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**UK LANDFILL COMMUNITIES FUND**

**Report by Service Director Strategy and Policy**

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**EXECUTIVE COMMITTEE**

**21 April 2015**

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**1 PURPOSE AND SUMMARY**

1.1 **This report recommends two projects for approval from the Landfill Communities Fund (UK LCF) for the funding period to January 2015.**

1.2 The following projects are recommended for approval:

|   | <b>Applicant</b>   | <b>Project</b>                                      | <b>Award request (incl. fees)</b> |
|---|--------------------|---|-----------------------------------|
| 1 | BCCF Environmental | Innerleithen Pipe Band – Hall Refurbishment Phase 1 | £14,278                           |
| 2 | BCCF Environmental | Southdean Village Hall – Hall Extension             | £32,250                           |

1.4 The confirmed UK LCF balance to 31 January 2015 is £59,599.70 and the projects recommended for approval total £46,528. A balance of £13,071.70 remains to 31 January 2015.

**2 RECOMMENDATIONS**

2.1 **I recommend that the Executive Committee:**

- (a) approves a grant of £14,278 to BCCF Environmental (Innerleithen Pipe Band – Hall Refurbishment Phase 1);**
- (b) approves a grant of £32,250 to BCCF Environmental (Southdean Village Hall – Hall Extension)**

### **3 BACKGROUND AND THE NEW SCOTTISH LANDFILL COMMUNITIES FUND**

- 3.1 Tax on landfill waste was introduced in 1996 as a means to reduce the amount of landfill waste and to promote a shift to more environmentally sustainable methods of waste management. The tax credit scheme enables operators of landfill sites (the Council) to contribute money to enrolled Environmental Bodies (such as BCCF Environmental) to carry out projects that meet the environmental objects contained in the Landfill Tax Regulations.
- 3.2 The UK Government saw the UK LCF as a way for Landfill Operators and Environmental Bodies to work in partnership to create significant environmental benefits and jobs, to promote sustainable waste management and/or to undertake projects which improve the lives of communities living near landfill sites.
- 3.3 Landfill Operators can contribute up to 5.1% of their landfill tax liability to Environmental Bodies and reclaim 90% of this contribution as a tax credit. The Council contributes the remaining 10% contribution from identified budgets within the Place Directorate - Neighbourhood Services. The UK LCF budget is notified quarterly based on waste tonnage returns submitted by Place Directorate - Neighbourhood Services to the Chief Executive's Department – Financial Services. The returns and budget figures within this report include the Council's 10% contribution.
- 3.4 As a condition of the UK LCF, enrolled Environmental Bodies submitting applications must firstly obtain the approval of ENTRUST for the works associated with individual projects. This is to ensure compliance with all the conditions of the National Scheme and to confirm eligibility of the projects being recommended for funding. (ENTRUST is the Regulatory Body of the UK Landfill Tax Credit Scheme).
- 3.5 Members should note that the Revenue Scotland and Tax Powers Act 2014 were given Royal Assent in September 2014. This, together with the Landfill (Scotland) Act 2014, gives Scotland the framework to collect and manage Scottish Landfill Tax (SLfT) and to operate a Scottish Landfill Communities Fund (SLCF) scheme.
- 3.6 The SLCF will continue to allow landfill operators to contribute a capped proportion of their tax liability to be used for environmental and community projects. This rate is expected to be 10% higher than the UK LCF rate at introduction (UK LCF rate currently 5.1%). The SLCF will be regulated by SEPA (rather than ENTRUST).
- 3.7 There will be a two year transition period from 1 April 2015 to 31 March 2017 during which time unspent funds held by environmental bodies on 31 March 2015 can be spent on projects located throughout the UK, including Scotland.

## 4 UK LCF APPLICATIONS

4.1 Two ENTRUST approved projects are awaiting a decision on their UK LCF applications and a budget of £59,599.70 is confirmed.

