



Value for Money Report – 2021/2022

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	
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 ENTRUST/HMRC Terms of Approval (TOA) and the Reporting Schedule agreed in our 2022/2023 Corporate Plan, in August 2022 ENTRUST provided HMRC with a Value for Money (VfM) report containing an analysis for the period 2019/2020 to 2021/2022 of the value of Landfill Community Fund (LCF) monies invested in projects and VfM data for projects completed in the 2021/2022 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 2021/2022 was £32.7 million (irrespective of whether a project was completed, or not), representing a decrease of £1.6 million in comparison to the previous year. However, during 2021/2022, the value of contributions made to the Fund by Landfill Operators (LOs) increased from £32.3m in 2020/2021 to £38.2m in 2021/2022. ENTRUST therefore considers that it is reasonable to assume that the reduction in project expenditure was due to the ongoing challenges relating to the Pandemic. From information reported to ENTRUST by EBs, the ongoing Pandemic restrictions directly impacted the ability for project works to be completed in accordance with the registered project timelines:

	2019/2020	2020/2021	Percentage change	2021/2022	Percentage change
Project expenditure	£41,898,179	£34,275,626	-18.2%	£32,666,150	-4.7%

Object D projects accounted for 81.5 per cent of project expenditure on projects completed during 2021/2022, followed by Object DA projects which accounted for 15.8 per cent. There were no Object B projects undertaken across this reporting period:

Expenditure on projects by LCF Object						
Year	A	B	C	D	E	Total
2019/2020	£66,417	£0	£35,326,747	£4,011,714	£1,186,101	£41,896,318
2020/2021	£47,495	£0	£29,036,494	£4,722,134	£1,781,020	£34,281,804
2021/2022	£0.00	£0	£26,619,796	£5,172,697	£873,657	£32,666,150
Total	£113,912	£0	£90,983,037	£13,906,545	£3,840,778	£108,844,272

Numbers of completed projects in the last three years

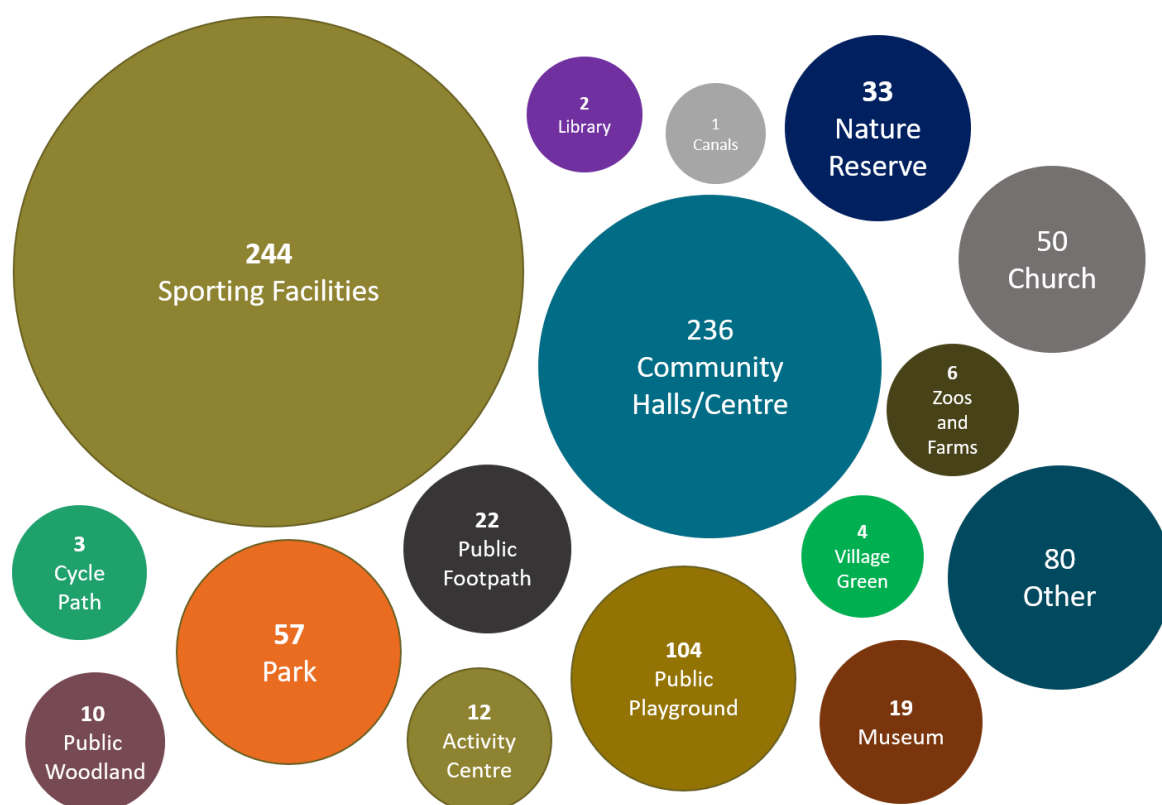
A total of 978 projects were reported as being completed in 2021/2022, this represents a reduction of 71 projects (7 per cent) compared to 2020/2021. This reduction is consistent with the reduction in project expenditure:

