



Value for Money Report 2019/2020

What is the Landfill Communities Fund (LCF)

The aim of the LCF is to offset some of the impact 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

Object A	The reclamation, remediation or restoration of land which cannot currently be used
Object B	The prevention of potential for pollution or the remediation of the effects of pollution
Object D	The provision, maintenance or improvement of a public park or another public amenity
Object DA	The conservation of a natural habitat or of a species in its natural habitat
Object E	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 HMRC in our 2020-2023 Corporate Plan, in August 2020 ENTRUST provided HMRC with a Value for Money (VfM) report containing an analysis for the period 2017/2018 to 2019/2020 of the value of LCF monies invested in projects and VfM data for projects completed in the 2019/2020 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 2017 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 the statistics page of our [website](#).

Expenditure on projects in the last three years

Total expenditure on projects during 2019/2020 was £41.8 million (irrespective of whether projects were completed), representing a decrease of £4.2 million in comparison to the previous year. During this reporting period, the value of contributions to the Fund also decreased from £43.0m in 2017/2018 and £40.6m in 2018/2019 to £35.9m in 2019/2020. ENTRUST therefore considers that it is reasonable to assume that the reduction in project expenditure can be attributed to the decline in contributions and the overall reduction in the size of the Fund.

	2017/2018	2018/2019	Percentage change	2019/2020	Percentage change
Project expenditure	£45,570,002	£45,968,020	+0.9%	£41,782,454	- 9.1%

Expenditure by Object

Object D projects accounted for 84.2 per cent of project expenditure on completed projects during 2019/2020, followed by Object DA projects which accounted for 11.4 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	
2017/2018	£0	£0	£36,673,123	£6,285,247	£2,611,632	£45,570,002
2018/2019	£46,144	£0	£39,802,101	£4,807,844	£1,311,930	£45,968,020
2019/2020	£66,417	£0	£35,172,697	£4,765,320	£1,778,019	£41,782,454
Total	£112,562	£0	£111,647,921	£15,858,411	£5,701,582	£133,320,477

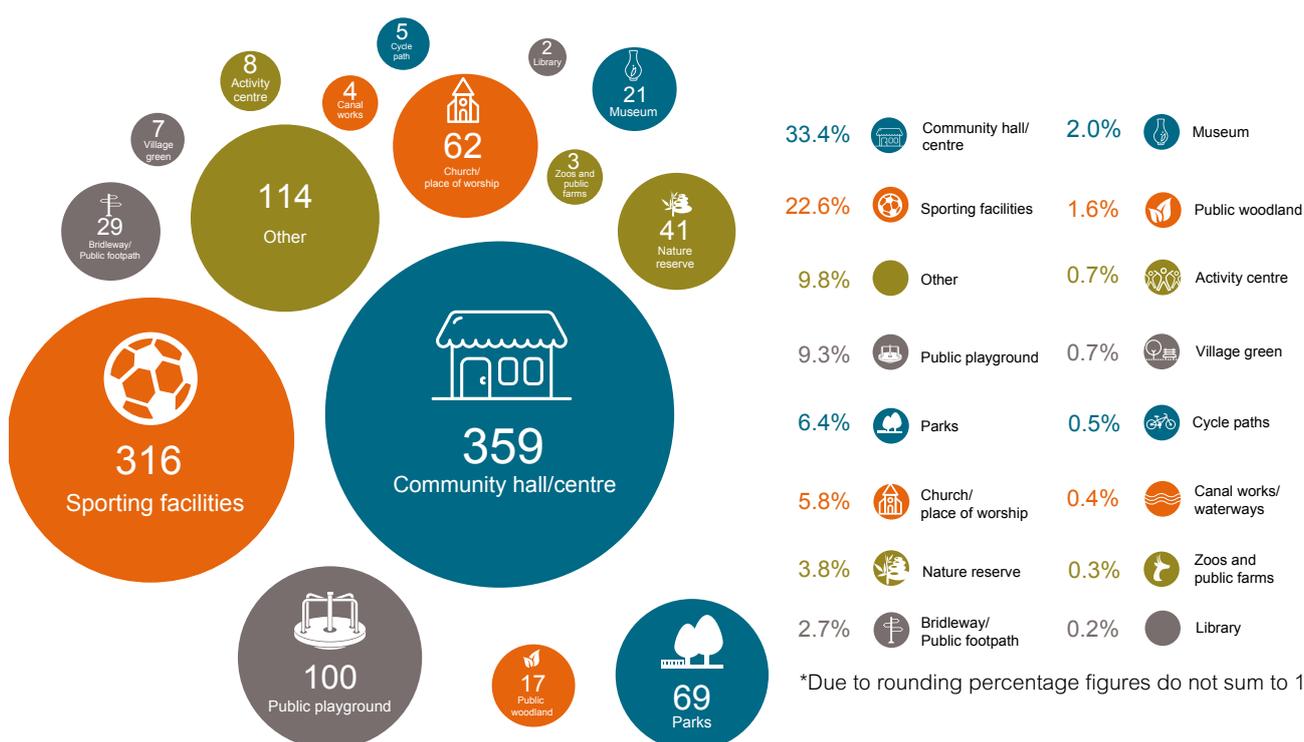
Numbers of completed projects in the last three years

1,222 projects were reported as completed in 2019/2020, this represents a reduction of 286 projects (18.97 per cent) year on year. This is a significant reduction compared to the previous two years, but in line with the reduction in the size of the Fund.

