



# THE VALUE OF THE LANDFILL COMMUNITIES FUND

2023 / 2024

Exploring and evidencing the impact and added value of the Landfill Communities Fund (LCF) for local communities and the environment



# INTRODUCTION

The Landfill Communities Fund (LCF) is the name given to the scheme that allows Landfill Operators (LOs) to contribute funds to community and environmental projects and register the amount on their Landfill Tax Return. In return, HMRC give a tax credit to the LO to the value of 90% of the contribution, and communities that receive project funding often meet the 10% shortfall. These funds are managed and distributed by Environmental Bodies (EBs) who are regulated by Entrust, the HMRC appointed Regulator.

The aim of the fund, is to enhance the provision of amenities and protect the environment in the localities of landfill activity, giving back to the communities who are negatively impacted by the activity.

This document aims to:

- Report on the Value for Money of the scheme, identifying where funds are distributed and to what types of projects.
- Report on the success of the key objectives, providing statistics and an overview of the impact of the fund to local communities and the environment. For this purpose, we have included economic, social, and environmental benefits, as well as identifying geographical trends.

In short, this report answers the question, is the LCF valuable, and how much impact does it have in achieving its core aims?

The data used in this report comes from two key sources:

- The information provided by EBs on their registration forms, specifically the Project Completion Form
- Government sources, such as the Censuses of England and Northern Ireland, both carried out in 2021.

## THE VALUE OF THE LCF

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In using data, we have ensured that where possible, only UK Government sources are used, to strengthen any conclusions made. Where another source is used, we have clearly labelled this source for completeness. Please note, that the data is derived from projects completed in the financial year 2023/24, using totals for all years in which that project had been running.

To ensure the report is accurate, we sense check the data for any errors and contact EBs to amend their forms if an entry appears an outlier. Additionally, we are continually reviewing the way we collect information on Value for Money, to improve the quality of the data that is requested.

This report also combines two previous reports, the Value for Money (VfM) Report, and the Economic, Community and Environmental Impact Model (ECEIM). Some of the calculations in the ECEIM have been improved for accuracy; as a result, there may be some differences in added value from 2022/2023 reporting.

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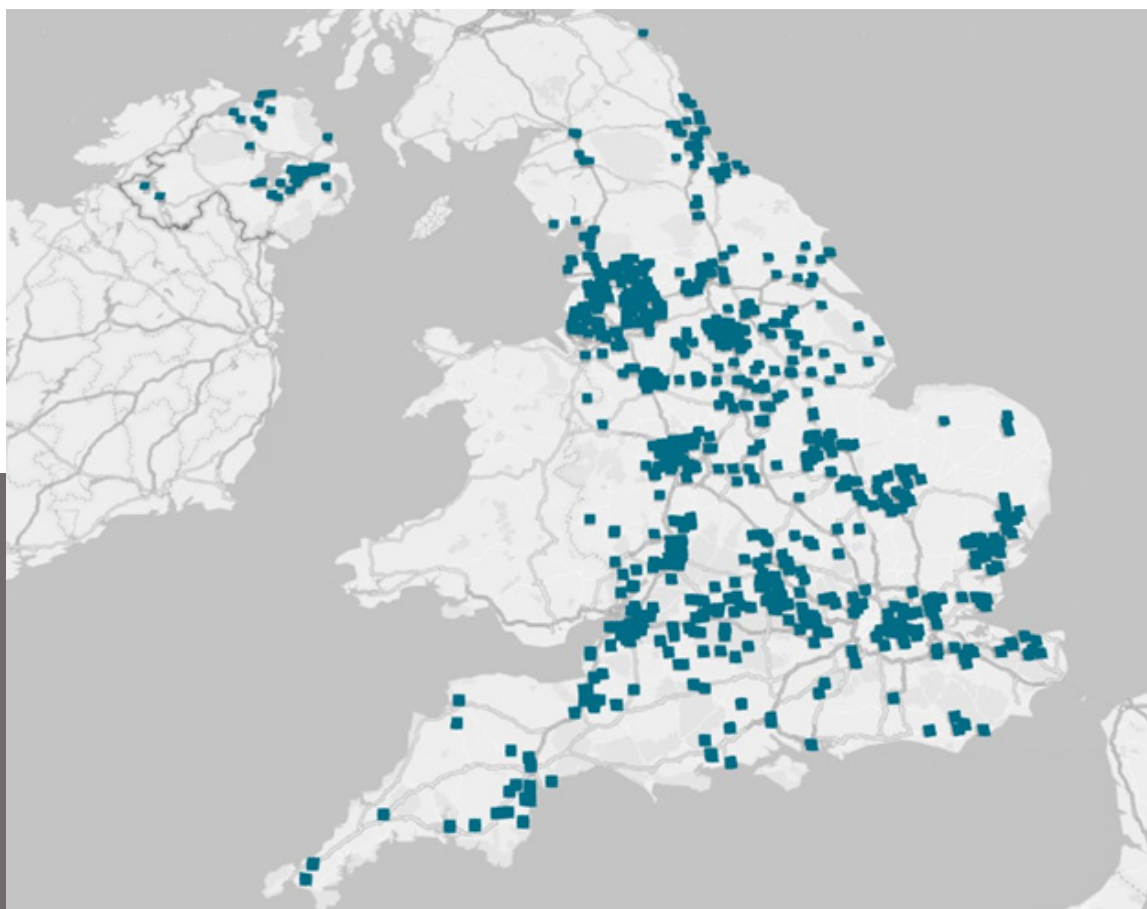
# KEY SPENDING TRENDS

This section identifies some overall trends in project spending. As there are no regulations to limit the amount of funds that go to each statutory Object, this is organic and shifts with individual decisions by EBs following their strategic objectives, or community demand for a particular project type.

The first table shows the total amount spent on projects that completed during 2023/2024:

Year	2021/2022	2022/2023	2023/2024
Project Spending	£32.3m	£38.4m	£32.9m
Number of Projects	984	1026	865
Average Project Amount	£32.8k	£37.4k	£38.1k

This is also displayed visually on the map below, to show the wide geographical distribution of LCF funds:



Location of all projects in 2023/2024

## KEY SPENDING TRENDS

As can be seen, project spending has fallen, which is to be expected due to a fall in contributions as set out in previous reports. However, the projects have not reduced coverage over eligible areas, spreading out to reach most areas of England and Northern Ireland; more can be read on this later in this report.

The average project amount has stayed very similar to the previous year, indicating no real trend or shift to fund fewer projects of higher monetary value. This is further evidenced by a breakdown of project numbers into bands, but does show a small shift from very low value projects to medium value across three years:

Band	2021/2022	2022/2023	2023/2024
Up to £10k	28%	24%	23%
£10k up to £20k	21%	18%	19%
£20k up to £50k	35%	40%	38%
£50k up to 100K	15%	16%	18%
£100k up to £300k	1%	1%	1%
Above £300k	<1%	<1%	<1%

The next table separates project spending into their objects, of which there are five, although the table does not include A or B due to no spending within these Objects:

**Object A:** The reclamation, remediation or restoration of land which cannot now be used because of an activity which used to take place on that land

**Object B:** The prevention, reduction or mitigation of the effects of pollution which has been caused, or will be caused, by an activity which has now ceased

**Object D:** The provision, maintenance or improvement of a public park or other public amenity

**Object DA:** The conservation of a specific species in its natural habitat or a natural habitat

**Object E:** The maintenance, repair or restoration of a building or structure which is a place of religious worship or a place of historic or architectural interest

	2021/2022	2022/2023	2023/2024	Projects (22/23)	% (22/23)
Object D	£27.2m	£31.7m	£27.1m	777	82%
Object DA	£4.3m	£5.5m	£4.9m	54	15%
Object E	£772.0k	£1.1m	£991.5k	34	3%
<b>Total</b>	<b>£32.3m</b>	<b>£38.4m</b>	<b>£32.9m</b>	<b>865</b>	<b>100%</b>

By comparing over a three-year period, we can determine that there has been very little shift in the split of all project spending between Objects. Public amenities continue to receive above 80% of all project spending, with biodiversity projects making up 15%, and restoration of religious or historical buildings 3%.

