



# Value for Money Report

## 2018/2019



### What is the Landfill Communities Fund (LCF)

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 objectives contained in the Landfill Tax Regulations 1996 (Regulations).

Under the LCF, Landfill Operators (LOs) are able to pay a proportion of their landfill tax liability to not-for-profit organisations which deliver projects for the benefit of communities and the environment in the vicinity of a landfill site.

#### Landfill Communities Fund Objects

There are five main areas of work ('Objects') that qualify for funding under the LCF

<b>Object A</b>	The reclamation, remediation or restoration of land which cannot currently be used
<b>Object B</b>	The prevention of potential for pollution or the remediation of the effects of pollution
<b>Object D</b>	The provision, maintenance or improvement of a public park or another public amenity
<b>Object DA</b>	The conservation of a natural habitat or of a species in its natural habitat
<b>Object E</b>	The restoration of a place of religious worship or of historic or architectural interest

### Reporting

In accordance with the Terms of Approval (TOA) and the Reporting Schedule agreed between ENTRUST and HM Revenue & Customs (HMRC) in our 2019-2022 Corporate Plan, in August 2019 ENTRUST provided HMRC with a Value for Money (VfM) report containing an analysis for the period 2016/2017 to 2018/2019 of the value of LCF monies invested in projects and VfM data for projects completed in the 2018/2019 reporting year.

We are publishing a summary of the data contained in that report so that interested parties may access it. The data highlights the achievements of the LCF since 2016 and demonstrates the positive impact of the LCF on communities affected by landfill, and upon the environment. The data is primarily collected from the Form 9 Project Completion Form.

You can also read the previous VfM reports published on our [website](#).

### Expenditure on projects in the last three years

Total expenditure on projects during 2018/2019 was £45.1 million (irrespective of whether projects were completed), representing a decrease of £1.6 million in comparison to the previous year. This small reduction is in contrast to the large reduction of £20.7 million between 2016/2017 and 2017/2018.

The value of contributions to the Fund has remained relatively stable during this period from £39.2m in 2016/2017, £43m in 2017/2018 to £40.6m in 2018/2019 and this combined with EBs reducing their unspent funds can be attributable to the smaller decrease in project expenditure.

	2016/2017	2017/2018	Percentage change	2018/2019	Percentage change
<b>Project expenditure</b>	£67,459,356	£46,760,341	– 30.7%	£45,112,435	– 3.5%

## Expenditure by Object

Object D projects accounted for 86.4 per cent of expenditure on completed projects during 2018/2019, followed by Object DA projects which accounted for 10.7 per cent. There have been no Object B projects undertaken across the period of this report.

Year	Expenditure on projects by LCF Object					Total
	A	B	D	DA	E	
2016/2017	£271,365	£0	£53,407,744	£7,606,120	£6,177,126	£67,459,356
2017/2018	£0	£0	£37,858,862	£6,289,847	£2,611,632	£46,760,341
2018/2019	£46,144	£0	£38,958,591	£4,810,769	£1,296,930	£45,112,435
Total	£317,509	£0	£130,225,197	£18,706,736	£10,085,688	£159,332,132

