

Mark Drakeford AM/AC
Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol
Cabinet Secretary for Finance and Local Government



Llywodraeth Cymru
Welsh Government

Simon Thomas AM
Chair
Finance Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

20 March 2017

Dear Simon,

Landfill Disposals Tax Communities Scheme

I am writing to provide an update about the development of the Landfill Disposals Tax Communities Scheme (LDT CS).

I published an update paper in December 2016 outlining key decisions made to date in relation to the development of the LDT CS. The paper set out how the scheme will be developed in light of the extensive stakeholder engagement which has taken place over the last two years, which has supported our approach towards the continuation of the scheme. The update paper was an opportunity for stakeholders to comment on the next steps in the scheme's development.

Responses to the paper supported the simplification of the scheme's administration and the extension of the scheme to include waste transfer stations sending a minimum of 2,000 tonnes of waste to landfill each year.

Broadening coverage of the scheme in this way will ensure it is open to areas which have previously not been able to access this source of funding. It also seeks to recognise those communities which are most affected by the disposal of waste to landfill. We would expect all projects to demonstrate how they align with wider Welsh Government policies, including the Well-being of Future Generations (Wales) Act 2015.

Feedback from stakeholders also included ensuring that eligibility for funding is not too restrictive for biodiversity projects; highlighted the benefit of multi-year projects and the importance of including projects which enhance the wellbeing of a community in any proposal for the scheme. Stakeholders also said it will be important the scheme retains flexibility to ensure it is able to make a difference to communities.

I will consider the responses received to the update paper and the evidence provided to the Finance Committee during the scrutiny of the Landfill Disposals Tax (Wales) Bill before the launch of the procurement exercise to appoint a distributive body to manage

the scheme. I will provide an indication of the funding for the scheme and further details about its operation during the procurement exercise.

Yours sincerely,

A handwritten signature in black ink that reads "Mark Drakeford". The signature is written in a cursive, slightly slanted style.

Mark Drakeford AM/AC

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Cabinet Secretary for Finance and Local Government