Each Object is also split into several categories or types. for Object D, the following table outlines the most common and least common project categories by spending:

Category	Spend: 2022/2023	Spend: 2023/2024	% 22/23	% 23/24	Average Spend Per Project
Sporting Facilities	£8.0m	£7.6m	25.18%	28.05%	£35.3k
Community Hall/ Centre	£8.7m	£6.7m	27.50%	24.59%	£31.4k
Public Playground	£4.5m	£3.9m	14.32%	14.51%	£42.0k
Other	£2.4m	£2.8m	7.47%	10.35%	£39.1k
Park	£1.5m	£1.8m	4.88%	6.74%	£35.2k
Church/Place of Wor- ship	£1.7m	£1.6m	5.49%	5.89%	£35.6k
Nature Reserve	£1.3m	£891.0k	4.25%	3.28%	£33.0k
Activity Centre	£339.2k	£384.4k	1.07%	1.41%	£25.6k
Museum	£1.8m	£307.9k	5.83%	1.13%	£44.0k
Bridleway/Public footpath	£584.2k	£316.7k	1.84%	1.17%	£16.7k
Canal Works/Water- ways	£44.9k	£300.0k	0.14%	1.10%	£300.0k
Public Woodland	£432.3k	£93.2k	1.36%	0.34%	£15.5k
Zoos and Public Farms	£46.5k	£137.1k	0.15%	0.50%	£45.7k
Cycle Path	£56.6k	£82.2k	0.18%	0.30%	£27.4k
Library	£.0k	£49.0k	0.00%	0.18%	£49.0k
Village Green	£106.7k	£11.6k	0.34%	0.04%	£3.9k

As with overall spending, the distribution of funds to the different types of projects has remained in line with minor variations in previous years. Sporting Facilities has overtaken Community Halls/Centres as the most highly funded category.

For Object DA, categories are split into different types of land. The table below indicates the funding split between these land types, however please note that one project can fund multiple land types, so these do not total to 100%:

Land Category	Projects	Spend: 2022/2023	Spend: 2023/2024
Lowland Farmland	18	£2.6m	£990.3k
Wetland	16	£3.1m	£1.3m
Lakes and Ponds	16	£1.3m	£1.5m
Woodland	16	£1.0m	£3.4m
Rivers	9	£2.4m	£940.2k
Upland	5	£.0k	£914.6k
Urban and Brownfield	1	£56.8k	£10.0k

There are often one or two large land purchases a year which can make the numbers for Object DA more variable. There is no exception in this year, as the shift toward a high-cost woodland project was key to the change: woodland being the highest funded land type. In 2022/2023, woodland had the highest number of projects, but not the highest level of funding. Due to these factors and the relatively small number of DA projects to spending, there is no discernible trend from project numbers or funding amounts within Object DA.

For Object E, there are only two types of projects: places of worship, which accounted for 54% and buildings of historical interest, which accounted for 46%. As with Object D, there is little shift in activity from 2022/2023.

**HISTORICAL BUILDINGS - 46%**

**PLACES OF WORSHIP - 54%**

In summary, apart from all elements reducing in line with overall contributions, there is no discernible trend of note in the Object of spending.

The LCF continues to cater to a large variety of project types and reaches communities in all eligible areas, including rural, urban, highly populated and disparate communities.

However, the next three sections look to break this down further and delve into the value of LCF funds to these communities.

# ECONOMIC VALUE

This section looks at factors of LCF spending that provide added economic benefit to individuals, organisations, and the wider community. There are many benefits, including some that are measurable that we can assess with an estimated figure of added economic value. By looking at this over a three-year period, we can also estimate the relative increase or decrease in value over time.

## Funding from Other Sources

The first area is how impactful the LCF is in attracting funds from other sources. It is reported to us that often the LCF can act as ‘first funder’, where other funds are released due to match funding requirements of other funding streams. It is also effective in giving communities that all important top-up of funds, allowing them to spend their charitable donations on more substantial projects.

To calculate the economic impact of funding from other sources, we have listed below the ratios, and have given a calculation of added value, based on how likely it is that the LCF funds have unlocked other funding streams and donations. This methodology is fully explained in Appendix A:



Map of 2023/2024 spending, with bars representing higher project values



Year	2021/2022	2022/2023	2023/2024
Total LCF Spending	£32.3m	£38.4m	£32.9m
Total Spending incl. funds from other sources	£73.9m	£82.8m	£56.8m
Total funding from other sources	£41.6m	£44.4m	£23.9m
Ratio of LCF to Other Sources	44%	46%	58%
Additional economic value*	£10.6m	£12.7m	£10.6m

*\*This is based on the likelihood of LCF funding being instrumental in the raising of funding from other sources*

There has been a fall in funding found from other sources during 2023/2024, which is unsurprising due to the reported difficulty in charities accessing enough funding and larger competition for available funds ([Charities Aid Foundation, 2022](#)). As a result, the shift to projects being funded by a higher degree by the LCF, from 49% to 55% is further testament to its importance as an essential community funding source.

### **Assets and Resaleable Items**

Assets are another source of value particularly prevalent in the LCF, as funding should be primarily on physical works. Items purchased may have longer term value as they can be used across many years rather than for a specific one-time purpose. Therefore, alongside the numbers and percentages of total funding, we have calculated an estimate of added longer term value for any spend on an asset. The full methodology can be found in Appendix B.

Year	2021/2022	2022/2023	2023/2024
Total amount listed as an asset	£15.0m	£15.4m	£16.0m
% of total spending	46%	40%	49%
Additional economic Value*	£18.3m	£18.7m	£19.5m

*\*This is based on assets retaining and returning longer term value*

While total spending has fallen, the percentage of funding listed as an asset has increased to just under half of all spending. There appears no noticeable shift to shorter term project works, with longevity of investment a key part of LCF funding strategies for EBs, increasing the longevity of project works since the previous year.

The added value estimate, set out in Appendix B, looks to acknowledge the longer-term aspect of asset purchasing, by using the straight-line standard accounting depreciation method for tax purposes, across a three-year useful life period.

This three-year period is the most common monitoring period required for completed projects in 2023/2024 (75% of projects). Monitoring periods are calculated based on project value, and are either one, three or five years in length. There may be assets with significantly longer-term value and resale value so this may be understated. However, using the average monitoring period and standard accounting practices to calculate depreciation value provides a solid baseline for estimating added value of highly varied asset types.