### 4.2 Project 1

**Applicant:** BCCF Environmental  
**Project:** Innerleithen Pipe Band – Hall Refurbishment Phase 1  
**ENTRUST No:** 711138.056  
**Project Costs:** £19,278  
**LCF Request:** £14,278

- (a) Innerleithen Pipe Band purchased its hall in 1923. It is situated on land leased from SBC. Despite some refurbishment over the years the fabric of the building deteriorated and it was closed in 2007 forcing the Band to use licenced premises and halls in Peebles. The Hall was previously used by a number of smaller, local groups and was a valued small meeting space which is in short supply in Innerleithen.
- (b) Since 2007 the Band has tried hard to raise sufficient funding to replace the building but the new build option has not succeeded. They now wish to refurbish the existing building over two phases. Phase 1, the subject of this application, will replace the roof cladding, insulation, external timber cladding, raise roof timbers, upgrade foundations and framework and replace the front door. The Hall will then re-open in time for the St Ronan's Games Week. Phase 2 will include the internal upgrade of kitchen, toilets, electrics and decoration and will be subject to further funding.
- (c) The total project cost is £19,278. The Band secured £5,000 from the SBC Community Grant Scheme in 2012. £13,282 is requested from the UK LCF plus £996 BCCF Environmental and ENTRUST fees. The project contributes to Corporate Priorities 2, 4, 5 and 7.

### 4.3 Project 2

**Applicant:** BCCF Environmental  
**Project:** Southdean Village Hall – Hall Extension  
**ENTRUST No:** 711138.081  
**Project Costs:** £72,268  
**LCF Request:** £32,250

- (a) Southdean Village Hall was built in 1915 in the centre of the village of Chesters, a small rural community of 300 people approximately 30 minutes drive from Hawick. The hall is built on a slight slope and there are steps inside which restrict access. The existing toilets, kitchen and small hall are on different levels to the main hall and meeting room creating access issues for older people and disabled people. The Hall is well used by a range of community events and local clubs.

- (b) The project will provide full disabled access from the car park and new toilet facilities by constructing a new, well insulated, stone faced, single story extension to blend with the original building. The extension will have a disabled toilet with baby changing, cloakroom area and direct level access through to the meeting room and main hall.
- (c) The total project cost is £72,268. Match funding is expected to be secured from Awards for All £10,000, Robertson Trust £7,000 (secured), Community Grant Scheme £5,000, Own funds £5,432 (secured), Trusts and Foundations £12,586. £30,000 is requested from the UK LCF plus £2,250 BCCF Environmental and ENTRUST fees. The project contributes to Corporate Priorities 4, 5 and 7.

## **5 IMPLICATIONS**

### **5.1 Financial**

- (a) A budget of £59,599.70 is identified and available.
- (b) Approval of the recommendations in this report total £46,528 and a balance of £13,071.70 will remain to January 2015.

### **5.2 Risk and Mitigations**

- (a) There is a risk that if Executive does not approve the project recommendations, the projects may be delayed or may not be able to proceed and the benefits in their communities will not be realised. This is mitigated through ensuring the projects are ENTRUST approved, both have sound project planning and realistic funding packages in place. All have been assessed and recommended for funding by the UK LCF Working Group.

### **5.3 Equalities**

There are no apparent equality impacts on the Council. The UK LCF is operated by Customs and Excise and regulated by ENTRUST. The applicant, BCCF Environmental, is responsible for ensuring that funded projects are fully compliant with Landfill Tax Regulations, including equality of access. SBC holds BCCF Environmental Equal Opportunities Policy.

### **5.4 Acting Sustainably**

- (a) Both projects impact positively on the built heritage or local environment.
- (b) Project 1 will significantly improve the built environment and the visual amenity of the area.
- (c) Project 2 is targeted on the sustainability of the building overall and retaining its use as community space. The works will also contribute to reducing energy consumption and energy costs.

### **5.5 Carbon Management**

Project 2 has a specific aim of reducing carbon emissions and reducing heating costs as detailed at Para 7.4

### **5.6 Rural Proofing**

Not applicable.

## 5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

## 6 CONSULTATION

- 6.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.
- 6.2 Officers comprising the UK LCF Working Group, drawn from the Chief Executive's Department (Financial Services and Strategic Policy Unit) and Place-Neighbourhood Services and Regulatory Services (Legal Services) have been consulted and have agreed the recommendations.

### Approved by

**David Cressey**  
**Service Director Strategy & Policy**

**Signature .....**

### Author(s)

| Name           | Designation and Contact Number           |
|----------------|--|
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**Background Papers:** None.

**Previous Minute Reference:** Executive 10<sup>th</sup> March 2015

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jean Robertson can also give information on other language translations as well as providing additional copies.

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