

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning & Infrastructure
DATE	19 March 2013
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Contributions to Environmental Bodies
REPORT NUMBER:	EPI/13/021

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform Members of the work being undertaken by the two registered Environmental Bodies that are the recipient of money thorough the Landfill Communities Fund and recommends continuing the existing arrangements for funding until April 1st 2015.

2. RECOMMENDATION(S)

- 2.1. It is recommended that the Committee agree to maintain the current position of directing the Landfill Communities Fund on the basis of 50% to Aberdeen Forward and 50% to Aberdeen Greenspace for the financial years 2013/14 and 2014/15.

3. FINANCIAL IMPLICATIONS

- 3.1 Aberdeen City Council provides 10% funding to environmental bodies which releases Landfill Communities Fund. The 10% funding from Aberdeen City Council will come from the Contributions to Environmental Bodies Budget, which was established for this purpose and no additional budget is required.
- 3.2 The Landfill Communities Fund is regulated on behalf of the UK Government by ENTRUST, who undertake compliance auditing on an annual basis. Aberdeen Greenspace and Aberdeen Forward are Environmental Bodies registered and approved by ENTRUST with a long track record of satisfactory compliance.

4. OTHER IMPLICATIONS

- 4.1 Both Aberdeen Greenspace and Aberdeen Forward are independent organisations. If funding is not provided from the Landfill Communities Fund they could choose not to proceed with funding and

delivering projects in the City. This would restrict the ability of the Council to deliver our environmental strategies and policies.

- 4.1 Elected Members serve as Directors to both organisations and officer support is provided to ensure that community interests are represented. Both organisations are committed to projects in regeneration areas as well as the wider urban area.

5. BACKGROUND/MAIN ISSUES

Landfill Tax

- 5.1 Tax on landfill waste was introduced by the UK Government in 1996 as a means to reduce the amount of landfilled waste and to promote a shift to more environmentally sustainable methods of waste management. The Landfill Communities Fund, administered by HM Treasury, enables operators of landfill sites to contribute tax credits to enrolled Environmental Bodies to carry out projects that meet environmental objectives contained in the Landfill Tax Regulations. The government saw the Landfill Communities Fund as a way for Landfill Operators and Environmental Bodies to work in partnership, to create significant environmental benefits and jobs, to promote sustainable waste management, and to undertake projects which improve the lives of communities.
- 5.2 Landfill Operators can contribute up to 6% of their landfill tax liability to Environmental Bodies, and reclaim 90% of this contribution as a tax credit. Under the Waste Management Service Contract between Aberdeen City Council and SITA UK Limited, which commenced in September 2000, there is a provision for the Council to require SITA, as our Landfill Operator, to direct landfill tax credits arising from the landfill disposal of waste collected by Aberdeen City Council, or a sum equivalent to that value, to Environmental Bodies of the Council's choice. In return for this direction, the Council commits to pay the 10% third party contribution. Since the introduction of the Waste Management Services Contract, the Council has provided 10% funding to SITA, who in turn have made equal tax credit payments to Aberdeen Forward and Aberdeen Greenspace.
- 5.3 Table 1 below shows the contribution the Council has made and the funds that have been released for the last three years. Table 2 shows the anticipated value until 2015.

Table 1. Actual Landfill Tax Credit Values and Aberdeen City Council Contribution until 2012

Year	ACC Funding – the Third Party Contribution	Landfill Tax Credit released through ACC funding	Total
2010	£24260.26	£218342.28	
2011	£29986.20	£269875.70	
2012	£25935.33	£265817.98	

Table 2. Anticipated Landfill Tax Credit Values and Aberdeen City Council Contribution until 2014.

Year	ACC Funding – the Third Party Contribution	Landfill Tax Credit released through ACC funding	Total
2013	£25935.33	£265817.98	
2014	£24000.00	£218182.81	

Aberdeen Forward

- 5.4 Aberdeen Forward was established in 1999 and became a registered charity in 2003. It is governed by a Board of Directors and two Elected Members from Aberdeen City Council are nominated to sit on the Board – Cllr Bill Cormie and Cllr Andrew Finlayson.
- 5.5 In order to meet the requirements of ENTRUST for the distribution of Landfill Communities Fund it funds projects under the following categories:
- To research or educate on sustainable waste management,
 - To research or educate into markets for recycled waste,
 - The provision, maintenance or improvement of a public park or other general public amenity.
- 5.6 Recent projects (completed or underway) include improvements to Easter Anguston, Sunnybank Park, Westerton Park, Princess Park in Dyce, Doonies Farm, St Fitticks Community Park and Coronation Park in Peterculter.

Aberdeen Greenspace

- 5.7 Aberdeen Greenspace was established in 1997 and is also governed by a Board of Directors. The nominated Elected Members are Cllr

Martin Greig, Cllr Muriel Jaffrey, Cllr M. Tauqeer Malik and Cllr Jean Morrison MBE.

- 5.8 In order to meet the requirements of ENTRUST for the distribution of Landfill Communities Fund it funds projects under the following categories:
- The provision, maintenance or improvement of a public park or other general public amenity,
 - The conservation of a specific species or a specific habitat where it naturally occurs,
 - To provide a service to another Environmental Body.
- 5.9 Notable projects include delivery of the Core Path Plan, developing a masterplan for Seaton Backies, improvements to Sunnybank Park and Saving Scotland's Red Squirrels.

Future Issues

- 5.10 Both organisations operate grant application schemes for local communities looking for help in developing projects which meet the funding criteria. Both are looking to improve public awareness of this approach in order to improve the take up of uncommitted funds. The restrictions placed by ENTRUST and the legislation on Landfill Tax can make the identification of suitable projects difficult and time consuming for small organisations but both organisations are committed to ensuring that suitable projects are progressed.
- 5.11 From April 2015, the Scottish Parliament will have responsibility for taxes on disposals to landfill and the Scottish Government intends to introduce a replacement for the current UK Landfill Tax in 2015. The Government's intention is to also implement a replacement for the Landfill Communities Fund but there are no details to date. In light of the likelihood for change it is prudent to review the contributions to Environmental Bodies after two years to allow for any revised guidance to be taken into account.

6. IMPACT

- 6.1 This Report looks to renew our commitment to Aberdeen Forward and Aberdeen Greenspace through the Landfill Communities Fund. This has a direct link to two high-level priorities in the 5 Year Business Plan 2013/14 – 2017/18:
- “We will manage waste effectively and in line with UK and European legislative requirements by maximising recycling and reducing waste to landfill, thereby reducing our costs and carbon footprint.”
- “We will provide a clean safe and attractive streetscape and promote bio-diversity and nature conservation. We will encourage wider access to green space in our streets, parks and countryside”

6.2 An equalities and human rights assessment has been carried out and accompanies this report.

7. BACKGROUND PAPERS

7.1 None

8. REPORT AUTHOR DETAILS

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