## Jobs

As with other capital spending grant funding, the development of community facilities and environmental projects creates and maintains jobs within the challenging charity sphere, where other charities are struggling to maintain staffing levels due to inflation and the cost of energy ([Charities Aid Foundation, 2023](#)). We collect data on the impact of jobs and have developed an added value calculation based on the average wage of a charity sector full time job in the UK ([Talent UK, 2024](#)).

Year	2021/2022	2022/2023	2023/2024
Total Jobs Maintained	610	509	668
Total Jobs Created	254	219	207
Additional economic Value*	£17.3m	£14.7m	£16.7m

*\*Based on the average full-time salary in the charity sector multiplied by the monitoring period. See Appendix C for the methodology*

Jobs are not just good for the local economy: charity jobs have a rewarding impact for families, life purpose and wellbeing. While this is not easily measured, it is an important factor of the LCF impact, as it meets community needs that are highly valuable and sought after.

## Income Derived

As with jobs and funding from other sources, the income received because of project works (Income Derived (ID)) is another valuable source of added economic value, providing sustainability and long-term strategy for maintenance of investment. As such, we have calculated income derived as added value over the monitoring period of a project, as this is the only appropriate measure. However, ID is likely to last several years longer, so we believe this may be an underestimate for many projects.

Year	2021/2022	2022/2023	2023/2024
Total project income derived	£1.6m	£1.6m	£1.4m
As a % of Project Expenditure	4.9%	4.1%	4.3%
*Added economic value	£4.1m	£3.4m	£3.8m

*\*ID Figure multiplied by the monitoring period*

What is clear is that the LCF is delivering on sustainability, continuing to develop income streams of over 4% of the initial investment per year. This can pay for repairs, maintenance, staffing, fuel and other essential running costs, to ensure public amenities that have received investment can operate for the longer term.

## Summary

While looking at total value for each metric above is useful, we also are aware that in the case of decreasing contributions, and decreasing spending, there is likely to also be a decrease in added value year on year. Additionally, we have worked on improving data quality with EBs as we believe previous years have been overstated or have outlier errors, likely due to a lack of understanding with project applicants as to the meaning of Income Derived, and the definition of an asset. We are more confident the 2023/2024 figures are delivered with better understanding, but this may explain why there would appear to be a fall in absolute economic value.

However, to compensate for this, the table below calculates the added value figure per £10,000 of LCF spending, to give a year-on-year estimate of performance for each £1 of spending:

Added value (Total and per £10,000)	2021/2022	2022/2023	2023/2024
Other sourced funding	£10.6m	£12.7m	£10.6m
<b>(per £10,000)</b>	<b>£3,267</b>	<b>£3,297</b>	<b>£3,224</b>
Assets	£18.3m	£18.7m	£19.5m
<b>(per £10,000)</b>	<b>£5,655</b>	<b>£4,879</b>	<b>£5,933</b>
Jobs	£17.3m	£14.7m	£16.7m
<b>(per £10,000)</b>	<b>£5,359</b>	<b>£3,820</b>	<b>£5,086</b>
Income Derived	£4.1m	£3.4m	£3.8m
<b>(per £10,000)</b>	<b>£1,266</b>	<b>£898</b>	<b>£1,141</b>
Total	£82.5m	£87.9m	£83.6m
<b>Total (Per £10,000)</b>	<b>£15,547</b>	<b>£12,894</b>	<b>£15,385</b>

**Therefore, we estimate that the fund in 2023/2024, while spending £32.9m, has a total estimated economic value of £83.6m.**

**This means for every £1 of LCF funding, there is £2.54 of economic benefit, up from £2.29 in 2022/2023.**

From what we experience in our regulatory work, EBs are increasingly aware of the issue of value, with strategy to increase and maximise Value for Money clearly on the agenda of EB boards, filtering through to project works.

Also, administration of the fund costs 7% of completed project spending, and 3% of contributions are spent on the regulation of the scheme. This represents good value for communities with approximately 90% of all contribution income directly spent on project works.

# SOCIAL VALUE

This section looks at the social benefits of LCF spending. While we can compare across a three-year period, these benefits are not possible to quantify in an economic calculation. However, they each clearly deliver a meaningful social benefit, so are vital to report as part of highlighting the value of the LCF.

## Volunteering

The first metric is volunteering, which plays a key role in providing social activity. The benefits of volunteering for an individual, according to Citizens Advice, are very broad and include an opportunity to:

- make a positive difference to people's' lives
- improve self-esteem, confidence and wellbeing
- gain invaluable work experience
- receive high quality training and develop new skills
- use existing skills and knowledge to benefit the local community
- meet new people from a range of backgrounds
- feel valued and part of a team

In addition to these benefits to the individuals involved in volunteering, the benefits to society in general from volunteering activity are also numerous. EBs reported the following number of volunteers being involved in all completed projects:

	2021/2022	2022/2023	2023/2024
Total volunteers	13,017	12,827	10,987
Per £10,000 of LCF spending	4.03	3.34	3.34
Volunteers per project (Object D)	15	14	12
Volunteers per project (Object DA)	29	38	33
Volunteers per project (Object E)	3	7	6

As the number of projects has fallen, the number of volunteers would also expect to fall. However, as can be seen from the number of volunteers per project, volunteering has remained relatively stable per project, and has also maintained the value per £10,000 spent since 2022/2023. It is a testament to the success of the scheme for local communities to see volunteers on the scale of nearly 12,300 on average per year, involved in local initiatives.

## Public Amenity Visitors

The second social measure is to calculate how effective LCF projects are at increasing the footfall of the public to project sites, specific to Object D and E. Clearly, the number of people that visit a project is not indicative of total value but is a good indicator of the breadth of community reach. The following table shows the numbers, and rise in numbers of site visitors, per annum:

	2021/2022	2022/2023	2023/2024
Total site visits before project works	19.8m	20.2m	12.7m
Total site visits after project works	27.3m	26.1m	17.1m
Additional visitors (D and E)	7.5m	6.0m	4.4m
Additional visitors per project	8.6k	6.9k	5.1k
Additional visitors per £10,000 LCF spending	2.3k	1.6k	1.3k

This measure does appear to have fallen; however, this should be taken into context that over 5,000 additional visitors per project is still very high impact, and as with volunteering, is maintaining a high level when looking at the impact per £10,000 of LCF spending. Also, there were fewer projects completed in very high visitor number centres, as can be seen by the visits before project works. Therefore, a decrease would be expected.

Also, the LCF reaches the smaller villages who struggle to access funding, do not cater to many people, but are equally valued by their small community, highlighting that visitor numbers are not always the best metric to assess value.

