

**REPORT TO: ENVIRONMENTAL AND CONSUMER PROTECTION COMMITTEE**

**REPORT ON: ESTABLISHING A DUNDEE LANDFILL TAX TRUST/  
DIRECTOR OF ENVIRONMENTAL AND CONSUMER PROTECTION**

**REPORT BY: DIRECTOR OF CORPORATE PLANNING**

**REPORT NO: 218-2001**

**1. PURPOSE OF REPORT**

- 1.1 To seek Committee approval for the establishment of a Dundee based Landfill Tax Trust with the participation of Dundee City Council as core partners.

**2. RECOMMENDATIONS**

- 2.1 It is recommended that:

- i) the Committee supports in principle the establishment of a Dundee Landfill Tax Trust
- ii) the Committee endorses the representation of Elected Members on the basis of two Members of the Administration, one from the majority opposition party and one from the minority party

**3. FINANCIAL IMPLICATIONS**

- 3.1 It is estimated that Dundee City Council's share of the cost of establishing the Landfill Tax Trust will be up to £500.00 which is contained in the existing Local Agenda 21 budget.

**4. LOCAL AGENDA 21 IMPLICATIONS**

All projects undertaken by the Landfill Tax Trust will promote sustainability by meeting the objectives outlined in Section 6.3 of this report.

**5. EQUAL OPPORTUNITIES IMPLICATIONS**

The contents of this report are consistent with our Equal Opportunities Policy.

**6. BACKGROUND**

- 6.1 The Landfill Tax Regulations were introduced as part of the Finance Act 1996. Written into these was the development of a credit scheme which would allow some of the revenue raised by the Landfill Tax to be diverted into projects that benefit the environment. Any landfill site operator liable to pay the tax can receive a credit against any voluntary contribution they make to an eligible organisation for an approved project as described in the legislation. This credit is then deducted from that operator's quarterly tax liability.
- 6.2 Organisations receiving a contribution under the scheme must be registered as an environmental body with Entrust, the regulator of the Landfill Tax credit scheme. To be eligible to receive funding an organisation must meet five key criteria to register with Entrust. The criteria are:

- an organisation must not distribute profit
- there should be no conflict of interest between the work of a registered organisation and any of the operators who contribute to that organisation
- a local authority or a landfill site operator must not control the registered organisation
- the work carried out by an organisation under the scheme cannot receive funding for any activity for which they have a legal obligation to fulfil
- an organisation's aims and objectives must include one of the objects specified by the legislation

6.3 In accordance with the regulations credit scheme contributions can be spent on the following six object categories:

- a) the reclamation, remediation, restoration or any operation that facilitates the economic, social or environmental use of land where use has been prevented or restricted because of previous use
- b) any operation intended to prevent or reduce potential for pollution or to remedy or mitigate the effects of pollution on land polluted by a previous activity
- c) research and development, education or collection and dissemination of information about more sustainable waste management practices
- d) the provision, maintenance or improvement of a public park or other public amenity in the vicinity of a landfill site where it is for the protection of the environment
- e) the maintenance, repair or restoration of a building or other structure which is a place of religious worship or of historic or architectural interest, where it is for the protection of the environment
- f) the provision of financial administration and other similar services to enrolled environmental bodies

6.4 Organisations which access funding through the Landfill Tax credit screen are typically set up as Strategic Landfill Tax Trusts. Usually Trust bodies are typically partnerships of organisations involving local authorities, enterprise companies, landfill site operators, community groups and voluntary sector organisations. All trust bodies are established to deliver support to the full breadth of the approved purposes as described in the Landfill Tax regulations 1996 and are registered with Entrust. The Trusts give high priority support to projects which contribute to local sustainable development.

6.5 In 1996 the Dundee Waste Environment Trust was established. This Trust included representatives of Dundee City Council, The University of Abertay, The University of Dundee, Scottish Conservation Projects, Dundee City Council and the Royal Society for the Protection of Birds. However, this organisation has had limited success in accessing Landfill Tax funding and has not been able to sustain the commitment of partner organisations. It is therefore recommended that a new Strategic Landfill Tax Trust be established in Dundee. Potential members include Dundee City Council, Scottish Natural Heritage, the Dundee Sustainability Forum, Scottish Enterprise Tayside, the Dundee Chamber of Commerce and the Dighty Environment Group. A key partner will also be Forward Scotland who in partnership with the Scottish Executive aim to raise awareness of the Landfill Tax and promote participation in the Landfill Tax credit scheme. Forward Scotland are core partners in a range of Strategic Landfill Tax Trusts across Scotland.

- 6.6 While the Council may not control the Trust body, it is proposed that elected members play a central role in the establishment and the ongoing activities of the Trust. Appropriate representation is proposed as two members of the administration, one from the majority opposition and one from the minority opposition.
- 6.7 The costs of setting up the Trust and obtaining charitable status should amount to no more than £500.00 and it is recommended that Dundee City Council award a grant of this amount to be allocated from the current Local Agenda 21 revenue budget.

7. **CONSULTATION**

The Directors of Environmental and Consumer Protection, Arts and Heritage, Leisure and Parks, Neighbourhood Resources and Development, Finance, Support Services and Planning and Transportation have been consulted in the preparation of this report.

Director of Corporate Planning ..... Date .....

Director of Environmental  
and Consumer Protection ..... Date .....