



## Value for Money Report – 2022/2023

### 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	
<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 ENTRUST/HMRC Terms of Approval (TOA) and the Reporting Schedule agreed in our 2023/2024 Corporate Plan, in August 2023 ENTRUST provided HMRC with a Value for Money (VfM) report containing an analysis for the period 2020/2021 to 2022/2023 of the value of Landfill Community Fund (LCF) monies invested in projects and VfM data for projects completed in the 2022/2023 reporting year.

To help to demonstrate the transparency of the LCF, as in previous years we are publishing a summary of the data contained in that report so that interested parties may access it. The data summarises the investment that the LCF made to local communities and the environment for those communities affected by a landfill site. The data is primarily based on the Form 9 Project Completion Forms that Environmental Bodies (EBs) submit to ENTRUST. It is therefore important to note that the accuracy of the data is dependent upon the validation of the information that EBs collect as part of their project management due diligence checks.

This report also contains updated information for previous reporting years. In some cases, the data will have been adjusted and corrected due to EBs updating their Statutory Annual Returns and Project Completion forms throughout the year.

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

## Expenditure on projects in the last three years

Total expenditure on projects during 2022/2023 was £35.3 million (irrespective of whether a project was completed, or not), representing an increase of £2.7 million in comparison to the previous year. However, during 2022/2023, the value of contributions made to the Fund by Landfill Operators (LOs) decreased from £38.2m in 2021/2022 to £36.4m in 2022/2023. Entrust therefore considers that the increase in project expenditure in this year related to the higher-than-expected level of contributions received in 2021/2022:

	2020/2021	2021/2022	Percentage change	2022/2023	Percentage change
<b>Project expenditure</b>	£34,248,540	£32,666,150	-4.6%	£35,307,675	+8%

Object D projects accounted for 85.4 per cent of project expenditure on projects completed during 2022/2023, followed by Object DA projects which accounted for 11.2 per cent. There were no Object B projects undertaken across this reporting period:

Expenditure on projects by LCF Object						
Year	A	B	D	DA	E	Total
<b>2020/2021</b>	£47,495	£0	£29,036,091	£3,978,853	£1,186,101	£34,248,540
<b>2021/2022</b>	£0.00	£0	£26,619,796	£5,172,697	£873,657	£32,666,150
<b>2022/2023</b>	£0.00	£0	£30,203,520	£4,045,397	£1,058,758	£35,307,675
<b>Total</b>	<b>£47,495</b>	<b>£0</b>	<b>£85,859,407</b>	<b>£13,196,947</b>	<b>£3,118,516</b>	<b>£102,222,365</b>

## Numbers of completed projects in the last three years

A total of 1,011 projects were reported as being completed in 2022/2023, this represents an increase of 33 projects (3 per cent) compared to 2021/2022. This increase is consistent with the increase in project expenditure, a higher level of contributions in 2021/2022, and the numbers slowly returning to pre-Pandemic levels:

Number of projects completed by LCF Object per year						
Year	A	B	D	DA	E	Total
<b>2020/2021</b>	1	0	888	121	39	<b>1,049</b>
<b>2021/2022</b>	0	0	859	89	30	<b>978</b>
<b>2022/2023</b>	0	0	884	79	48	<b>1,011</b>
<b>Total</b>	<b>1</b>	<b>0</b>	<b>2,631</b>	<b>289</b>	<b>117</b>	<b>3,038</b>

## Object D projects

A total of £30.2 million was spent on 884 Object D projects in 2022/2023. Community Halls/Centres and Sporting Facilities were the most popular amenity types, accounting for 29.2 and 28.2 per cent of completed projects respectively, with Public Playgrounds third at 11.8 per cent. These figures are also consistent with reported information from previous reporting years:

Amenity Type	No.	Percentage	Amenity Type	No.	Percentage
Sporting Facilities	249	28.2%	Community Halls/Centre	258	29.2%
Public Playground	104	11.8%	Other	65	7.4%
Park	51	5.8%	Church	41	4.6%
Nature Reserve	40	4.5%	Bridleway Public footpath	25	2.8%
Museum	14	1.6%	Activity Centre	14	1.6%
Public Woodland	12	1.4%	Zoos and Public Farms	3	0.3%
Village Green	6	0.7%	Cycle Path	1	0.1%
Library	0	0.0%	Canal Works Waterways	1	0.1%