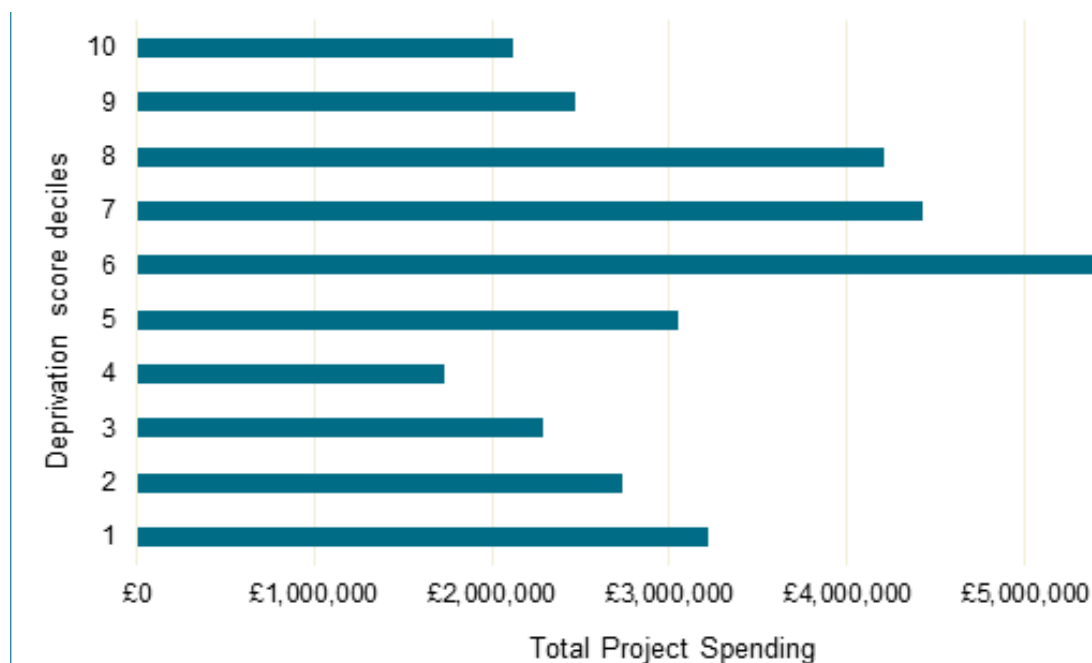
## Deprivation

In 2019, the UK Government released a deprivation rank index for England, splitting the UK into 32,422 different areas, and ranking them in order of how deprived the area is. This was calculated on several factors which are [available in the report](#). This metric has been on the strategic agendas of individual EBs, and is often written into applications, on the basis that they understand a project within a deprived community has a greater value than one in an affluent area, reaching those who can struggle to access expertise to register quality funding bids or self-fund project works.

To assist in understanding how the LCF reaches deprived communities, we have given each project a score, based on this ranking index, and have established the following for the scheme. On average, as can be seen from the table below, projects are delivered in similarly deprived/affluent areas to the previous two years, slightly above the median being 16,211, which while indicating better access for slightly more affluent areas, would also indicate a spread across both deprived and affluent areas.

Year	2021/2022	2022/2023	2023/2024
Average Deprivation Score (England)	17,469	17,301	17,553
Trend		-168	+252

However, an average does not paint a particularly detailed picture; therefore, the following two charts break this down further into deciles, first for the number of projects completed in the 10 deciles of deprivation, and then the amount of funds into each decile.



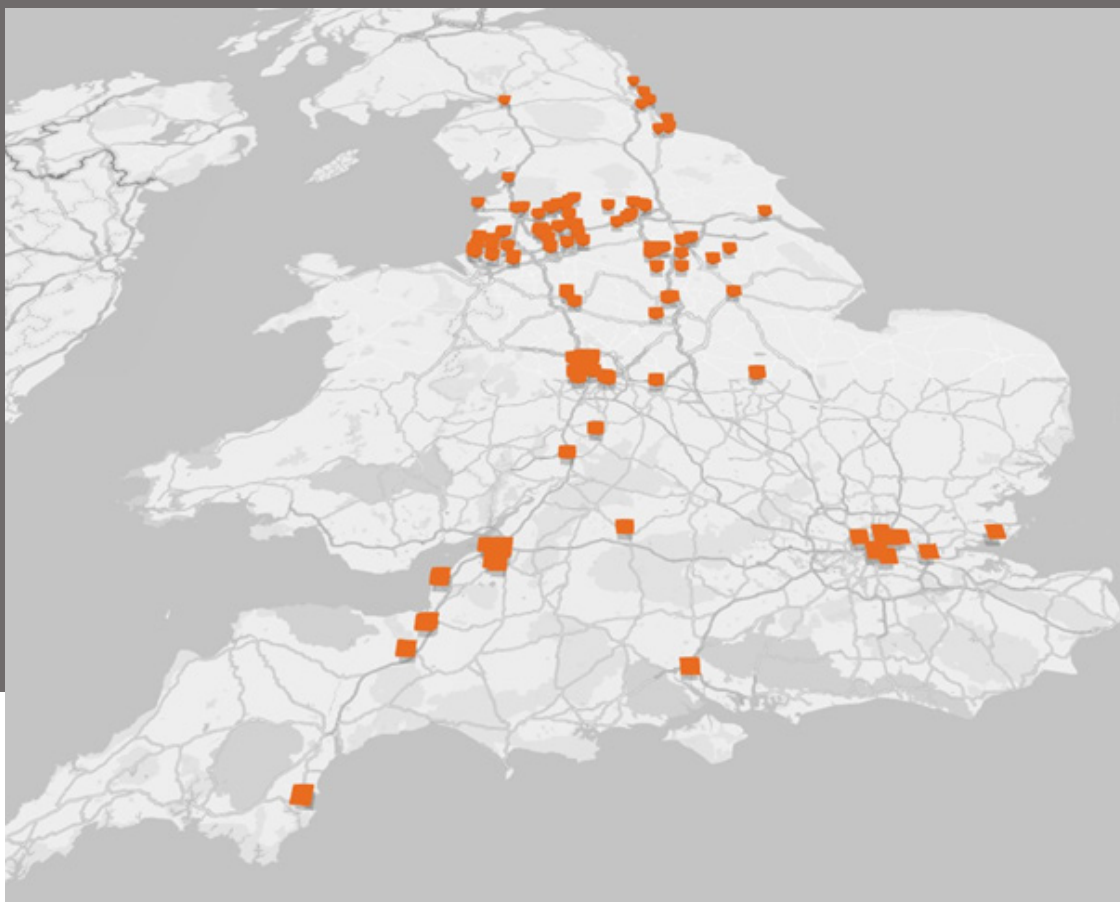
As we can see from the chart above, that while the above average areas receive the highest amount of funding (deciles 6,7 and 8), there is a good proportion of spending spread across the deciles, including reaching the most deprived areas, with over £3m being invested in the most deprived areas of England (decile 1).

Similar analysis can be done for Northern Ireland projects, as a deprivation index has also been carried out although due to the smaller number of projects (45), a deciles chart is not informative. The Northern Ireland index is out of a total of 890 areas.

