

Minister for Climate Change
Welsh Government
5th Floor
Tŷ Hywel
Cardiff Bay
CF99 1NA

18 January 2024

Cessation of new funding under the Landfill Disposals Tax Communities Scheme

Dear Minister,

We are writing to you to highlight our significant concerns regarding the unilateral decision to cease awarding new funding under the Landfill Disposals Tax Communities Scheme (LDTCS).

Whilst we recognise the considerable financial pressures that Welsh Government finds itself under, we would ask that you reconsider this decision, in light of the unique context and cross-governmental impact of the 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. Uncoupling the Scheme from the Landfill Disposals Tax sets a worrying precedent for commitments made in other Acts of Senedd Cymru.

Byddem wrth ein boddau o glywed gennych yn Gymraeg neu'n Saesneg. Ymatebwn bob amser yn eich dewis iaith a chewch yr un gwasanaeth gennym ni waeth a ydych yn cysylltu yn Gymraeg neu'n Saesneg.

We'd love to hear from you in Welsh or English. We'll always respond to you in your preferred language and you'll get the same service from us whether you contact us in Welsh or English.





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The LDTCS delivers a consistently high return on investment of £7.50 for every £1 spent. This includes the creation of safeguarding jobs and its capacity as a highly valuable tool for equality and inclusion in local communities.

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.

Through the LDTCS, small community investments are delivering significant long-term benefits across key Programme for Government commitments. These priorities cut across portfolios and include:

- Addressing the climate change emergency (38 projects)
- Addressing the biodiversity and nature emergencies (77 projects)ⁱ
- Developing a Wales community food strategy (14 projects)ⁱⁱ
- Enhancing green spaces (86 projects)
- Supporting re-use and repair hubs (21 projects)ⁱⁱⁱ
- Supporting strong partnerships with voluntary organisations (189 projects)
- Supporting communities to create new woodlands and connect habitat areas (11 projects)
- Supporting social enterprise schemes such as bike repair and maintenance schemes (22 projects)
- Supporting social prescribing to tackle isolation (89 projects)

Welsh Government's ambition is for a greener, fairer and more prosperous Wales. The LDTCS is a key tool in delivering this, as recognised by Ministers on many occasions.^{iv}



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The independent review^v commissioned by Welsh Government in 2022 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.

Within the review period, the evaluators 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).

It is disconcerting that Wales, which in 2019 became the first nation in the world to declare a climate emergency, would now become an outlier within the UK by revoking the LDTCS while Scotland,^{vi} England and Northern Ireland^{vii} remain committed to their respective versions of the Scheme.

LDTCS projects help 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.^{viii} The Scheme represents a tangible way for Welsh



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Government to take practical steps today to create the Wales we hope to see in the future.

The cross-sector partnership ethos of the LDTCS brings communities, the public and private sectors together, addressing community needs through prevention and collaboration, whilst reducing duplication. Preserving this way of working and supporting existing relationships is vital in the current economic climate.^{ix}

Considering the arguments presented above, we would like to make the following requests:

- 1. Could the Minister reconsider her decision to stop awarding new grants under the LDTCS?**
- 2. Could the Minister publish the impact assessment conducted as part of the decision-making process to stop awarding new grants under the LDTCS?**
- 3. Could the Minister publish the impact assessments that informed her decision to continue funding other similar areas of activity over the LDTCS?**

We look forward to your response and to working with you and your officials to address this matter.

We have also copied this letter to the Minister for Finance and Local Government, the Minister for Social Justice and Chief Whip and the Future Generations Commissioner for Wales.

Warm Regards,

Ruth Marks

Chief Executive

Wales Council for Voluntary Action



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ⁱ Examples include: [Gresford Community Council: Gresford Lake Habitat Restoration](#), which improves biodiversity, enhances green spaces and restores natural habitat; [Arts Connection: Adventures in Nature](#), which conserves local biodiversity and increases public understanding of the impacts of pollution, climate change, species and habitat loss; [Wild Ground](#), which enhances green spaces, improves habitats for wildlife, offers wildlife-themed volunteering opportunities, and holds community events, training days and activities; [Climate Action Caerphilly: Tiny Forest Caerffili](#), which supports communities to create new woodlands and enhances biodiversity; and [Overton Gowers: Overton Wildlife Project](#), which boosts biodiversity and offers wildlife volunteering opportunities.

ⁱⁱ Examples include: [St Giles Pantri Cymru – Colwyn Bay](#), which reduces food waste, ends food dependency and tackles food poverty; and [Foothold Cymru: Wise up to Waste](#), which reduces food waste and hosts a community-led food hub with a community garden.

ⁱⁱⁱ Examples include: [Foothold Cymru: Zero Waste Hub](#), which minimises waste and focuses on recycling, re-using and repairing; [Repair Cafe Wales](#), which is a nationally significant project; [Elite Supported Employment Agency: Eco Animal Bedding](#), which promotes recycling and waste reduction and sustainable business practices; and [Smile Plastics: Ocean Plastic to Fantastic](#), which reduces ocean waste through recycling.

^{iv} Examples include: [Rebecca Evans MS, Minister for Finance and Trefnydd, visiting Grange Pavilion](#), October 2019; [Welsh Government press release about Rd3 of the LDTCS](#), January 2020; [Rebecca Evans MS, Minister for Finance and Local Government, visiting Bishop's Park and Gardens](#), July 2021; [Julie James MS, Minister for Climate Change, in a written statement on the review of the LDTCS](#), March 2022; and [Julie James MS, Minister for Climate Change, in a forward for the LDTCS 2022/23 annual report](#), November 2023.

^v [Independent Review of the Landfill Disposals Tax Communities scheme \(summary\)](#), Welsh Government, May 2022.

^{vi} [Scottish Landfill Communities Fund](#), Scottish Environment Protection Agency.

^{vii} [Landfill Communities Fund](#), ENTRUST.

^{viii} [Landfill Disposals Tax Communities Scheme Annual report 2022/23](#), WCVA, November 2023.

^{ix} Case studies from the LDTCS Annual report 2022/23 include: [Sea Trust Wales](#), which has collected important scientific data about the marine wildlife of the Pembrokeshire Coast, while providing valuable volunteering opportunities; [Action in Caerau and Ely \(ACE\)](#), which has set up a 'library of things' where the local community can borrow household and leisure items, helping people save money and protect the environment; [Menter Môn](#), projects of which



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protect and raise awareness of native species on Anglesey, such as water voles; [Buglife Wales](#), which has restored and conserved four sites in Newport, benefitting both pollinators and the public; [Incredible Edible Porthmadog](#), which has transformed a green space into an educational garden where children and the wider community can learn about sustainable food growing, biodiversity and waste reuse; and [Play Radnor](#), which has extended its community building, making it more sustainable, energy efficient and better suited to meet the needs of the local community.