



# Value for Money Report

## 2016/2017



### 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 six 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
<b>Object F*</b>	The provision of financial, administrative or other similar services by one EB to another

\* Object F was removed from the Regulations from 1 April 2016 as part of the Government's reform of the LCF.

### Reporting

In accordance with the Terms of Approval and the Reporting Schedule agreed between ENTRUST and HM Revenue & Customs (HMRC) in our 2017-2020 Corporate Plan, in August 2017 ENTRUST provided HMRC with a Value for Money (VfM) report containing an analysis for the period 2014/2015 to 2016/2017 of the value of Landfill Community Fund (LCF) monies invested in projects and VfM data for projects completed in the 2016/2017 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 2014 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 VfM report published in 2016 on our [website](#).

### Expenditure on projects in the last three years

Total expenditure on projects during 2016/2017 was £67.45 million, representing a decrease of £15.26 million in comparison to the previous year, reflecting the closure of the LCF in Scotland and the reduction in the size of the fund.

	2014/2015	2015/2016	Percentage change	2016/2017	Percentage change
<b>Project expenditure</b>	£87,238,409	£82,723,942	-5.2%	£67,454,179	-18.5%

## Expenditure by Object

Object D projects accounted for 79.3 per cent of expenditure on completed projects during 2016/2017, followed by Object DA projects which accounted for 11.2 per cent. There have been no Object B projects undertaken across the period of this report and Object F was removed from 1 April 2016, therefore the last expenditure for this Object type will be shown in 2015/2016.

Year	Expenditure on projects by LCF Object						Total
	A	B	D	DA	E	F	
2014/2015	£1,500	£0	£65,017,479	£15,645,053	£6,574,375	£0.00	£87,238,409
2015/2016	£32,328	£0	£63,851,257	£11,681,256	£7,098,474	£60,624	£82,723,942
2016/2017	£271,365	£0	£53,473,336	£7,558,827	£6,150,650	£0.00	£67,454,179
Total	£305,193	£0	£182,342,074	£34,885,137	£19,823,500	£60,624	£237,416,53

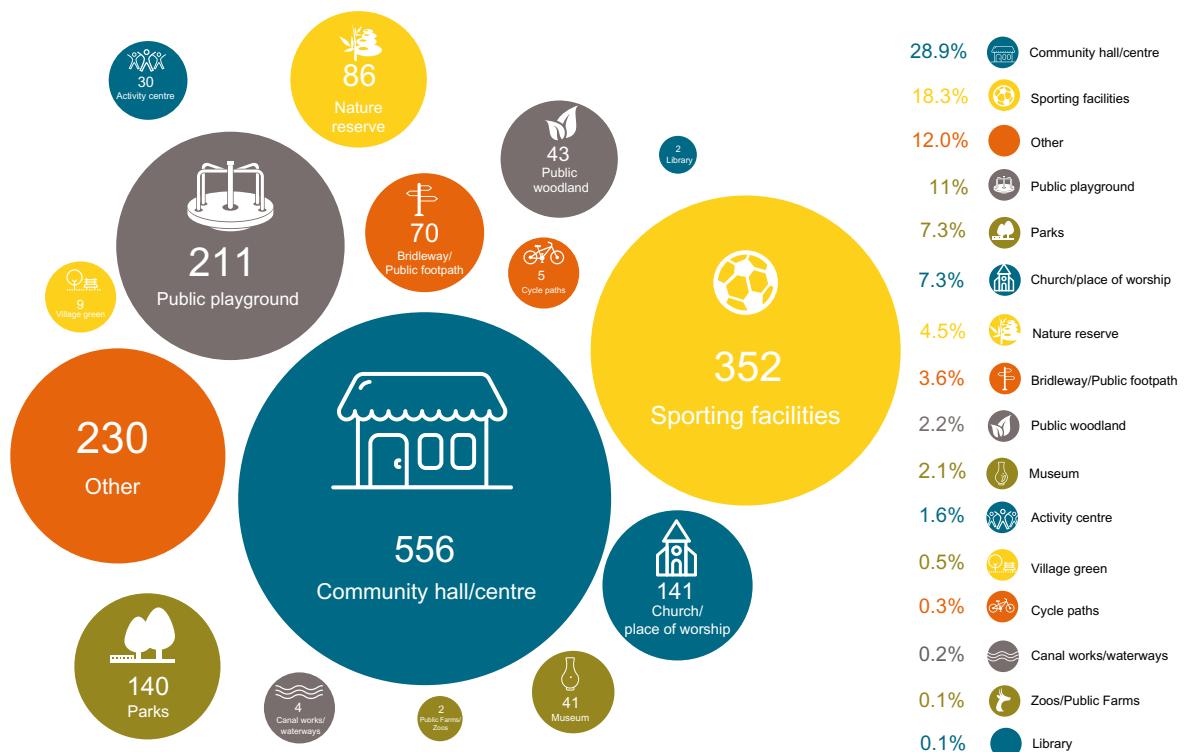
## Numbers of completed projects in the last three years