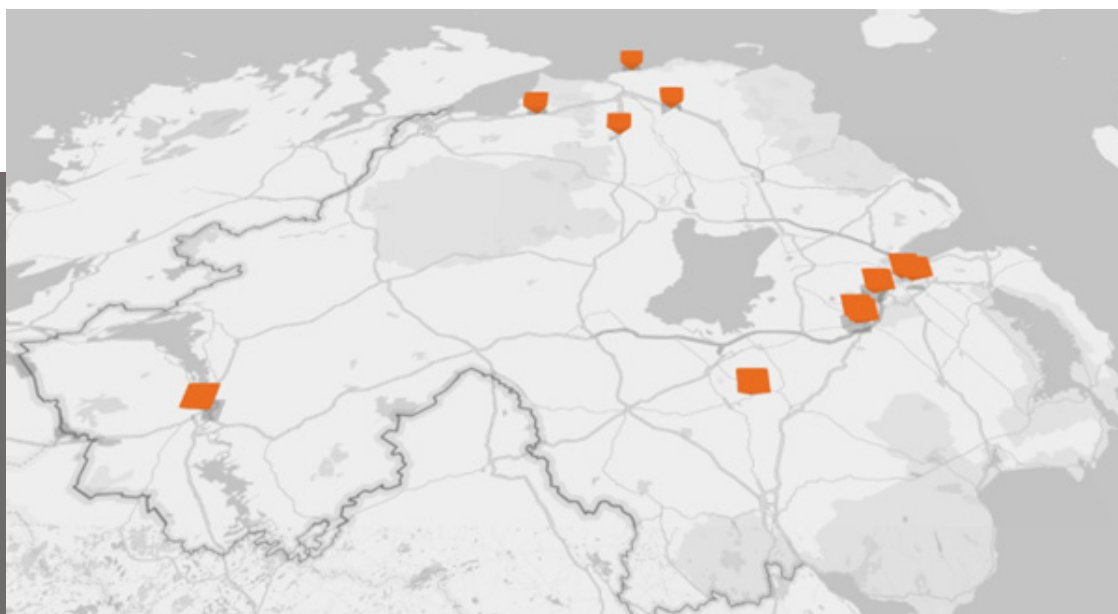
Year	2021/2022	2022/2023	2023/2024
Average Deprivation Score (NI)	412	421	464
Trend		+9	+43

Northern Ireland projects can be said to be equitable to both affluent and deprived areas, with an average score of 464, very close to the median score of 445. The spread of projects can be seen across the deprivation scale, with the 40th most deprived area and the 47th most affluent.

To get a more visual picture, the following map shows the projects in eligible areas which are in the 2 most deprived deciles, indicating that the North of England has received a significant proportion of spending towards deprived communities:



The picture in Northern Ireland is more spread out, with a cluster within the city of Belfast's more deprived communities.



## Diversity and Inclusion

Another measure of social impact is whether funds are reaching all people groups that reside in England and Northern Ireland. We have, therefore, also given each project a diversity score, which is the percentage of people in the project area location who consider themselves not to be 'White: British' according to the 2021 Census.

Year	2021/2022	2022/2023	2023/2024
*Average non-White/British population percentage at project location	17.06%	16.82%	16.12%
Trend		-1.4%	-4.2%

*\*Last year's data was taken from the previous census in 2011, as the new data had not yet been released in full. We have updated all years to the most recent census in 2021, due to 2021/2022 being the first year of comparison on the above table, rather than keeping last year's results with older data.*

We would expect the fund to perform below the national average of 25.6%, as projects are not confined to areas with high levels of diverse communities. Therefore, we believe the above table indicates a healthy balance between reaching diverse communities, but also reaching areas not commonly reached by funding bodies, such as rural villages and the north of England, which score lower on diverse population rank.

There is a very slight trend in the direction of less diverse communities, however, it is not pronounced and within the margins of normal variations.

### Summary

In summary, social impact remains the key aim of LCF project value, since the LCF exists as a mitigation for landfill activity. In this area, the figures suggest continued high levels of impact per £1, providing and supporting essential services, amenities and, in some areas, greatly enhancing the availability to volunteer, use, join and enjoy community facilities.

While the LCF remains, as reported to us, an 'under the radar' fund, it permeates into many areas of community life, with projects supporting a large variety of projects and amenities, while remaining high value for each £1.

It is clear in speaking with EBs that these objectives are passionately on EB Board meeting agendas in assessing the value of potential projects and form the basis for funding scoring systems. This is key to maintaining high value while remaining within the regulatory boundaries as set by Government to achieve the aim to compensate the communities affected by local landfill activity.



# ENVIRONMENTAL VALUE

This section of the report details the Environmental impact of the LCF. This is a challenging area to report, as there is no common set of numerical measures to recognise a project's impact on the environment. It is also considered likely that some project spending, such as projects for community buildings, may increase social value at the expense of environmental value, or vice versa, for example, where an environmental project restricts community use of an area of land.

Another consideration is that an Object D project may have a primary purpose for social benefit, but also a secondary purpose to improve the natural environment – for example, solar panels on a community hall, or a nature reserve training facility, to raise awareness of species decline.

However, there are several areas in which we can report the data, to indicate the amount of funds directed to environmental purposes and their impact on species, habitats and tree planting. This is enough to show that the LCF does have a tangible role in England and Northern Ireland to improve biodiversity.

Total Spending on DA remains consistent with previous years, comprising between 10-18% of all LCF spending for the last 10 years. Clearly, biodiversity remains a key aspect of LCF impact, and there is no trend to suggest that there is growing or waning appetite to carry out biodiversity work with LCF funds. This is despite it being easier to gain publicity and interest on community-based projects, although in recent years the environment has become more prominent in the public sphere. As a direct result, we do anticipate the percentage may rise, as some EBs that only fund D or E projects are reporting that they are considering funding DA projects.

One item of data that is collected is species of plants and animals that are impacted by the Object DA works. While the below table is not informative of any trend, due to the results being very project type specific, it does show a good indication of the breadth of impact across thousands of varieties across the last three years.

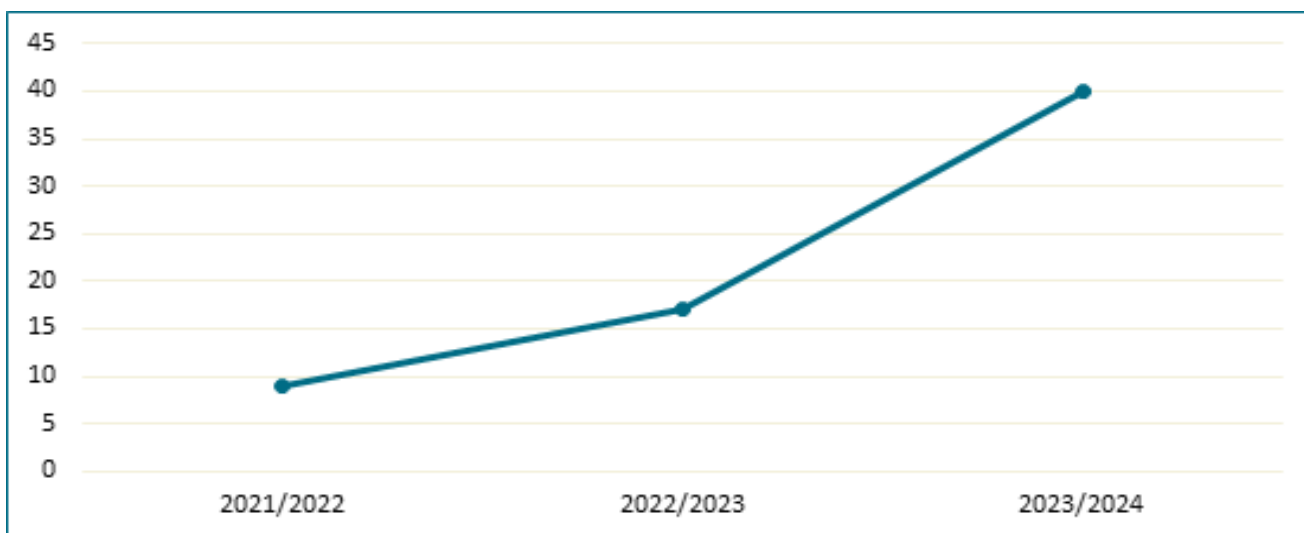
Year	2021/2022	2022/2023	2023/2024
Number of plant species protected	2,608	4,748	1,382
Number of animal species protected	4,184	6,252	2,355

One measure that was possible to implement in 2021/2022 was to collect data on tree planting. While this is not alone a good indicator of biodiversity per se, there are several additional benefits to tree planting, such as area aesthetics and wellbeing which make it worthwhile adding as a metric for value reporting.