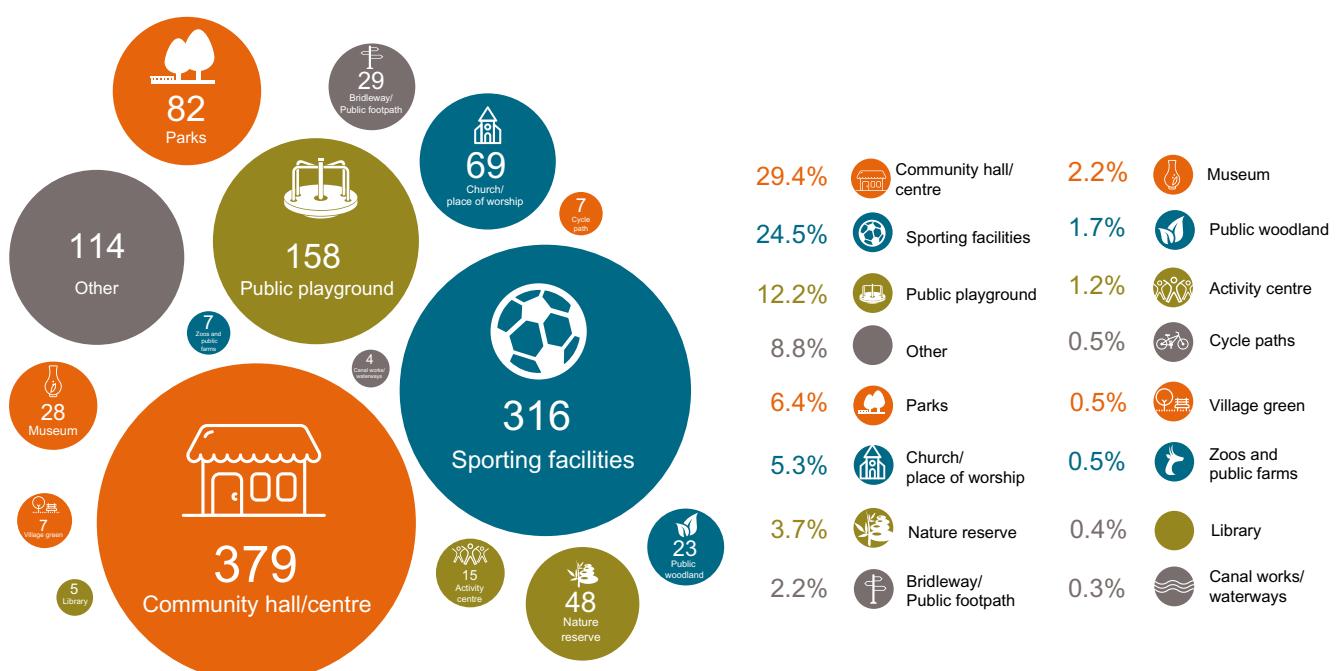
## Numbers of completed projects in the last three years

1,510 projects were reported as completed in 2018/2019, this represents a reduction of 28 projects year on year. This relatively small change can be compared to the significant reduction of 842 completed projects from 2016/2017 to 2017/2018.

Year	Number of projects completed by LCF Object per year					Total
	A	B	D	DA	E	
2016/2017	2	0	1,971	252	155	2,380
2017/2018	0	0	1,276	168	94	1,538
2018/2019	0	0	1,290	162	58	1,510
Total	2	0	4,537	582	307	5,428

## Object D projects completed in 2018/2019

Community Halls were the most popular Object D amenity type, accounting for 29.4 per cent of all completed Object D projects during 2018/2019. Sporting facilities were the next most significant type with 24.5 per cent of the projects.



## Object DA projects

Terrestrial Invertebrates were the most common group of species to have been conserved, or protected in 2018/2019 (41 per cent). This has decreased compared to 2016/2017 when 72.2 per cent of species protected by LCF projects fell into this category, although invertebrates have continued to be the most common species protected for the three year period. As with last year the second most common group of species to be conserved or protected were Vascular Plants (24.9 per cent).

In 2018/2019 Woodland was the most common habitat to be conserved, or protected (30.5 per cent) overtaking Urban Brownfield, which was the most common in 2017/2018. The most common habitat protected, or conserved varies each year, as each project can support multiple habitats. It is therefore difficult to identify any trends as an increase in one habitat type may be linked to one EB focusing on a particular habitat type therefore the data may show a significant increase in one habitat, but this does not reflect overall trends.

## Assets purchased or created with LCF funding – asset types

EBs reported assets purchased, or created using LCF monies.

