



Climate Change, Environment and Infrastructure Committee
Welsh Parliament
Cardiff Bay
Cardiff CF99 1SN

24 January 2024

Concerns about possible lack of new funding under the Landfill Disposals Tax Communities Scheme

Dear Committee Member

Wildlife Trusts Wales is extremely concerned about the intent by the Welsh Government to stop awarding new funding to the Landfill Disposals Tax Communities Scheme (LDTCS).

The Scheme is an integral part of the Landfill Disposals Tax (Wales) Act 2017. Its inclusion in the Act from the outset played a key role in the successful passing of the legislation. The purpose of the Scheme is to compensate communities adversely impacted by nearby landfill sites and contribute towards Welsh Government's promise to address the climate and nature emergencies. Its co-produced distribution model has empowered communities to improve their local environment and tackle local biodiversity challenges.

The ambition of the Welsh Government is to achieve a greener and more sustainable Wales. Wildlife Trusts Wales believes the LDTCS is a very important tool in helping to deliver this ambition. This is why Wildlife Trusts Wales has been a strong supporter of this scheme. LDTCS projects have helped to build a resilient, healthier and globally responsible Wales, a Wales of cohesive communities, as envisioned in the Well-being of Future Generations (Wales) Act 2015.

The LDTCS has delivered significant long-term benefits in areas that the Welsh Government is committed to addressing. The value of these projects is significant. Such benefits include addressing the following areas:

- The climate emergency (38 projects)
- The nature crisis (77 projects)
- Enhancing green spaces (86 projects)
- Supporting re-use and repair hubs (21 projects)
- Supporting new woodlands and connecting up wildlife habitats (11 projects)
- Supporting green social prescribing to tackle isolation (89 projects)

An independent review in 2022 and which was commissioned by the Welsh Government recommended continuing the Scheme due to 'its strong and positive role in empowering communities by making community-based organisations eligible for funding, the

contribution to Welsh Government priorities it has exemplified to date, and the value for money that it has demonstrated.’ The review’s value-for-money analysis found that the benefits of the LDTCS far outweigh the costs. Specifically, the review found that:

- The total spend allocated to projects was £4.64 million, with a total administration cost of £300,000 (£100,000 pa)
- A total of £9.13 million of match funding was secured by projects funded by the LDTCS
- 107 out of the 112 funded projects sourced additional (in kind or money) funding to complement LDTCS grants awarded

The benefit delivered by the Scheme between May 2018 and June 2021 was approximately £37.3 million, based on monetising just eight of its KPIs (greenhouse gas savings, income generated, jobs created, projected cost savings, visitors attracted, waste diverted from landfill, waste recycled, and native trees planted).

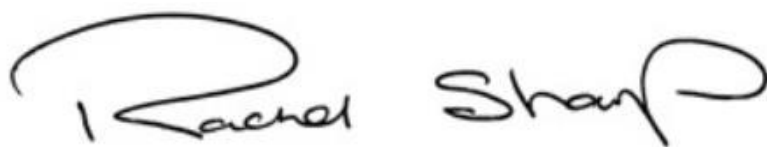
Wildlife Trusts Wales considers that answers to the following questions are needed:

1. Will the Welsh Government reconsider its intent to stop awarding new grants under the LDTCS?
2. Can the Welsh Government publish the impact assessment conducted as part of the decision-making process to stop awarding new grants under the LDTCS?
3. Can the Welsh Government publish the impact assessments that informed their decision to continue funding other similar areas of activity over the LDTCS?

Wildlife Trusts Wales is also seeking clarity on how, moving this defined tax to a general Transport for Wales budget, will benefit communities impacted by landfill.

As a member of the Climate Change, Environment and Infrastructure Committee, Wildlife Trusts Wales urges you to use your influence to highlight this issue with the Welsh Government at the earliest opportunity and ensure that this decision is reversed, and new funding is supported.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rachel Sharp'. The signature is written in a cursive, flowing style.

Director, Wildlife Trust Wales