
UK LANDFILL COMMUNITIES FUND

Report by Service Director Strategy and Policy

EXECUTIVE COMMITTEE

9 JUNE 2015

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 the end March 2015.**

1.2 The following projects are recommended for approval:

	Applicant	Project	Award request (incl. fees)
1	BCCF Environmental	Rock UK Adventure Centres Ltd – Newcastleton Bike Skills & Pump Track	£28,847.08
2	BCCF Environmental	Kirkhope Parish Hall – Hall Extension	£16,265

1.4 The confirmed UK LCF balance to 31 March 2015 is £45,112.08 and the projects now recommended for approval total £45,112.08. No balance remains in the UKLCF.

1.5 This report sees the end of Scotland’s involvement in the UKLCF. Scotland now has the powers to collect and manage Scottish Landfill Tax (SLFT) and to operate a Scottish Landfill Communities Fund (SLCF) scheme which commenced on 1April 2015.

2 RECOMMENDATIONS

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

- (a) approves a grant of £28,847.08 to BCCF Environmental (Rock UK Adventure Centres Ltd – Newcastleton Bike Skills & Pump Track);**
- (b) approves a grant of £16,265 to BCCF Environmental (Kirkhope Parish Hall – Hall Extension);**
- (c) notes the end of Scotland’s involvement in the UKLCF.**

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 was 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 (the Council) 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 5.6%). The SLCF will be regulated by SEPA (rather than ENTRUST).
- 3.7 This report therefore sees the end of Scotland's involvement in the UKLCF and the two applications recommended in this report, if approved, will result in no unallocated funds remaining in the UK scheme. Appendix 1 provides Members with details of all awards made under the UKLCF.
- 3.8 A two year UKLCF transitions period will run from 1 April 2015 to 31 March 2017 during which time the Council will continue to monitor all project awards to ensure full spend of allocated funds has been achieved by 31 March 2017, or where necessary reallocated to other projects.
- 3.9 The SLCF processes are still being developed. In addition to the regulator changing from ENTRUST to SEPA we expect the Approved Body for the Scottish Borders to be BCCF Environmental, subject to SEPA approval. A SLCF budget is expected to be available for distribution later in 2015.

4 UK LCF APPLICATIONS

4.1 Two ENTRUST approved projects are awaiting a decision on their UK LCF applications and a budget of £45,112.08 is confirmed.

4.2 Project 1

Applicant: BCCF Environmental

Project: Rock UK Adventure Centres Ltd – Newcastleton Bike Skills & Pump Track

ENTRUST No: 711138.086

Project Costs: £89,739.67

LCF Request: £28,847.08

- (a) Rock UK is a Scottish charity that aims to positively impact the lives of young people through participation in outdoor adventurous activities. Whithaugh Park, a residential centre in the Scottish Borders, works with 10,000 people each year in partnership with organisations such as the Princes Trust, Mencap, Downs Syndrome Scotland, School and Uniformed groups. The centre is an important resource for the rural village of Newcastleton. Its sports hall and swimming pool are used on a weekly basis by the local community, and Rock UK works regularly with the local primary school. Whithaugh Park holds a Learning Outside the Classroom (LOTC) Quality Badge and AALA license (Adventure Activities Licensing Authority).
- (b) The project will build a new bike skills area and pump track. The track will consist of multiple loops of varying grades, with a series of progressive challenges and will provide a fun introduction for beginner cyclists and development opportunities for the experienced rider. The project will be open 365 days a year and be completely free to use by the local community. The track will also be available to use by Rock UK's 10,000 residential guests each year, either independently (free of charge), or within a coached skills session, delivered by Rock UK instructors. A simple 3-sided wooden shelter of approximately 25sq. mtrs. will be sited at the access point for use by all riders and spectators and will include picnic benches.
- (c) With Rock UK overseeing and maintaining the track it will become a sustainable and safe asset for the local community. The skills area and related development programmes will increase participation by women, young people and families, and build the confidence and skills they need to explore the wider forest trails.
- (d) The Active Schools coordinator intends to use the space as part of PE provision and "Bike Ability" Awards. It will springboard bike courses within the community, starting with a weekly youth group, which will explore potential affiliation to Scottish Cycling. Local events, such as the Newcastleton Cycling Festival, will use the area for fun days and children's races. Local bike shop, Bike7, will use the facility for their regular 'ride-out' and demo-days. Rock UK will introduce a Mountain Bike specific residential package, and employ a bike-specific Senior Instructor to develop this.

- (e) The total project cost is £89,739.67. Match funding will come from sportscotland Active Place (£43,940) secured and own funds (£16,952.59) secured. £26,986.57 is requested from the UK LCF plus £1,860.51 BCCF Environmental and ENTRUST fees. The project contributes to Corporate Priorities 1, 2, 4, 5 and 7.

4.3 **Project 2**

Applicant: BCCF Environmental
Project: Kirkhope Parish Hall– Hall Extension
ENTRUST No: 711138.084
Project Costs: £23,000
LCF Request: £16,265

- (a) Kirkhope Parish Hall is the social centre for the Lower Ettrick Valley and is used by an increasing number of community groups and people including WRI, Craft Group, Country Dancing, Yarrow Farmers, Junior Sports Groups, Indoor Bowling to name but a few. The Hall is also used weekly by the local primary school as a gymnasium and it is the support centre for the Community Resilience Plan.
- (b) The Hall Trustees have previously fundraised and delivered 2 phases of development. Phase 1 upgraded the heating, low energy lighting and insulation to walls and roof. Phase 2 replaced the flat roof area, improved internal ceilings and further insulation. Phase 3, the subject of this application, will build a small extension to deal with the pressure on storage space. Services such as the school gymnasium use and the resilient communities plan require significant storage space for equipment in addition to the growing needs of the many other users. The project will build a small extension of 5metres x 3 metres. It will be rendered in keeping with the existing building and the roof will incorporate full insulation finished by zinc. Planning and Building Warrant are in place.
- (c) The total project cost is £23,000. Match funding will come from own funds (£6,735) secured. £15,130.30 is requested from the UK LCF plus £1,134.70 BCCF Environmental and ENTRUST fees. The project contributes to Corporate Priorities 4, 5 and 7.

5 IMPLICATIONS

5.1 Financial

- (a) A budget of £45,112.08 is identified and available.
- (b) Approval of the recommendations in this report total £45,112.08 and no balance will remain in the UKLCF.
- (c) Members should note that this total includes a project underspend of £2,179.83 from the previously approved project BCCF Environmental – Birgham Village Hall ENTRUST 711138/051.

5.2 Risk and Mitigations

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, match funding may be lost 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 match funding has been secured. 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 increase and improve access to the natural environment.
- (c) Project 2 is targeted on the flexibility of the building overall and maximising its use as community space.

5.5 Carbon Management

N/A

5.6 Rural Proofing

N/A

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.

Approved by

David Cressey
Service Director Strategy & Policy

Signature

Author(s)

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Background Papers: Appendix 1 – List of Projects Awarded UKLCF from 1997.
Executive Committee – 9 June 2015

Previous Minute Reference: Executive 13 May 2014

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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