



### **SCOTTISH LANDFILL COMMUNITIES FUND/LANDFILL TAX CREDIT SCHEME**

Following its introduction in October 1996, a useful source of income for Congregations intending to carry out fabric projects has been the Landfill Tax Credit Scheme. The Fund from which projects can be helped subsequently became known as the Landfill Community Fund (“LCF”).

However, the previous landfill tax arrangements no longer apply to waste going to Scottish landfill sites after **31 March 2015** when responsibility for a new Scottish Landfill Tax was given to the Scottish Government. This includes responsibility for determining the nature of the tax, any rates, thresholds and exemptions and also responsibility for collecting and enforcing payment of the tax and managing an appeals system.

The body now responsible for administering Scottish Landfill Tax is Revenue Scotland and general information about it is available on its website at:

<https://www.revenue.scot/scottish-landfill-tax/scottish-landfill-communities-fund>

#### **New Applications**

A Scottish Landfill Communities Fund has been established for projects in Scotland. This is a tax credit scheme, linked to Scottish Landfill Tax which encourages landfill site operators to provide contributions to “Approved Bodies”, who can then pass the funds onto community and environmental projects. You can access lists of Approved Bodies and Scottish landfill site operators from the website of the Scottish Environmental Protection Agency (SEPA”) at:

<http://www.sepa.org.uk/environment/waste/scottish-landfill-communities-fund/>

Unlike the old UK scheme, there is no need for a project to register although it still requires to be within 10 miles of a landfill site or transfer station. There is a “screening tool” on the website to help you work out if you are eligible. Applications should go direct to one or more Approved Body or Bodies. (You can apply to several for the same project and do not have to apply to your nearest Approved Body.) All funding queries and applications should go an Approved Body rather than SEPA.

The type of projects which can qualify are similar to those under the UK scheme and include:

*The maintenance, repair or restoration of a building, other structure or a site of archaeological interest which is a place of religious worship, or a site of historic or architectural or archaeological interest and is open to the public.*

The period from 1 April 2015 to 31 March 2017 will be a transitional period to enable completion of LCF funded projects in Scotland.

During the transitional period LCF funds from contributions by Landfill Operators across the UK, in relation to credits claimed by them on disposals up to 31 March 2015, can be spent on projects located throughout the UK including Scotland.

However, all LCF projects in Scotland must be completed by **31 March 2017**.

EBs can still register LCF projects based in Scotland with ENTRUST between April 2015 and March 2017, but the projects must have a completion date no later than 31 March 2017.

Spending LCF monies on projects in Scotland after 31 March 2017 will not be allowed.

Further information about the UK Scheme appears on the following pages.

## **The UK ENTRUST Landfill Communities Fund (“LCF”) Closing for Scottish projects on 31<sup>st</sup> March 2017)**

### **Administration**

The Scheme is administered and regulated by ENTRUST, the Regulator of the Landfill Tax Scheme. ENTRUST’S website, which is at [www.entrust.org.uk](http://www.entrust.org.uk) contains a large amount of information about the scheme. ENTRUST’s contact details are as follows:-

For general queries about ENTRUST, please contact:-

ENTRUST,  
Head Office,  
60 Holly Walk,  
Royal Leamington Spa,  
CV32 4JE  
Tel: 01926 488 300  
Fax: 01926 488 388  
Email [information@entrust.org.uk](mailto:information@entrust.org.uk)

ENTRUST used to have a Scottish office in Paisley but, unfortunately, that has now closed.

### **Eligible Projects**

Unfortunately, following upon changes made, the amount of money potentially available through the LCF has dropped although projects falling under “Object E” have remained eligible for funding. Object E covers work involving maintenance, repair or restoration of a place of religious worship or a building (or a structure) of historical or architectural interest. All Church buildings, therefore, qualify, together with other Congregational buildings which are Listed. In addition, however, ENTRUST has indicated that projects may also be approved for work at Church Halls which can be regarded, by reason of the organisations using them, as a “community facility”. Although to qualify a building must be “open to the public”, it is sufficient for it to be open only at certain times. The building does however require to be open in addition to the period of normal services. You may as well, for example, be required to advertise your church through “Churches to Visit in Scotland”, it being free to advertise. It is also possible that, in certain circumstances, the Manse may qualify, particularly if it is a Listed building and if it could be regarded as a “community” facility by reason of meetings being held there from time to time.