	2021/2022	2022/2023	2023/2024
Number of trees planted	156k	27.5k	24.7k
Trees per project	180	32	29
Number of projects with tree planting	62	84	73
Project over 20 trees	39	56	48

There were nearly 25k trees planted as part of LCF projects in 2023/2024, just below the 27.5k from the previous year. This indicates a continued effort to include tree planting as a key part of LCF project spending, with 29 trees planted per project in 2023/2024. For reference, 142k trees planted in 2021/2022 were from one forestry project.

Of the 777 Object D projects, there have been 40 projects which have installed solar panels as opposed to 17 the previous year. There have also been 19 projects installing heat pumps in the past three years. There is clearly a shift to green energy solutions when considering the way to heat and power community projects, as can be seen by the trend in solar panel installations:



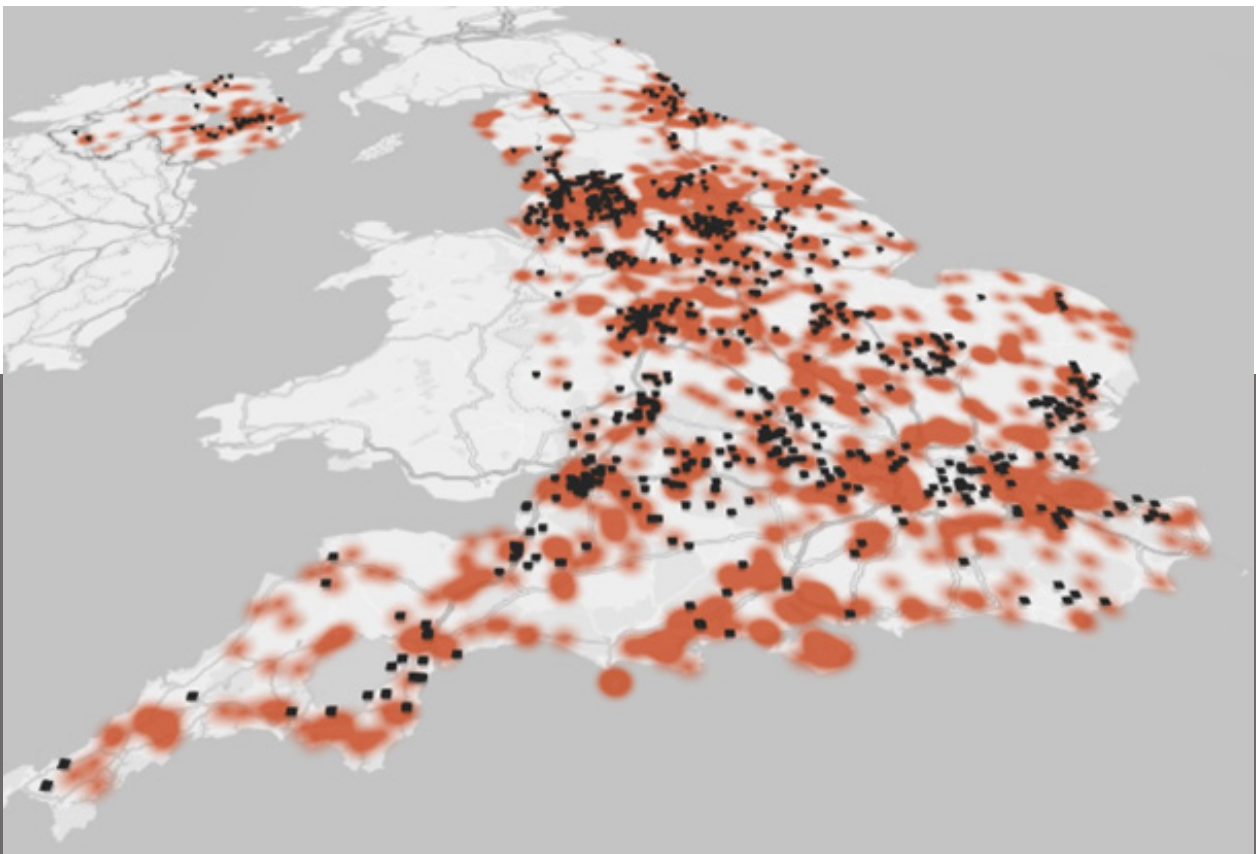
While the caveats of the difficulty in reporting on environmental value apply, we believe the reported figures continue to show that the LCF has a significant role in England and Northern Ireland to improve biodiversity and to contribute to the move toward greener energy. As the number of Object D projects with a secondary aim of improving a public amenities environmental impact, the value of the LCF to the environment grows each year.

## GEOGRAPHICAL ANALYSIS

The final area of assessment is the geography of LCF projects and spending, to identify whether the above value is being generated in all eligible areas, or whether there are communities who are not able to access LCF funding.

While there would be an initial caveat to highlight that the LCF is restricted to areas within 10 miles of a landfill site, this does not in fact leave many areas ineligible, with only 77k of 1.6m (approx.) postcodes in England and Northern Ireland not within 10 miles of licensed landfill sites (including sites performing closure activities) as the map below shows. Therefore, it is not a key factor in determining geographical equity.

This map also highlights that project spending does cluster around high areas of landfill sites, indicating that the LCF does fulfil its key aim to benefit communities more directly impacted by landfill activity.



Landfill site activity (orange) and location of projects (black) in England and Northern Ireland

To further evidence this point, the following table maps how close a project is on average to the nearest licensed landfill site:

Year	2021/2022	2022/2023	2023/2024
Average project distance to licensed landfill site	2.72	2.74	2.63
Trend	-4%	1%	-4%

While the required distance in Entrust Guidance is up to 10 miles, EBs have consistently looked to fund projects much closer to landfill activity, fulfilling the key aim of the scheme in providing funding for those most impacted by the activity. This has improved to 2.63 miles on average in 2023/2024, despite being only 2.74 miles in 2022/2023.

To assess how equal funding is across eligible areas, we have broken funding down into the 307 Local Authority areas in England and Northern Ireland.

In doing so, we have identified that 214 areas had at least 1 project in 2023/2024. However, this does mean that 93 areas have not received any funding in 2023/2024 as the map below highlights.



Areas of England and Northern Ireland with no LCF funding in 2023/2024

There do appear to be more areas that do not receive any funding in the southeast, despite there being landfill activity in most of these areas, as can be seen from the map in 6.1. This may be for several reasons, but most likely due to funding bodies not having any key interests in those areas, such as their affiliated Landfill Operator's activity.