## Object DA projects

A total of £4 million was spent on 79 Object DA projects in 2022/2023. In the year 2022/2023, Woodland projects were the most common habitat project type under Object DA, accounting for 29.45 per cent of all habitats conserved, or protected, with Lakes and Ponds (22.6 per cent) and Wetland (19.86 per cent) closely behind. In previous years, the most common project types have changed year on year, offering no clear discernible pattern. This is due to object DA projects being more varied than Object D projects each year, with different focusses and objectives and often a small number of very high value projects in comparison to the majority of Object D projects:

Amenity Type	No.	Percentage	Amenity Type	No.	Percentage
Lowland Farmland	12	8.22%	Wetland	29	19.86%
Lakes and ponds	33	22.60%	Woodland	43	29.45%
Rivers	14	9.59%	Urban Brownfield	2	1.37%
Upland	0	0	Coastal	12	8.22%

For projects completed in 2022/2023, Terrestrial Invertebrates continued to be the most common groups of species to have been conserved, or protected (43.85 per cent). As with the previous year the second most common group of species to be conserved, or protected was Vascular Plants (23.40 per cent):

	Type	Numbers conserved or protected		
		2020/2021	2021/2022	2022/2023
<b>Species</b>	Fungi	426	800	1,432
	Birds	1,117	678	974
	Fish	24	18	69
	Herptiles	89	75	105
	Terrestrial Mammal	181	153	261
	Terrestrial Invertebrates	3,686	3,253	4,804
	Marine Only	0	6	4
	Non-Vascular Plants	174	187	742
	Vascular Plants	1,564	1,624	2,564

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

EBs reported assets purchased, or created using LCF monies. The table below details these amounts over a three-year period:

	2020/2021	2021/2022	2022/2023
<b>Total LCF expenditure on projects for which a project completion form has been submitted*</b>	£34,843,498	£32,087,392	37,144,837
<b>Total LCF expenditure on capital assets</b>	£15,508,642	£14,409,446	14,491,517
<b>Percentage of LCF project expenditure which was spent on capital assets</b>	44.51%	44.91%	39.01%

\*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 2022/2023 (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 60 per cent was for Other Fixed Equipment - followed by Land and Whole Buildings at 24 per cent:

Asset Type	% of LCF funding
Plant & Machinery - other fixed equipment e.g., Multi Use Games Areas (MUGA) etc.	60%
Land and Whole Buildings	24%
Plant & Machinery – fixed mechanical equipment e.g., central heating systems	11%
Plant & Machinery - other portable equipment – Rowing Boats and Gym Equipment	3%
Plant & Machinery – portable mechanical equipment e.g., tractors and mowers	2%

## Amount of funding generated from other sources

EBs reported to ENTRUST that 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 46% of total funding for projects completed in 2022/2023:

Item	2022/2023
<b>Total LCF expenditure on projects for which a project completion form has been submitted</b>	£37,144,837
<b>Total funding from other sources</b>	£43,646,161
<b>LCF funding as a percentage of all funding</b>	46%

This is consistent with previous years, where 44% of all funding was provided by LCF funds in 2021/2022 and 42.7% in 2020/2021.

## Project sustainability

Of the 994 projects for which a Project Completion form was submitted to ENTRUST for 2022/2023, EBs also provided information on the expected Income Derived their project would generate, any trees that were planted, the creation, or maintenance of jobs and increases in visitor numbers as a result of their project being delivered:

	Total for projects in 2021/2022	Average per project in 2021/2022	Total for projects 2022/2023	Average per project 2022/2023
<b>Expected Income Derived</b>	£1,307,310.00	£1,336.72	£1,528,015	£1,537
<b>Expected creation of new jobs or maintenance of existing jobs</b>	825	0.84	723	0.73
<b>Estimated increase in visitor numbers</b>	6,816,446	6,970	4,961,971	4,992
<b>Number of trees planted</b>	155,982	159.49	27,045	27

**ENTRUST**

**October 2023**