2,312 projects were reported as completed in 2016/2017, this represents a reduction of 431 projects (a decrease of 15.7 per cent) year on year. ENTRUST considers that the reduction in the number of projects is consistent with the reduction in the size of the LCF. However we also know that some EBs have reduced the value of the individual grant awards that they make, which may result in a greater number of projects being supported in future years.

Year	Number of projects completed by LCF Object per year						Total
	A	B	D	DA	E	F	
2014/2015	1	0	2,314	393	204	0	2,912
2015/2016	1	0	2,205	334	202	1	2,743
2016/2017	2	0	1,922	234	154	0	2,312
Total	4	0	6,441	961	560	1	7,967

## Object D projects completed in 2016/2017

Community Halls were the most popular Object D amenity type, accounting for 29 per cent of all completed Object D projects during 2016/2017. Sporting facilities were the next most significant type with 18 per cent of the projects. This follows the trend of previous years.



## Object DA projects

Terrestrial Invertebrates were the most common groups of species to have been conserved, or protected in 2016/2017 (72.7 per cent). This is more than double compared to 2015/2016 (31.8 per cent of species protected in 2015/2016 were Terrestrial Invertebrates). The second most common group of species to be conserved or protected were Vascular Plants (11.4 per cent). This is a change from earlier years where previously Birds featured second (2015/2016 20 per cent of species protected by LCF projects were Birds, in 2016/2017 this has dropped to 5 per cent).

In 2016/2017 Woodland was the most common habitat to be conserved, or protected (23.2 per cent) overtaking Lowland Farmland, which was the most common in 2015/2016 (29.4 per cent). Lowland Farmland in 2016/2017 accounted for 22.4 per cent. The most common habitat protected, or conserved varies each year.