However, the LCF does appear to fund extensively the areas understood within the previous Government's levelling up agenda, as less well funded areas of England. This could be due to the scheme's unique features, the funding source for projects being proximity to Landfill activity, rather than fundraising from the local area's economy.

Also, if the last 3 years are taken into account, rather than just for 2023/2024, only 34 areas have not received any funding, showing that while in one particular year, there are a number of unfunded LAs, overall, the LCF does fund the majority of eligible areas.

The table below indicates the top 15 local authorities by project spending:

Local Authority	2022/2023	2023/2024
Wiltshire	£3.1m	£2.9m
Sheffield	£306.7k	£1.5m
North Northamptonshire	£403.7k	£590.8k
Leeds	£530.6k	£539.2k
South Cambridgeshire	£225.3k	£478.9k
Newark and Sherwood	£245.7k	£469.7k
Colchester	£295.5k	£465.3k
Buckinghamshire	£551.3k	£459.5k
Somerset *(inc. Sedgemoor)	£414.0k	£456.0k
Newcastle-under-Lyme	£293.6k	£454.8k
Stockton-on-Tees	£543.7k	£446.0k
South Tyneside	£49.9k	£427.0k
Rosendale	£335.1k	£426.5k
Dudley	£315.0k	£422.6k
South Gloucestershire	£518.1k	£405.9k

*\*Sedgemoor LA was merged in April 2023 with Somerset Council. Figures between years are not for comparable areas.*

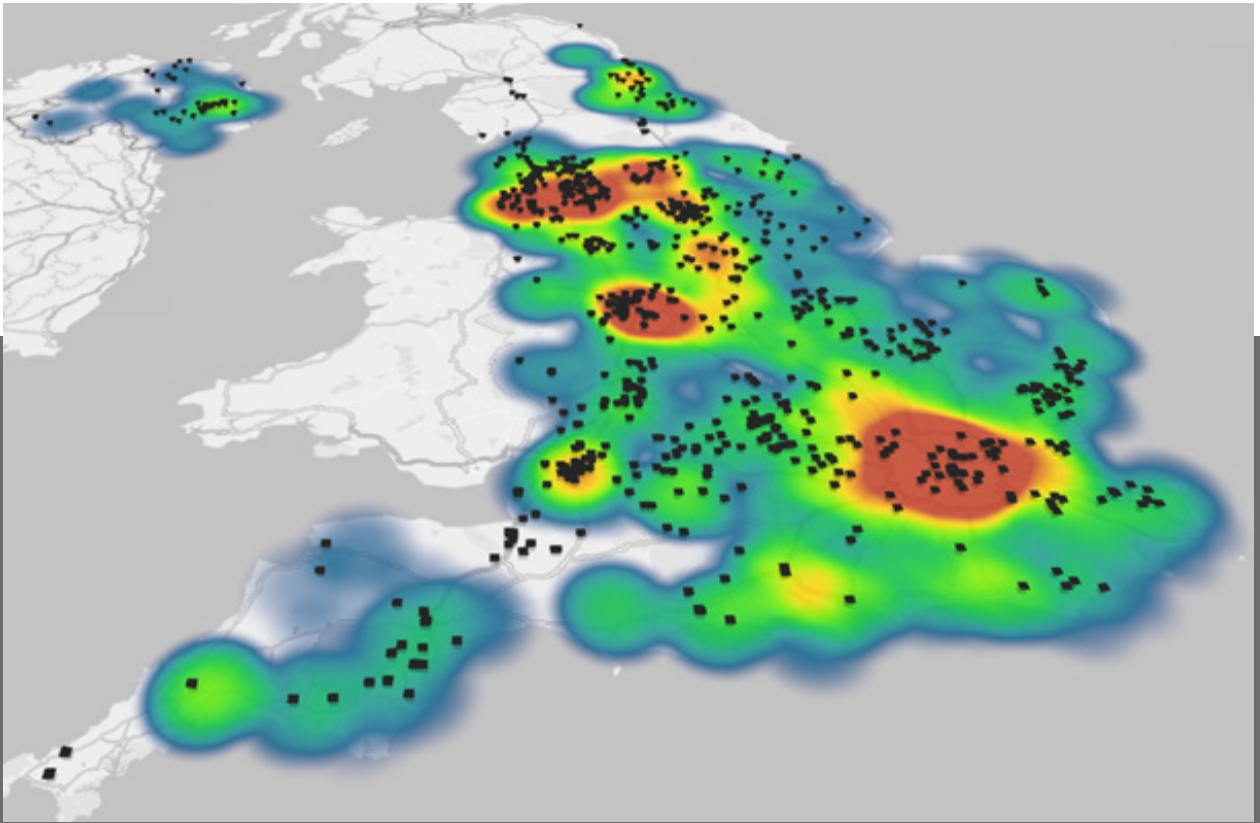
While the above table suggests a bias towards certain LAs, there are some very high value projects which can act as outliers. Therefore, the below chart also shows the number of projects, alongside project spending per capita:

Local Authority	Total number of Projects - 2023/2024	Total Project spending per capita - 2023/2024
Wiltshire	30	£5.72
Sheffield	17	£2.71
North Northamptonshire	13	£1.64
Leeds	10	£0.66
South Cambridgeshire	11	£2.95
Newark and Sherwood	9	£3.82
Colchester	14	£2.41
Buckinghamshire	11	£0.83
Somerset *(inc. Sedgemoor)	10	£3.64
Newcastle-under-Lyme	8	£3.69
Stockton-on-Tees	9	£2.27
South Tyneside	4	£2.89
Rossendale	11	£6.02
Dudley	9	£1.31
South Gloucestershire	11	£1.40

As the table indicates, an LA such as Rossendale may only be 13th highest on the funding list, but per capita is ranked first due to low population levels, another indication that smaller population centres are reached by LCF funding and that the Fund can provide essential access to funding where it can be more challenging to access sources of finance. Also, as the previous landfill maps indicate, the Rossendale area is part of the area with some of the highest levels of landfill activity.

The final measure understands that the population of the UK is not equally spread into the different local authority areas.

The map below shows that spending generally follows population density on a broad scale, so while there are pockets where funding does not reach, and some areas that receive a higher proportion of funding than others, the LCF delivers broadly as would be expected for a fund of which most of the spending is for social benefits.



Heat map of population and project locations in 2023/2024

Coupled with this, the difference between the top 15 funded LAs shifts significantly when looking at funding per capita, supporting the conclusion that the LCF spreads value in a more equitable way than might be expected, despite there being no regulations to enforce equitable distribution of funding.

## CONCLUSION

Overall, the LCF is a highly valued fund to local communities and the environments around landfill activity, delivering economic, social, and environmental benefits with a broad and diverse range of project aims, often acting as the catalyst for attaching further investments.

The data indicates that the value of the LCF goes far beyond the initial £32.9m spent on projects and is recognised as a transformative fund with a total economic value of £83.6m. It is worth noting that the 2023/2024 costs to administer the funds by EBs was £2.3m (7% of completed project spending) with a levy of £1.1m (2.93% of contributions) to regulate. This administrative cost as a percentage of the total economic value as estimated, is just 4%.

Alongside this, the fund reaches diverse and deprived communities, provides jobs, opportunities and wellbeing, while maintaining a view to improving the biodiversity of the natural environment.