### **Registering as an Environmental Body (“EB”)**

To be eligible for the scheme, it is necessary to register with ENTRUST as an EB. However, as there is a registration fee of £100, before proceeding to register, you should first contact a landfill site operator who has a site within the vicinity (generally within a ten mile radius) of the building where the project is to be carried out. Making contributions does have cost implications for the operator as he is only able to set off 90% of these against his landfill tax liability and such donations are capped at 6% of the operator’s tax liability. In addition, the operator is not entitled to make his contribution subject to conditions which would solely benefit him or his business. However, there is no difficulty if the body receiving contributions decides voluntarily to acknowledge the source of the funds, say, in the form of a sign outside the building or perhaps a reference in the Church magazine.

Landfill sites are operated both by Councils and by private operators. You may find that some operators only agree to consider applications at certain times of the year.

A register of landfill operators is maintained by HM Revenue & Customs and can be viewed at:- [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

To locate the list, you should use the search terms “list of registered landfill site operators” (including the quotation marks) in the search box.

To see whether your project lies within ten miles of landfill site, you should visit the Environmental Agency website at [www.environment-agency.gov.uk](http://www.environment-agency.gov.uk) and look under “What’s in your backyard?” which can be found in the “Your Environment” Section. Alternatively, you can contact the Environment Agency on 03708 506 506.

Once you are reasonably sure that you should be able to obtain contributions via the scheme, the next step is to register with ENTRUST. Along with the application form, (which can be obtained from ENTRUST or downloaded from its website) details must be submitted of all Directors/Trustees/office-holders of the EB. In the case of Church of Scotland Congregations, this would require, generally speaking, the submission of details of all the members of the Financial Board which could be very time-consuming. To avoid this, ENTRUST has agreed that it would be in order for the Financial Board to set up a sub-committee which would operate as a specific “ENTRUST” Committee and which would apply to be the EB and to handle all matters relating to the tax.

There is annexed a suggested remit for the ENTRUST Committee. It has been agreed with ENTRUST that Church of Scotland Congregations do not require to submit a copy of their Constitution.

There is a procedure in terms of which landfill tax can be processed via a local tax trust known technically as a “distributive environmental body”. These are organisations which help others to access landfill funds. If you go through such a body, the congregation does not itself require to register. Again, a list of distributive EBs can be accessed via the ENTRUST website. It is worthwhile checking out whether there is such a body operating in your area as they can offer advice on other source of matched funding. Indeed, many of these trusts do not require the 10% contribution to be made.

Details of the project also require to be registered with ENTRUST by completing a project registration form. Both the enrolment form and the project registration form can be submitted to ENTRUST at the same time or, alternatively, it is possible to enrol first and then have a project approved subsequently. Once an EB has been enrolled, it is free to apply for an unlimited number of additional projects from time to time.

It is hoped that this information will be helpful to your congregation in securing benefits from the scheme. Obviously, however, if you have any queries or if there are any other points on which you require advice, you should not hesitate to be in touch with the Law Department.

Further guidance will be published when the arrangements for the new Scottish Fund are announced.  
Circulars – Updated July 2014

### SUGGESTED REMIT FOR ENTRUST COMMITTEE

The Congregational Board AGREED that to facilitate the obtaining of funding via the Landfill Tax Credit Scheme a new Committee of the Board would be constituted as follows:-

1. The Committee will be named the Entrust Committee of the Congregational Board.
2. The Committee will consist of 5 members, namely the Minister, Session Clerk, Treasurer, the Clerk to the Board *ex officio*s and one further member of the Board as nominated by the Board from time to time, 2 being a quorum. The minister or in his absence one of the remaining members as appointed by the members then present shall act as Convener. The Committee shall meet from time to time as required.
3. The Committee shall have powers to register itself as an Environmental Body for the purposes of obtaining funding via the Landfill Tax Credit Scheme for projects connected with the congregation, to source the funding, deal with all necessary compliance and monitoring obligations required by Entrust and to take all other steps generally in connection with the funding.
4. The Committee shall report to the Congregational Board on a regular basis on its work.

It was further AGREED that Mr A B would be the nominated member of the Committee.