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

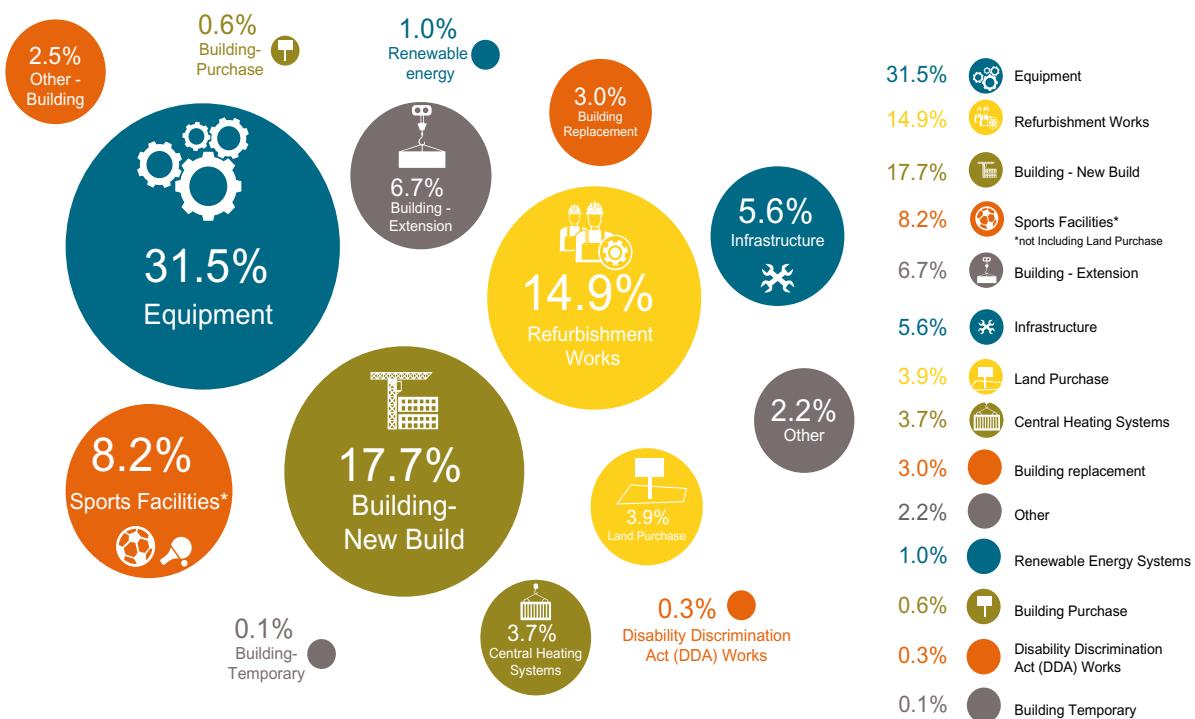
EBs reported assets purchased, or created using LCF monies.

	2015/2016	2016/2017
<b>Total LCF expenditure on projects for which a project completion form has been submitted*</b>	£89,044,792	£66,275,484
<b>Total LCF expenditure on capital assets</b>	£41,928,469	£20,679,361
<b>Percentage of LCF project expenditure which was spent on capital assets</b>	47%	31%

\*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 2016/2017 (all Objects)

Equipment accounted for the largest percentage of LCF expenditure on assets at 31.5 per cent followed by all categories of buildings which amount to 28.1 per cent. This is a change from 2015/2016 when 'Refurbishment Works' was the largest expenditure (29.5 per cent) and 'Equipment' represented 19.2 per cent.



## 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 a third of total funding for projects completed in 2016/2017.

	2016/2017
<b>Total LCF expenditure on projects for which a project completion form has been submitted</b>	£66,275,484
<b>Total funding from all other sources</b>	£172,158,181
<b>LCF funding as a percentage of all funding</b>	38%

## Project sustainability

For the 2,138 projects for which there was a submitted Project Completion form for 2016/2017, EBs provided information on the expected income derived from their project, reductions in utility costs, creation or maintenance of jobs, and expected visitor numbers as a result of their project going ahead.

	Total for projects in 2015/2016	Average per project in 2015/2016	Total for projects in 2016/2017	Average per project in 2016/2017
<b>Expected Income Derived</b>	£5,087,706	£1,920	£3,560,790	£1,665
<b>Expected reduction in utility costs</b>	£659,265	£248	£339,931	£158
<b>Expected creation of new jobs or maintenance of existing jobs</b>	1,246	0.47 FTE	1,004	0.46 FTE
<b>Expected visitor numbers</b>	14,053,200	5,311	14,389,453	6,730

## Achieving the intended outcome

For the 2,138 projects for which there was a submitted Project Completion form for 2016/2017, EBs reported whether the project has achieved its intended outcome.

	Total for projects in 2015/2016	Percentage of 2015/2016 projects with positive response	Total for projects in 2016/2017	Percentage of 2016/2017 projects with positive response
<b>Achieved intended aims</b>	2,631	99.3%	2,131	99.7%
<b>Improved the lives of people in the community or achieved environmental benefits</b>	2,532	95.6%	2,013	94.2%
<b>Brought together people from different backgrounds</b>	1,794	67.7%	1,422	66.5%