This demonstrates a fund with EBs who have been increasing their value of output, channelling community and environmental passions into more compliant, valuable project outputs. As a regulator, we are delighted to see the efforts of passionate individuals across England and Northern Ireland, using the mechanism of a unique fund to make a real difference in the lives of individuals, communities and their environment, giving back to those most impacted by landfill activity.

Our mission is to work with the regulated community, to enable them to continue enhancing the value of the fund, by delivering compliant projects, in the most effective way while delivering high Value for Money and community impact.

**Entrust**  
**October 2024**

### Appendices:

Appendix A – Model for calculating the added value of funding from other sources

Appendix B – Model for calculating the added value of assets

Appendix C – Model for calculating the value of jobs

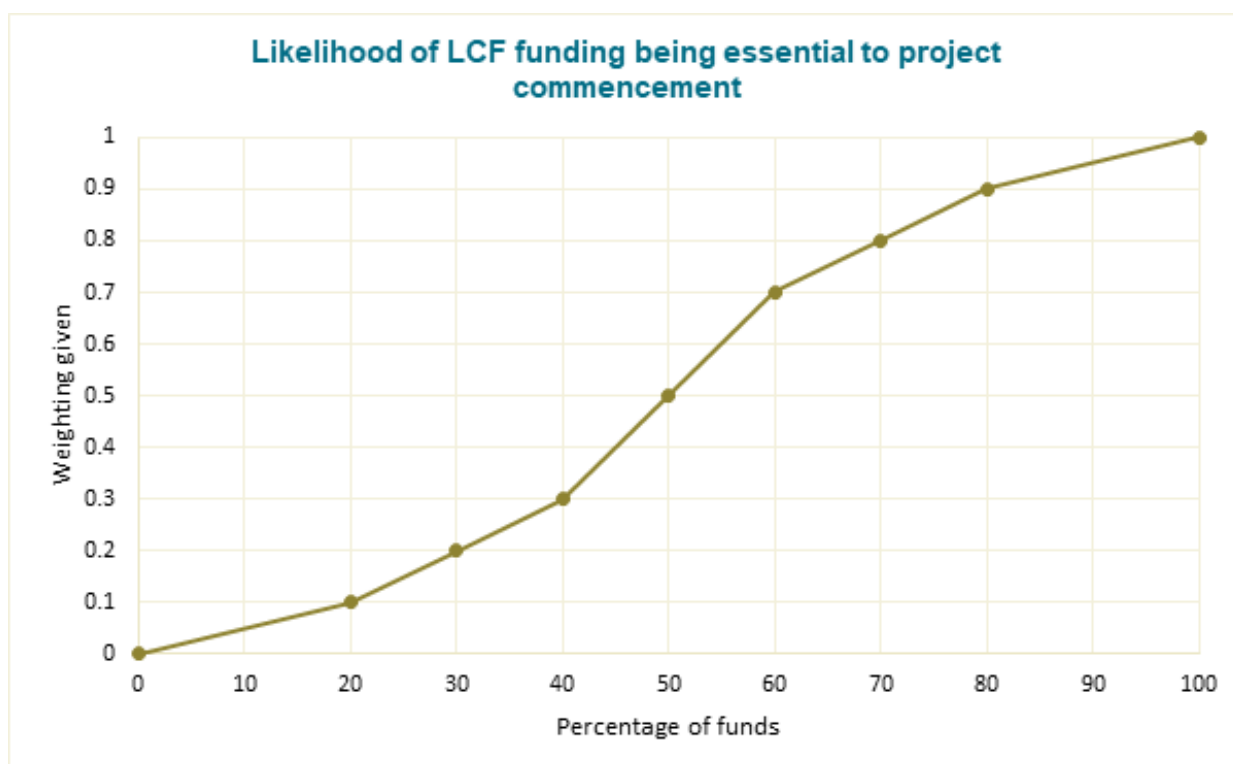


# APPENDIX A

## Model for calculating the added value of funding from other sources

The following graph details the likelihood of the LCF being essential to a project progressing based on our regulatory experience and research into charity funding sources. This has been calculated on the basis that if a project is only receiving a small proportion of LCF funding as the total cost, it is less likely to have been instrumental in raising the other funds. In contrast, if the LCF is providing a high proportion of the total project cost, it is more likely that the LCF has been influential in generating further funds.

As several non-LCF funding bodies requiring match funding, when the LCF is providing just over 50% of funding, in our experience as the regulator of the fund, it is more likely to receive funding from other sources. To represent this factor around the 50% mark, the chart has been adjusted to an 'S curve', showing a sharper rise in likelihood just over 50%, and a sharper fall just below 50%, than at other ratios.



Therefore, each project has been separately calculated depending on the ratio of LCF to Non-LCF funding sources, to identify how likely the funding from other sources can be directly attributed as added value to LCF funding. The combined figure of the weighted totals provides the figure in the Other Sourced Funding section of this report on page 9.

# APPENDIX B

## Model for calculating the added value of assets

Assets are varied in type, depreciation or appreciation, and in usage. Therefore, it is appropriate to calculate the added value of assets in different ways, depending on their category.

1We have developed our calculation limited by how we have collected data in 2023/2024. Due to changes in 2023/2024 to our Form 9, we no longer ask for categorisation, as this was time consuming and unnecessary. Also, the results of splitting the categories did not make any material difference to the result if a more general calculation was made.

1Therefore, for all assets, we recognise the added value an asset has in repeated use after the initial project works are complete. For example, a cricket club lawn mower will bring long term benefits to the cricket club, repeating the same maintenance project multiple times and multiplying its value across several years. Therefore, added value is calculated by multiplying the original cost by the estimated depreciation value across a 3-year period (the average monitoring period). Using the standard accounting method for HMRC tax purposes would estimate the reduction in value to be 25% per year (when accounting with an assumption of 3 full years of depreciation).

$$\cdot \quad \text{Asset cost} \times 75\% (=AC2) + AC2 \times 50\% (=AC3) + AC3 \times 25\% = \text{Added Value}$$

This calculation provides the total added value section of this report on page 9.

We believe these are conservative estimates, as they do not always multiply across the full monitoring period for high value projects, or recognise that some assets, such as machines and multi-use games areas, can have a benefit significantly beyond 3 years. However, these current calculations using standard accounting practice calculation methods are considered appropriate to provide a solid baseline for additional value.

# APPENDIX C

## Model for calculating the value of jobs

On the Form 9, EBs estimate how many Full Time Equivalent (FTE) jobs will be created or maintained because of the project works.

This allows us to calculate added value, by multiplying the number of jobs by the estimate of average annual salary of the year in which the projects were completed. The estimate for 2024 data was published by [TalentUK](#) data, a job searching and data site, providing a revised figure of £30,961 as opposed to £33,280 for all sectors provided by the [Office for National Statistics](#). This was verified by other job sites who had the same figure including charity specific site [CharityJobs](#). This we believe is a more appropriate figure, as the sectors in which Jobs are more likely to be created in community establishments are in the charity sector.

We have, however, reduced the weight of maintained jobs, as these are jobs that may not have been lost if the project had not gone ahead. Therefore, maintained jobs are given a weighting of 0.5.

The calculation is as follows:

- New Jobs + (Maintained Jobs\*0.5)  
-Multiplied by-  
Average charity salary (2023/2024)  
= Added Value

This provides the jobs added value calculation estimate found on page 10.