both successful and unsuccessful applications. Clearer expectations and a strengthened riskbased approach will help reduce unnecessary rework and direct effort to highvalue activity.

### What success looks like

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- EBs experience greater predictability, with a three-year assessment period smoothing volatility and reducing avoidable cost management pressures.
- Administrative cost assessments are fairer and more reflective of EB operating models, reducing disproportionate impacts caused by single-year variances.
- The regulatory framework continues to support high standards of compliance while reducing unnecessary burden.
- EBs report improved ability to plan staffing and manage resources, sustaining service quality despite a challenging environment.
- Sector level transparency and collaboration strengthen efficiency and value for money across the Fund.





## Objective 3

### **Continue to modernise and deliver cost-effective regulation in the context of a fund with declining income**

Entrust will maintain its focus on operating affordably while continuing to modernise systems and regulatory approaches.

#### **Key Activities**

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- Embed the new Entrust Online system, ensuring smooth transition and uptake by EBs and staff.
- Continue to refine risk-based compliance activity, focusing on areas of greatest value for assurance.
- Deliver planned cost savings from estate consolidation and staffing restructure.
- Strengthen use of data and digital processes to reduce manual effort and accelerate routine transactions.

#### **What success looks like**

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- Entrust delivers a resilient, modern, and efficient regulatory service at a cost proportionate to the size of the Fund.
- Digital tools reduce the burden on both EBs and staff.
- Stakeholders view Entrust as clear, constructive and efficient.

## 4. Key Delivery Areas

### A:

#### Assurance and Sustainability

- Maintain strong oversight of the LCF and deliver compliance through proportionate, risk-based approaches.
- Provide insight to HMRC to support longterm decisions.
- Ensure Entrust's Regulatory voice remains clear, evidence-based and forward looking.

### B:

#### Sector Support and Efficiency

- Deliver streamlined guidance and improved user support.
- Promote transparency and learning across EBs.
- Support EBs in efficient project lifecycles while maintaining robust standards.

### C:

#### Cost Control and Modernisation

- Deliver efficiencies from office consolidation and organisational restructuring.
- Continue to support EBs with Entrust Online and file sharing functionality.
- Continue reducing internal administrative burden and duplication.



# 5. Proportionate Performance Framework



A light touch performance framework will support the delivery of this Plan and monitor:

- **Service Delivery:** Timeliness and quality of enrolment and project decisions.
- **Assurance:** Effectiveness of risk-based compliance activities.
- **Transparency:** Completion of all HMRC reporting commitments.
- **Value for Money:** Maintaining an appropriate and controlled cost base.
- **Stakeholder Experience:** Maintaining EB satisfaction and constructive relationships with HMRC.

Formal KPIs will continue to be agreed with HMRC separately, in line with established practice.

## 6. Resource Requirement Summary

The Corporate Plan is supported by a proposed Resource Requirement £707k for 2026/2027.

This equates to a levy of 3.55%, lower than the 3.78% charged in 2025/26.

The Resource Requirement incorporates:

- Planned efficiency gains from exiting the Holly Walk first floor and consolidating office space.
- A review of staffing requirements
- Release of surplus reserves as agreed £135k
- A 3% pay award assumption.

A full breakdown is provided below against the Resource Requirement requested for the past two years.

	Full Year		
	RR 2024/2025	RR 2025/2026	RR 2026/2027 release
Total Salary Costs	915,554	781,748	757,036
Total Establishment Costs	102,845	80,861	36,861
Total Operating Costs	15,000	15,837	7,230
Total Professional Fees	25,000	32,220	31,506
Total IT Costs	38,000	37,562	58,500
Total Depreciation	0	0	0
<b>Total Running Costs</b>	<b>1,096,399</b>	<b>948,228</b>	<b>891,133</b>
Exceptional Costs		0	0
<b>Total Operating Costs</b>	<b>1,096,399</b>	<b>948,228</b>	<b>891,133</b>
Miscellaneous Income	0	0	0
Income from Investment	(50,000)	(65,000)	(65,000)
<b>Total Operating Costs</b>	<b>1,046,399</b>	<b>883,228</b>	<b>826,133</b>
Corporation Tax	10,000	16,250	16,250
<b>Total Operating Costs after tax</b>	<b>1,056,399</b>	<b>899,478</b>	<b>842,383</b>
<b>Resource Requirement Requested</b>	<b>906,000</b>	<b>899,000</b>	<b>707,383</b>
<b>Levy %</b>	<b>2.93%</b>	<b>3.78%</b>	<b>3.55%</b>

# 7. Risks and Dependencies

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## **Fund Value Confirmation**

Changes to the Fund value following HMRC's review could alter the levy and require further scenario planning.

## **Delivery of Planned Savings**

Realisation of estate and staffing efficiencies is critical to maintaining an affordable cost base.

## **Pay and Inflation Pressures**

Higher than assumed inflationary uplifts could create budget pressures.

## **Digital and Operational Change**

EntrustOnline and/or internal changes require careful management to avoid disruption.

## **Sector Dynamics**

Continued reduction in landfill volumes may present further shifts in EB activity patterns. Entrust will be alert to these risks and where appropriate report them through existing governance channels.

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# 8. Conclusion

This Corporate Plan provides a clear, proportionate direction for 2026/2027, aligned to HMRC's request for a concise submission while giving the Board the assurance that Entrust is continuing to modernise, support the sector, and deliver reliable, efficient regulation.

