

**Responses to the Welsh Government's consultation on Landfill Disposal
Tax**

***Ymatebion i ymgynghoriad Llywodraeth Cymru ynghylch Treth
Gwarediadau Tirlenwi***

September / Medi 2015

Index of responses / Mynegai o'r ymatebion

In addition to the below 141 responses, the Welsh Government received 138 Wildlife Trust Wales letters, concerning community wellbeing. [A copy of this letter is attached at Annex A.](#)

All respondents were invited to request anonymity, and 12 respondents decided to utilise this option and therefore their identity has been anonymised throughout this document. Only 1 respondent requested that as well as having their identity anonymised, their response should not be published.

For ease, please click the reference number to take you to the response.

Yn ogystal â'r 141 o ymatebion isod, derbyniodd Llywodraeth Cymru 138 o lythyrau Ymddiriedolaeth Natur Cymru ynghylch llesiant cymunedol. [Mae copi o'r llythyr hwn ynghlwm yn Atodiad A.](#)

Gwahoddwyd pob ymatebydd i fod yn ddienw. Penderfynodd 12 o'r ymatebwyr i gymryd y dewis hwn, felly maent yn ddienw drwy'r ddogfen gyfan. Dim ond un ymatebydd a ofynnodd i fod yn ddienw a pheidio â chyhoeddi ei ymateb.

Er hwylustod, cliciwch ar y cyfeirnod i weld yr ymateb.

Ref. / Cyf.	Name of Respondent / Enw'r atebydd	Category / Categori
1	Anonymous	Individual
2	Anonymous	Individual
3	Institution of Civil Engineers Wales Cymru	Professional Bodies & Associations
4	Tredeggar Town Council	Local Authorities & Town Councils
5	Anonymous	Business
6	British Association for Shooting & Conservation	Organisation
7	Anonymous	Individual
8	Anonymous	Individual
9	Helen Mcfie	Individual
10	Friends of Hailey Park	Third Sector
11	Wrexham County Council	Local Authorities & Town Councils
12	Mrs Borley	Individual
13	Brian & Susan Burnett	Individual
14	Chris Taylor	Individual
15	Derbyshire Environmental Trust	Third Sector
16	Catherine Gutmann Roberts	Individual
17	Doug Adams	Individual
18	Paula Webster	Individual
19	Barbara Parry	Individual
20	S.J.Dalton	Individual
21	Simon Bell	Individual
22	Richard Cowie	Individual
23	Malcolm Samuels	Individual
24	Teresa Jenkins	Individual
25	Terry Strudwick	Individual
26	Linda Martin	Individual
27	N. A. Wright	Individual
28	Professor Richard Hughes	Individual
29	Lucy Griffiths	Individual
30	Phil Coleman	Individual
31	Madeline Sadler	Individual
32	D. Thomas	Individual
33	Jo Humphreys	Individual
34	Michael Harbottle	Individual
35	John Cook	Individual
36	M.A.Samuel	Individual
37	Peter Hatherley	Individual
38	Steve Rosser	Individual
39	Sue Hazell	Individual
40	Margaret Crennell	Individual
41	Cwmllynfell Community Council	Local Authorities & Town Councils
42	RWE Generation UK	Business
43	Anonymous	Business
44	GroundCover D.B.M. Limited	Business
45	Denbeigh Vaughan	Individual