Number of projects completed by LCF Object per year						
Year	A	B	C	D	E	Total
2019/2020	0	0	859	89	30	978
2020/2021	1	0	888	121	39	1,049
2021/2022	0	0	1,095	98	59	1,252
Total	1	0	2,842	308	128	3279

Object D projects

A total of £26.6 million was spent on Object D projects in 2021/2022. Sporting Facilities and Community Halls/Centres were the most popular amenity types, accounting for 27.3 and 26.4 per cent of completed projects respectively, with Public Playgrounds third at 11.6 per cent. These figures are also consistent with reported information from previous reporting years:

Amenity Type	Percentage	Amenity Type	Percentage
Sporting Facilities	27.6%	Community Halls/Centre	26.7%
Public Playground	11.8%	Other	9.1%
Park	6.5%	Church	5.7%
Nature Reserve	3.7%	Bridleway Public footpath	2.5%
Museum	2.2%	Activity Centre	1.4%
Public Woodland	1.1%	Zoos and Public Farms	0.7%
Village Green	0.5%	Cycle Path	0.3%
Library	0.2%	Canal Works Waterways	0.1%



Object DA projects

A total of £5.2 million was spent on all Object DA projects in 2021/2022. In the year Lowland Farmland projects were the most common habitat project type under Object DA, accounting for 26.6 per cent of all habitats conserved, or protected, with Wetland (22.5 per cent) and

Lakes and Ponds (22 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 DA projects:

Amenity Type	Percentage	Amenity Type	Percentage
Lowland Farmland	26.6%	Wetland	22.5%
Lakes and ponds	22.0%	Woodland	20.2%
Rivers	2.9%	Urban Brownfield	2.3%
Upland	1.7%	Coastal	1.7%

For projects completed in 2021/2022, Terrestrial Invertebrates continued to be the most common groups of species to have been conserved, or protected (47.9 per cent). As with the previous year the second most common group of species to be conserved, or protected was Vascular Plants (23.9 per cent):

	Type	Numbers conserved or protected		
		2019/2020	2020/2021	2021/2022
Species	Fungi	2,181	426	800
	Birds	849	1,117	678
	Fish	37	24	18
	Herptiles	80	89	75
	Terrestrial Mammal	194	181	153
	Terrestrial Invertebrates	5,860	3,686	3,253
	Marine Only	3	0	6
	Non-Vascular Plants	1,248	174	187
	Vascular Plants	1,662	1,564	1,624

Assets purchased or created with LCF funding – asset types

EBs reported assets purchased, or created using LCF monies.

	2019/2020	2020/2021	2021/2022
Total LCF expenditure on projects for which a project completion form has been submitted*	£44,139,860	£34,843,498	£31,011,163
Total LCF expenditure on capital assets	£15,196,735	£15,508,642	£14,409,446

Percentage of LCF project expenditure which was spent on capital assets	34.43%	44.51%	46.47%
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*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 2020/2021 (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 53 per cent was for Other Fixed Equipment - followed by Land and Whole Buildings at 31 per cent:

Asset Type	% of LCF funding
Plant & Machinery – fixed mechanical equipment e.g., central heating systems	53%
Land and Whole Buildings	31%
Plant & Machinery - other fixed equipment e.g., Multi Use Games Areas (MUGA) etc.	10%
Plant & Machinery - other portable equipment – Rowing Boats and Gym Equipment	3%
Plant & Machinery – portable mechanical equipment e.g., tractors and mowers	3%

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 more than three quarters (75.2%) of total funding for projects completed in 2021/2022:

Item	2021/2022
Total LCF expenditure on projects for which a project completion form has been submitted	£31,011,162.86
Total funding from all other sources	£41,215,184.5
LCF funding as a percentage of all funding	75.24%

Project sustainability

Of the 960 projects for which a Project Completion form was submitted to ENTRUST for 2021/2022, 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 2020/2021	Average per project in 2020/2021	Total for projects in 2021/2022	Average per project in 2021/2022
Expected Income Derived	£2,178,415.00	£2,227.42	£1,307,310.00	£1,336.72
Expected creation of new jobs or maintenance of existing jobs	510	0.52	825	0.84
Estimated increase in visitor numbers	5,967,599	6,102	6,816,446	6,970
Number of trees planted*	N/A	N/A	155,982	159.49

*Number of trees measure was introduced in April 2021

Achieving the intended outcome

Furthermore, for the 960 projects EBs also advised ENTRUST as to whether the considered their project has achieved its intended outcome:

	Total for projects in 2020/2021	% of projects with positive response 2020/2021	Total for projects in 2021/2022	% of projects with positive response 2021/2022
Achieved intended aims	993	99.7%	960	100.0%
Improved the lives of people in the community or achieved environmental benefits	985	98.9%	952	99.2%
Brought together people from different backgrounds	802	80.5%	777	80.9%

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October 2022