



National
Trust

National Trust Response on the Consultation on the Landfill Disposals Tax (Wales) Bill

January 2017

The National Trust is a charity founded in 1895 by three people who saw the importance of our nation's heritage and open spaces and wanted to preserve them for everyone to enjoy. More than 120 years later, these values are still at the heart of everything we do. Throughout England, Wales and Northern Ireland we look after coastline, forests, farmland, moorland, islands, nature reserves, villages, historic houses, gardens, mills and pubs. We restore them, protect them and open them up for people to enjoy. For the National Trust, conservation goes hand-in-hand with public access and today we have well over 4 million members.

Our response to terms of reference for the inquiry

We have limited our comments to the questions that we feel are most relevant to the National Trust, and that we are in good position to answer. These are questions 1, 3, 5, 12, 13 and 16 of Annex 1, set out below with numbers in brackets referring to the Explanatory Memorandum for the Bill.

Q1. The general principles of the Bill and the need for legislation;

A1.1 The National Trust welcomes the Landfill Disposals Tax (Wales) Bill. However, we feel the Bill needs more clarity in relation to how Landfill Disposals Tax revenues (LDT) are apportioned to the Landfill Disposals Tax Communities Scheme (LDT CS).

A1.2 We recognise the need for a coherent Bill, but are worried that there is no clear link between the entitlement to credits and the use of those credits as there is in the UK Landfill Tax regulations of 1996. A clear link would provide both transparency and a safeguard for the Landfill Disposals Tax as a mechanism to fund this scheme.

A1.3 The plan to set tax rates to help deter "waste tourism" and reduce emissions generated by unnecessary transportation of waste as noted in Explanatory Memorandum to the Bill paragraph (3.9) are also welcomed by the National Trust. A lower rate of tax than that in England could lead to an increased transportation of waste into Wales, and as a result disadvantage local communities due to increased noise and pollution levels.

A1.4 The National Trust backs the principle behind the Towards Zero Waste Strategy (2010) and the ambition for a sustainable Wales. This is consistent with the notion of sustainable development as set out in the Well-being of Future Generations (Wales) Act

2015 (WFGA)¹. Public bodies such as the Welsh Government should be part of achieving the goals set out under this act, including that of “A biodiverse natural environment with healthy, functioning ecosystems”. The Environment (Wales) Act 2016 also places a duty on public bodies to maintain and enhance biodiversity; this is aimed to place biodiversity as a fundamental and natural part of policy and decision making (Environment (Wales) Bill Explanatory Memorandum).

A1.5 We strongly support the continuation of a Landfill Disposals Tax Communities Scheme. The allocation of tax raised from landfill, an environmentally damaging activity, to projects that deliver benefits for the environment and biodiversity, would not only be in line with the objectives of the legislation but would help the Government to deliver the legal requirements set out in A1.4.

Q3. Whether there are any unintended consequences arising from the Bill

A3.1 We are aware that the LDT Landfill Communities (Environmental Bodies) Credit arrangements will not be delivered as a tax credit and as a result will not be required to be made in legislation. We are concerned that this will lead to less transparency regarding the grants scheme and levels of funding within it.

Q.5 The appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of the Explanatory Memorandum);

A5.1 The Explanatory Memorandum (Table 4: section 14(3) page 51) states that the Welsh Government is allowed to change the tax rates to decide the amount of revenue needed to be raised to invest in public services. As expressed earlier we are concerned about how funding levels for the new fund will be determined and protected when there is no link between the Landfill Disposals Tax and the Landfill Disposals Tax Communities fund.

Q12. The inclusion of unauthorised disposals of waste at places other than authorised landfill sites;

A12.1 The National Trust agree that charging tax on unauthorised disposals, as outlined in the Explanatory Memorandum to the Bill paragraph (3.8), is helpful as this should help prevent environmental pollution and reduce waste crime.

Q13.The inspection of premises for the purposes of ascertaining a person’s liability to LDT and the sharing of information between the Welsh Revenue Authority, Natural Resources Wales and local authorities;

A13.1 If the connection between landfill sites and eligible projects is to continue as under the current Landfill Communities Fund (LCF), postcodes and/or grid references will be required for all registered landfill sites so that geographical eligibility can be determined. This is in addition to the intention to keep a register of individuals responsible for paying

¹ <http://www.legislation.gov.uk/anaw/2015/2/contents/enacted>

the tax as per note (3.92) in the Explanatory Memorandum. An online mapping system, for example, would allow potential applicants to the LDT CS to check eligibility easily.

Q.16 Establishing the Landfill Communities Scheme as a grant scheme rather than a tax credit and developing it outside of the Bill. (see Chapter 4 for more background).

A16.1 As a crucial source of funding for biodiversity and community projects we support the announcement that there will be provisions for a LDT CS to replace the current LCF.

A16.2 As previously stated, we are concerned that the LDT CS will not be made into legislation within this Bill, potentially resulting in reduced transparency and uncertainty about how the value of the fund will be decided. Distribution of funds must also be fair and transparent.

A16.3 We are very pleased that the new LDT CS will support biodiversity in line with concerns raised during the consultation for the Bill. Object DA of the current LCF is one of the few funding streams still available for projects focused solely on biodiversity. Reducing or removing this would make it harder for the Welsh Government to deliver against Wales' Nature Recovery Plan and to meet the international target to halt and reverse the loss of biodiversity. As already outlined it can also help the Welsh Government deliver against the sustainable development goals.

A16.4 The National Trust has extensive experience of the LCF and we look forward to being involved further in the development of the administrative model. We are very interested in the Scottish Government's approach, and support the decision to increase the proportion of Scottish Landfill tax which can be given community funds.