Year	Number of projects completed by LCF Object per year					Total
	A	B	D	DA	E	
2017/2018	0	0	1,277	168	94	1,539
2018/2019	0	0	1,282	169	57	1,508
2019/2020	0	0	1,075	88	59	1,222
Total	0	0	3,634	425	210	4,269

Object D projects completed in 2019/2020

A total of £35.2 million was spent on Object D projects in 2019/2020. Community Halls were the most popular Object D amenity type, accounting for 33.4 per cent of all completed Object D projects during 2019/2020. Sporting facilities were the next most significant type with 22.6 per cent of the projects. This is consistent with reported information from previous reporting years.



Object DA projects completed in 2019/2020

A total of £4.8 million was spent on all Object DA projects in 2019/2020. Terrestrial Invertebrates were the most common groups of species to have been conserved, or protected in 2019/2020 (42.5 per cent). This has remained steady compared to 2017/2018 when 41.1 per cent of species protected by LCF projects fell into this category and 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 (22.7 per cent). As Terrestrial Invertebrates contain the highest number of species as a group it is to be expected that this group would be the most represented as each project can support one, or multiple species.

In 2019/2020, Urban and Brownfield projects were the most common habitat type to be conserved, or protected (55.4 per cent) overtaking Woodlands, which was the most common type in 2018/2019. 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.

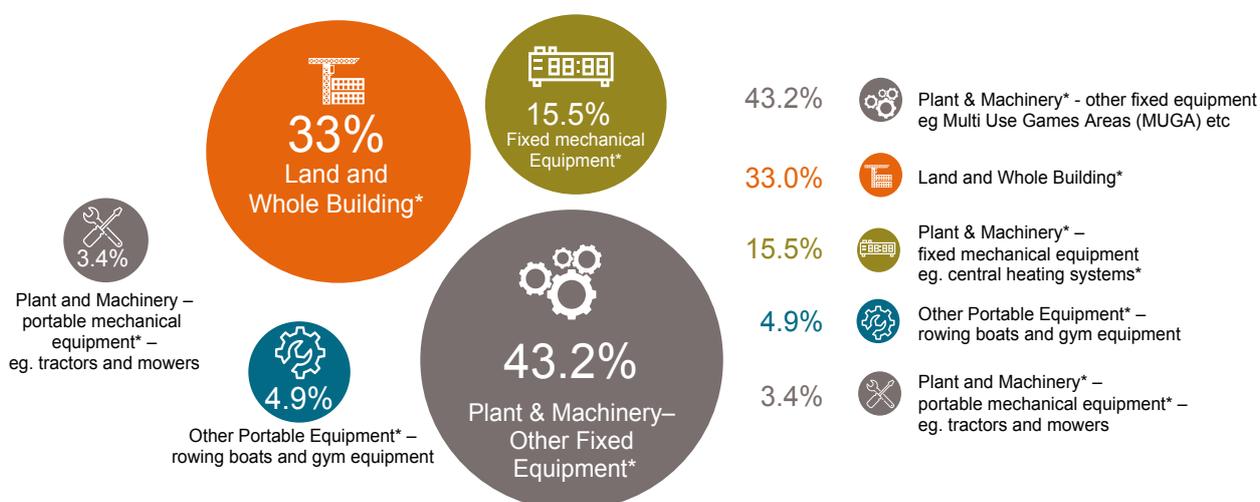
	2017/2018	2018/2019	2019/2020
Total LCF expenditure on projects for which a project completion form has been submitted*	£45,963,326	£43,954,123	£39,882,234
Total LCF expenditure on capital assets	£15,289,673	£13,845,042	£13,228,325
Percentage of LCF project expenditure which was spent on capital assets	33.3%	31.5%	33.2%

*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 2019/2020 (all Objects)

In February 2018 we simplified the list of assets which EBs could report as being created or purchased using LCF monies.

The largest percentage of LCF expenditure on asset types at 43.2 per cent was for Plant & Machinery - other fixed equipment, for example (Multi Use Games Area) MUGA followed by Land and Whole Building at 33 per cent.



*From February 2018 the Project Completion Form Asset types reduced to these five new asset types.

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 (61.2 per cent) of total funding for projects completed in 2019/2020.

	2019/2020
Total LCF expenditure on projects for which a project completion form has been submitted	£39,882,234
Total funding from all other sources	£65,120,486
LCF funding as a percentage of all funding	61.2%

Project sustainability

For the 1,139 projects for which there was a submitted Project Completion form for 2019/2020, 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 2018/2019	Average per project in 2018/2019	Total for projects in 2019/2020	Average per project in 2019/2020
Expected Income Derived	£1,744,165	£1,163	£3,298,276	£2,895
Expected reduction in utility costs	£227,212	£151	£202,805	£178
Expected creation of new jobs or maintenance of existing jobs	788	0.53 FTE	737	0.65 FTE

Achieving the intended outcome

For the 1,139 projects for which there was a submitted Project Completion form for 2019/2020, EBs reported whether the project has achieved its intended outcome.

	Total for projects in 2018/2019	Percentage of 2018/2019 projects with positive response	Total for projects in 2019/2020	Percentage of 2019/2020 projects with positive response
Achieved intended aims	1,496	99.8%	1,138	99.9%
Improved the lives of people in the community or achieved environmental benefits	1,453	96.9%	1,112	97.6%
Brought together people from different backgrounds	1,145	76.4%	944	82.9%



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Regulating the Landfill Communities Fund
Benefiting people and the environment