The Plan builds on significant progress made over recent years and positions Entrust to operate confidently and effectively as the Fund continues to evolve.



# > Key Outcomes

As we plan the Corporate Plan for 2026/2027, we have identified several key outcomes that encompass a range of specific actions and measures. These outcomes ensure we will continue to deliver our statutory responsibilities effectively.

## Actions

Action	
<b>A.</b>	Utilise pre-approval project visit and inspection criteria to allocate resources to areas of highest risk.
<b>B.</b>	Monitor compliant spending by inspecting a range of completed projects across all funded EBs using our risk-based compliance approach.
<b>C.</b>	Enhance the project risk model to identify high-risk projects that require site visits or reviews.
<b>D.</b>	Conduct mid-year contact with EBs to verify and update their details.
<b>E.</b>	Communicate with Directors, Trustees and main contacts of frozen EBs following six months of no communication from the main contact.
<b>F.</b>	Continue conducting Feedback Surveys for the Helpline, Compliance, and Satisfaction.
<b>G.</b>	Hold an annual conference for all funded EBs.
<b>H.</b>	Agree with HMRC the annual Value of the LCF report, and publish accordingly.
<b>I.</b>	Report on Statutory Annual Return (Form 4) data to HMRC, including annual benchmarking data and information on Admin Costs and Unspent Funds.
<b>J.</b>	Publish quarterly Non-compliance activity.
<b>K.</b>	Undertake an annual EB satisfaction survey
<b>L.</b>	Conduct quarterly reviews of the Entrust website to ensure all information is current and accurate.
<b>M.</b>	Undertake an annual penetration test of our systems by an independent, external IT security company.
<b>N.</b>	Conduct an annual self-assessment of cyber security arrangements against the National Cyber Security Centre's (NCSC) guidance.
<b>O.</b>	Ensure full compliance with all UK data protection legislation.
<b>P.</b>	Undertake an annual review of employee engagement

# Measures

Measure	
<b>A.</b>	Challenge EBs with administration costs above 7.5 per cent of project expenditure - introduce a three-year rolling calculation.
<b>B.</b>	Maintain pressure on EBs to ensure administration costs are reasonable and justified, with total costs below 7.5% of annual project expenditure.
<b>C.</b>	Monitor EBs with unspent funds at year-end above 1.5 times income received in year and maintain oversight of the action plan to appropriately spend contributions in a reasonable timeframe.
<b>D.</b>	Maintain sector level performance with unspent funds at year-end below 1.5 times income received in year.
<b>E.</b>	Yearly reduction in the value of uncommitted funds held by EBs.
<b>F.</b>	Maintain EB Satisfaction levels.
<b>G.</b>	Maintain Employee engagement levels.
<b>H.</b>	Maintain the return rate for project completion forms from the baseline in 2025/2026, providing complete data sets for reporting on value
<b>I.</b>	Retain our independent Cyber Security certification.

# ➤ HMRC Reporting Requirements

We report a wide range of information relating to the LCF and our own performance to HMRC and the schedule of formal reports that will be provided during 2026/2027 are set out below:

Timing/Frequency	Title
<b>31 May 2026</b>	Annual Chair's Statement of Assurance
<b>30 June 2026</b>	Statutory Annual Return (Form 4) Data including EB Administration Costs and Unspent Funds Reports and EB Benchmarking
<b>31 August 2026</b>	Value of the LCF Report
<b>30 September 2026</b>	Regulatory Improvements Report
<b>December 2026</b>	Draft Corporate Plan and KPIs and 2027/2028 Resource Requirement
<b>By end December 2026</b>	Annual Accounts submitted to Companies House
<b>31 January 2027</b>	Update to Corporate Plan and KPIs
<b>Quarterly</b>	Entrust Board papers
<b>Monthly</b>	TOA report
<b>Monthly</b>	KPI update
<b>Ad hoc</b>	Data requests

# > KPIs

HMRC monitor our performance as the Regulator of the LCF and we agree a number of KPIs with them that encompass key targets.

The KPIs for 2026/2027 are below:

## **Target 1: Achieve standards of service delivery and effectiveness acceptable to Stakeholders of a modern regulator**

- KPI 1.1 - Approve 100 per cent of eligible applications to enrol as an EB within five working days.
- KPI 1.2 - Approve 98 per cent of eligible project applications within five working days.
- KPI 1.3 - Conduct a customer satisfaction survey by 31 August 2026 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 2026.

## **Target 2: Enhance the accountability and transparency of the LCF by reporting and publishing information about its operation**

- KPI 2.1 - Provide scheduled reports to HMRC.

## **Target 3: Secure/increase the level of compliance with the Regulations**

- KPI 3.1 - During 2026/2027, deliver a compliance plan that appropriately reviews funded EBs and selected projects, focusing on areas of highest risk.
- KPI 3.2 - Ensure that 99 per cent of LCF funds are reported through the 2026/2027 Statutory Annual Return (Form 4) by the due date of 28 April 2027

## **Target 4: Deliver value for money**

- KPI 4.1 - Publish 2025/2026 benchmarking data for EBs by 31 October 2026 within the Value of the LCF report

## **Target 5: Report to HMRC by 30 September 2026 priority regulatory improvements to the Landfill Tax Regulations 1996. Implement agreed changes to guidance or regulation in accordance with agreed timescales**

- KPI 5.1 - Conduct targeted compliance interventions and if necessary, consultation exercises to identify issues and make recommendations supported with robust analysis and evidence.