

COMMITTEE	Finance, Policy and Resources
DATE	2015
DIRECTOR	Pete Leonard
TITLE OF REPORT	Scottish Landfill Communities Fund
REPORT NUMBER	CHI/15/262
CHECKLIST COMPLETED	Yes

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## **1. PURPOSE OF REPORT**

To direct the Councils contribution under the Scottish Landfill Communities Fund (SLCF) scheme to the SITA Trust.

## **2. RECOMMENDATION(S)**

That the Committee:

- approve the direction of future tax credits to the SITA Trust;
- note the excellent work done by Aberdeen Greenspace and Aberdeen Forward in directing the tax credits for the benefit of Aberdeen under the previous UK system;
- and note the arrangements to ensure effective management of the existing LCF grants.

## **3. FINANCIAL IMPLICATIONS**

The Council already makes provision for the scheme within the current budget and no additional funding is sought. In recent years the ACC budget implications for this scheme have been

2013 – £37,595.64

2014 – £35,523.57

To March 2015 – £7548.73

## **4. OTHER IMPLICATIONS**

The implication of ACC paying the ‘unlocking contribution’ has allowed SITA to release funds under the scheme of £723,817.24 over the period listed in section 3. This has been invested in improving the environment in Aberdeen for the benefit of all.

## **5. BACKGROUND/MAIN ISSUES**

- 5.1 Aberdeen City Council is committed to reducing the amount of waste that goes to landfill and our waste strategy is working effectively towards that aim. However, when waste is sent to landfill the waste operator can divert part of the tax due to a scheme to provide environmental improvements. Between 2006 and 2015 this was a UK wide scheme but under the devolution of tax raising powers in April 2015, this transferred to the Scottish Government.
- 5.2 The new scheme to distribute the tax credits is managed by Scottish Environment Protection Agency and is called the Scottish Landfill Communities Fund. In essence, it will run in the same way - tax credits can be directed to approved bodies to be spent on environmental improvements. However, the criteria for registering as an approved body has changed and after long and careful consideration neither Aberdeen Forward or Aberdeen Greenspace have chosen to become approved bodies under the new scheme. In order to ensure that the opportunity for monies for environmental improvements is taken up, it is necessary to nominate an approved body to direct the waste operators contribution.
- 5.3 SITA Trust had written to the Council in January this year offering to distribute funds from the SLCF in the Aberdeen City area. However, as the Scottish scheme had not been announced at that time it was considered that the existing bodies (Aberdeen Forward and Aberdeen Greenspace) should be given time to make a decision on registering as approved bodies.
- 5.4 Both organisations have taken stock of their position over the last few months and wish to move in different directions. Aberdeen Forward are looking to wind up and transfer their ongoing LCF obligations to CFINE and Aberdeen Greenspace are considering moving from a grant distributing body to bidding for funds to carry out environmental improvements which meet their aims and objectives. Under transition arrangements funds under the UK wide LCF scheme must be spent by March 2017 and this will continue to be monitored by the Planning and Sustainable Development Service. Both organisations have robust processes to ensure that the residual monies will be spent by March 2017 and are regulated by ENTRUST. Both have recently been audited and both passed the compliance procedure set down with minor amendments required by Aberdeen Greenspace.
- 5.5 It is important to recognise the important contribution both Aberdeen Forward and Aberdeen Greenspace have made to improving the environment in Aberdeen over the years with monies from the LCF scheme. Some notable highlights include support for community growing schemes, path works across the city, community gardens etc. They have also supported high profile successes such as the East Tullos Burn Improvement Project and the St Nicholas Rooftop Garden.

## **6. IMPACT** **Improving Customer Experience –**

Local environmental groups will be able to bid to SITA Trust for funds for environmental improvements – potentially for bigger sums than have been available under the previous scheme.

### **Improving Staff Experience –**

Staff will be able to take pride in knowing that money is available to fund environmental improvements. There will be opportunities to develop skills in project management (of existing LCF projects) and work with local environmental bodies to develop new projects and funding bids.

### **Improving our use of Resources –**

The proposal makes it clear and transparent where the tax credits will be directed. It will however be a diminishing contribution as the Council moves away from sending waste to landfill in line with the waste strategy.

### **Corporate -**

Aberdeen - The Smarter City vision states:

- *We will manage waste effectively and in line with UK and European legislative requirements by maximizing 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.*

The principles of directing funds from landfill to improving the environment are in line with both these high level objectives.

Community Planning Aberdeen Single Outcome Agreement 2013 states:

- *Aberdeen is an energy efficient city, with high quality open spaces, a natural environment and low levels of pollution and waste ‘*
- *Support the capacity of Aberdeen’s citizens and communities to increase their self-sufficiency. There is a strong sense of independence, resilience, confidence, self-esteem and aspiration coming from all our communities. Aberdonians work hard for themselves and for their communities.*

This scheme allows local groups to bid for funds to improve the environment and empower themselves to affect change in their community.

Aberdeen City Council 5-year Business Plan 2013/14-2017/18 states:

- *Waste strategy will implement a long-term waste strategy that changes the way waste is collected and delivers agreed waste targets. It will leverage full benefit from partnership opportunities.*

This scheme means that whilst we divert our waste away from landfill we still capitalise on the opportunity to divert the tax credits to environmental improvements.

**Public –**

This report will be of interest to the public as it shows the commitment of the council to supporting communities to access opportunities to improve their local environment. If the recommendation is approved there will be further publicity of the new scheme.

8. MANAGEMENT OF RISK

This approach carries the risk that the monies will not be spent directly in Aberdeen if local bodies do not make robust grant applications to SITA Trust. This can be mitigated by encouraging applications for projects through local contacts. If the recommendation is approved, we will inform community councils, local environmental groups etc and publicise the scheme on the website.

The direction of the contribution to SITA Trust will however provide the opportunity for the funds to still be available for local groups and communities.

8. BACKGROUND PAPERS

The links below give further information on the tax credit scheme and the work of the SITA Trust.

Scottish Landfill Tax

<https://www.revenue.scot/scottish-landfill-tax>

Scottish Landfill Communities Fund

<https://www.sepa.org.uk/environment/waste/scottish-landfill-communities-fund/>

SITA Trust

<http://www.sitatrust.org.uk/>

9. REPORT AUTHOR DETAILS

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