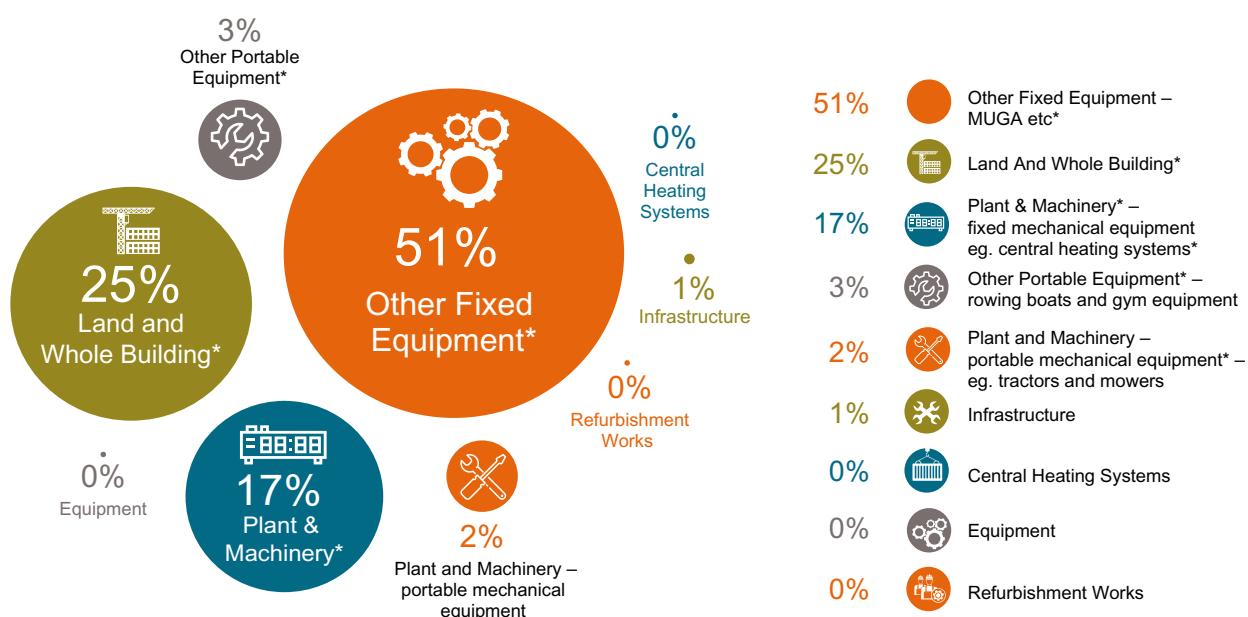
	2017/2018	2018/2019
<b>Total LCF expenditure on projects for which a project completion form has been submitted*</b>	£45,923,339	£41,745,495
<b>Total LCF expenditure on capital assets</b>	£15,289,674	£13,526,436
<b>Percentage of LCF project expenditure which was spent on capital assets</b>	33%	32%

\*Expenditure may have taken place in any of the project years not only in the year in which the project was reported as completed.

## LCF expenditure on asset types for projects completed in 2018/2019 (all Objects)

In February 2018 we simplified the list of assets which EBs could report as being created or purchased using LCF monies. As fewer items funded by the LCF are now classified and recorded as assets there has been a reduction in the expenditure on assets in 2017/2018 and 2018/2019. For projects completed in 2018/2019 expenditure has been reported against both the old and new asset types.

The largest percentage of LCF expenditure on asset types at 51 per cent was for Other Fixed Equipment, for example (Multi Use Games Area) MUGA equipment followed by Land and Whole Building at 25 per cent.



\*From February 2018 the Project Completion Form Asset types reduced to these five new asset types. Old asset types will continue to be shown until those projects underway have been completed.

## Amount of funding generated from other sources

EBs reported the total amount spent on their project in addition to the amount of LCF money spent on the project. This information provides a better understanding of the wider financial impact that the LCF delivers to communities and the environment. LCF funding accounted for more than half of total funding for projects completed in 2018/2019.

	2018/2019
<b>Total LCF expenditure on projects for which a project completion form has been submitted</b>	£41,745,495
<b>Total funding from all other sources</b>	£72,877,963
<b>LCF funding as a percentage of all funding</b>	57%

## Project sustainability

For the 1,500 projects for which there was a submitted Project Completion form for 2018/2019, EBs provided information on the expected income derived from their project, reductions in utility costs, creation or maintenance of jobs, and increases in visitor numbers as a result of their project going ahead.

	Total for projects in 2017/2018	Average per project in 2017/2018	Total for projects in 2018/2019	Average per project in 2018/2019
<b>Expected Income Derived</b>	£5,206,512	£3,448	£1,595,665	£1,064
<b>Expected reduction in utility costs</b>	£216,086	£144	£226,712	£150
<b>Expected creation of new jobs or maintenance of existing jobs</b>	807	0.53 FTE	781	0.52 FTE

## Achieving the intended outcome

For the 1,500 projects for which there was a submitted Project Completion form for 2018/2019 (2017/2018: 1,510), EBs reported whether the project has achieved its intended outcome.

	Total for projects in 2017/2018	Percentage of 2017/2018 projects with positive response	Total for projects in 2018/2019	Percentage of 2018/2019 projects with positive response
<b>Achieved intended aims</b>	1,507	99.8%	1,498	99.9%
<b>Improved the lives of people in the community or achieved environmental benefits</b>	1,446	95.8%	1,454	96.9%
<b>Brought together people from different backgrounds</b>	1,134	75.1%	1,144	76.3%



All data correct at time of publishing