46	Steve Sutcliffe	Individual
47	UK Environmental Law Association (UKELA)	Legal, Tax & Accountancy Professionals
48	Lesley Jones	Individual
49	Community & Voluntary Support Conwy	Third Sector
50	NSA AFAN	Third Sector
51	Swansea County Council	Local Authorities & Town Councils
52	Waste Recycling Environmental Ltd (WREN)	Business
53	Chris Manley	Individual
54	St Fagan's Community Council	Local Authorities & Town Councils
55	The National Trust	Third Sector
56	Valpak Ltd	Business
57	National Farmers Union Cymru (NFU)	Professional Bodies & Associations
58	Jan Smith	Individual
59	Wales Council for Voluntary Action (WCVA)	Third Sector
60	Marilyn Dunkelman	Individual
61	Kevin Heath	Individual
62	David Lewis	Individual
63	EEESafe	Business
64	Natural Resources Wales	Public Bodies
65	The Geological Society	Third Sector
66	Anonymous	Individual
67	One Planet Council (Wales)	Third Sector
68	Potters Waste Management	Business
69	The Wildlife Trusts / Biffa Award	Third Sector
70	Cwm Harry Community Land Trust (Charity)	Third Sector
71	Woodland Trust	Third Sector
72	Gwent Wildlife Trust	Third Sector
73	Anonymous	Business
74	Roy Williams	Individual
75	PricewaterhouseCoopers LLP	Legal, Tax & Accountancy Professionals
76	Ernst and Young	Legal, Tax & Accountancy Professionals
77	Graham Horder	Individual
78	John Dawes	Individual
79	A. Callaby	Individual
80	Anonymous	Individual
81	Augusta Lewis	Individual
82	Susan Danziger	Individual
83	Dick Finch	Individual
84	Anonymous	Individual
85	Geoconservation Cymru	Environmental
86	Anonymous	Business
87	Monmouthshire Meadows Group	Third Sector
88	Welsh Local Government Association (WLGA)	Professional Bodies & Associations

<u>89</u>	Richard Thomas	Individual
<u>90</u>	Gerwyn Phillips	Individual
<u>91</u>	Community Housing Cymru Group	Third Sector
<u>92</u>	Robert Waller	Individual
<u>93</u>	Gwent Wildlife Trust	Third Sector
<u>94</u>	Welsh Liberal Democrats	Political
<u>95</u>	Mair Pitt	Individual
<u>96</u>	British Heart Foundation Cymru	Organisation
<u>97</u>	Bug Life	Third Sector
<u>98</u>	RSPB UK	Third Sector
<u>99</u>	Chloe Griffiths	Individual
<u>100</u>	Energy UK	Environmental
<u>101</u>	Plantlife	Third Sector
<u>102</u>	Kath Simmonds	Individual
<u>103</u>	RSPB Cymru	Third Sector
<u>104</u>	Daniel James Traynor	Individual
<u>105</u>	Lafarge Tarmac	Business
<u>106</u>	Andrew Agnew	Individual
<u>107</u>	Tenovus Cancer Care	Third Sector
<u>108</u>	Dr. Andrew Walker	Individual
<u>109</u>	Dr. R Roome	Individual
<u>110</u>	Bevan Foundation	Third Sector
<u>111</u>	Vale of Glamorgan Council	Local Authorities & Town Councils
<u>112</u>	Anonymous	Individual
<u>113</u>	Federation of Small Businesses (FSB)	Business
<u>114</u>	Welsh Environmental Services Association (WESA)	Environmental
<u>115</u>	Conwy Town Council	Local Authorities & Town Councils
<u>116</u>	Chartered Institute of Waste Management (CIWM)	Professional Bodies & Associations
<u>117</u>	ENTRUST	Professional Bodies & Associations
<u>118</u>	Roger Jinkinson	Individual
<u>119</u>	Fly Tipping Action Wales	Environmental
<u>120</u>	Wildlife Trust of South and West Wales	Third Sector
<u>121</u>	FCC Environment	Business
<u>122</u>	Local Authority Recycling Advisory Committee (LARAC)	Professional Bodies & Associations
<u>123</u>	Wales Environment Link	Third Sector
<u>124</u>	Conwy County Borough Council	Local Authorities & Town Councils
<u>125</u>	Chartered Institute of Taxation	Professional Bodies & Associations
<u>126</u>	BIFFA	Business
<u>127</u>	Hanson UK	Business
<u>128</u>	Madeline Sadler	Individual
<u>129</u>	Geoff Gibbs	Individual
<u>130</u>	Bill Udpa	Individual

<u>131</u>	Home Building Federation Cymru	Business
<u>132</u>	Gwent Wildlife Trust	Third Sector
<u>133</u>	Wildlife Trusts Wales	Third Sector
<u>134</u>	Neath Port Talbot Council for Voluntary Service	Third Sector
<u>135</u>	Cory Environmental	Business
<u>136</u>	Mineral Products Association	Business
<u>137</u>	Glandŵr Cymru - Canal and River Trust in Wales	Third Sector
<u>138</u>	Deloitte	Legal, Tax & Accountancy Professionals
<u>139</u>	Georgina Gittins	Individual
<u>140</u>	Huw James	Individual
<u>141</u>	David Phillips	Individual

Reference 1

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Landfill must not be the cheapest waste management option, but at the same time the rate differential must not be such as to encourage greater cross-border haulage or 'waste tourism'.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill	

material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the	

current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any	

exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Landfill funding has become a vital source of project funding for many worthwhile charitable and community projects, supporting many activities difficult to fund from other sources: this should continue. However, by its very nature, it will be destroyed by its own success, with revenues dropping as waste reduction, re-use and recycling measures increase. To continue to deliver community benefit, streamlining of administration and tightening of objectives could help to make money go further.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	Landfill Disposals Tax revenue, if resources are to become increasingly limited, should be focused on tackling the issues directly connected to the landfilling of waste. Projects should either: i) encourage waste reduction, re-use of materials, or recycling, and/or tackle waste crime and its impacts (e.g. community composting, disposal and discouragement of fly-tipping, creating new jobs in small enterprises demonstrating innovation in re-use of waste materials) ii) help to mitigate the negative environmental impacts of climate change such as warming, flooding, and biodiversity loss (e.g. new woodland creation, riparian and urban tree planting, restoration of natural habitats such as blanket bog) iii) improve the quality of life and local environment in those communities affected by the proximity of a landfill site iv) remediate land directly and negatively impacted by past landfill activity (where not already subject to statutory obligations) v) provide revenue costs support for organisations delivering the above objectives (essential for many smaller organisations)
Q29: Do you have any thoughts on the possible administrative model?:	Layers of management and complexity could be removed by having a single centrally administered fund independent of the landfill company distributors (e.g. increase Entrust's role), with a simple application and reporting process proportionate to the level of funding sought. This would also even out the regional variations, whereby certain companies have different rules

	and stipulations to others. A certain proportion of the annual pot could be ring-fenced for projects within 10 miles of sites (see iii above), while the remainder could be geographically unrestricted, enabling more organisations and regions to benefit and effectively deliver the other suggested objectives.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 2

Name:	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Consistency is extremely important in order to prevent what is referred to as waste tourism. Differences in costs in Wales and England will encourage greater cross border movements of waste and utilise landfill space much more quickly on one side of the border whilst making sites on the other side uneconomic to operate. These sites will close resulting in even greater cross border movements.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	The standard rate is appropriate but the lower rate is too low to encourage a move away from landfill disposal. Increasing the lower rate would encourage greater investment in re-use, recycling higher up the waste hierarchy.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	Yes. Waste streams that cannot technically be re-used or recycled should have a lower rate than waste streams that can be recycled.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	none
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	The system should be as simple as possible. To encourage source segregation and best practice applications there should be zero tolerance.
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	No. Waste is waste and the system should be as simple as possible. This introduces complexity, delay and potential loopholes to be exploited.
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	Not aware of any
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	Not aware of any
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	It would simplify the system and make operators think about the implications before material enters a landfill site.
Q10: What activities would you expect to be	Importation of cell liners, capping medium,

exempt (not subject to tax) and why?:	capping geo-membrane, restoration medium.
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	Clear segregation
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	No
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	Yes. Simplify the system and charge by weight only. Operators will reduce water content or change waste transport options if its worthwhile financially. If it is financially beneficial changes will be made.
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	No
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	The obvious one is that suddenly all weighbridges would suddenly not be functional but it would also introduce a two tier system whereby operators without access to weighbridges would be treated differently.
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	This is an excellent idea and it would make illegal activity much less profitable. It has to be allied with greater enforcement capability to make the chances of getting caught much greater.
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	It is still perceived as less expensive to get caught than to comply with the law. It must become the norm that there is never any financial benefit in breaking the law.
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	Most definitely. There is no substitute for boots on the ground. That is where most of our intelligence comes from.
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	Probably
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Yes - simplicity

Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	None that I am aware of especially if the tax reporting period, NRW returns and the financial year are all aligned
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Look at developing a single return which would go the NRW and Tax Body
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	No. Definitely not. It encourages bad business practice.
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	No
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	Yes there may be if its going to put a company out of business.
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes they should.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):.	Supporting Compliance and enforcement most definitely. Improving health and wellbeing by supporting youth groups, sports clubs and outdoor activity.
Q29: Do you have any thoughts on the possible administrative model?:	The Aggregates Levy Sustainability Fund Model
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	No
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	None
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 3

Name: Keith Jones and David Rowlands

Organisation: Institution of Civil Engineers Wales Cymru

Tax rates and taxable disposals

Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

A1: This is considered essential to avoid potential cross border negative impacts.

Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

A2: These are considered to be appropriate but the Welsh Government should be mindful of changes elsewhere in the UK and consider the impact of such changes.

Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

A3: Yes, if there is a recognised need to do so and it would avoid future legislation.

Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

A4: Nothing identified.

Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

A5: It would not be practical to measure or evaluate this.

Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

A6: ICE Wales Cymru supports this consistent approach.

Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

A7: Nothing identified.

Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

A8: Nothing identified.

Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

A9: Clear legislation is required to avoid litigation. It is not considered suitably practical to tax all materials entering a waste site.

Q10: What activities would you expect to be exempt (not subject to tax) and why?

A10: Temporary storage of civil engineering materials suitable for reuse elsewhere/later.

Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

A11: Clearly defined segregated areas.

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

A12: No changes identified.

Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.

A13: No changes identified.

Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

A14: Nothing identified but this should be monitored in the future.

Compliance and enforcement

Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

A15: Where available, they should be used.

Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

A16: This is considered to be a good proposal – to follow the Scottish example to minimise illegal disposals.

Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?

A17: Nothing identified.

Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

A18: Yes, this should not just be office based.

Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

A19: Increased publicity.

Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

A20: Nothing identified.

Administration

Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

A21: ICE wales Cymru has no views to offer on this.

Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

A22: Nothing identified.

Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

A23: ICE Wales Cymru supports secure on line and web based systems.

Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

A25: The Scottish approach is supported as a suitable way forward.

Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

A25: No comments offered.

Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:

A26: ICE Wales Cymru supports 'pay up front approach.

Community wellbeing

Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

A27: Yes, this is strongly supported.

Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental

improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:

A28: 1. Compliance / waste crime. NO
2. Diversion of waste from land fill. NO
3. Biodiversity. YES
4. Tackling Poverty/communities. YES

Q29: Do you have any thoughts on the possible administrative model?

A29: No suggestions offered.

Additional Questions

Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

A30: None identified.

Q31: Do you have any comments on the initial Regulatory Impact Assessment?

A31: No comments offered.

Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box: N/A

Keith Jones
Director Senior
ICE Wales Cymru

David Rowlands
Vice Chairman
ICE Wales Cymru

Notes:

Notes:

- The Institution of Civil Engineers (ICE) was founded in 1818 to ensure professionalism in civil engineering.
- It represents 86,500 qualified and student civil engineers in the UK and across the globe and has over 3,600 members in Wales.
- ICE has long worked with the government of the day to help it to achieve its objectives, and has worked with industry to ensure that construction and civil engineering remain major contributors to the UK economy and UK exports
- For further information visit www.ice.org.uk and www.ice.org.uk/wales

Registered charity number 210252

Charity registered in Scotland number SC038629

Reference 4

Members of Tredegar Town Council would like to be assured that any amendments to current legislation would not detract from its current efforts to support environmental projects.

Regards
Christine Keane
Town Clerk

Tredegar Town Council

www.tredegartowncouncil.co.uk

Reference 5

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Very important , any increase or decrease in rate compared to England or Scotland could result in Wales being seen as a cheap alternative for Landfill if the rate is cheap or on the other hand encouraging people to Landfill outside its borders if the rate is too high .
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	The rate is correct . The rate was brought in to encourage people / companies to think about what we Landfill and how we can change the way we treat waste . This has worked . If there was no financial incentive to curb Landfill tonnages i believe this would not have happened .
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	There is a value in so far as you can encourage innovation in waste treatment techniques .
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	No
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	I believe that this allowance will be abused and should not be allowed .
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	I would leave it as it is
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	An information zone does encourage companies to recycle waste etc . In principle it is a good idea and does work .
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	No issues
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	All Landfills will need a weighbridge. Many operators will have issues with this .
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	Capping and cover materials from an information zone that is suitable for the cap but is still classified as a waste waste .
Q11: Do you have any other suggestions	There should be no storage on a Landfill . If you

for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	have an information zone use it .
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	No they are practical
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	The water discount relief works .
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	No
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	All waste to Landfill should be weighed on a calibrated weighbridge . If you do not you cannot Landfill .
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	The question arises who is responsible for the illegal deposit . Normally the person who has illegally Land filled cannot pay the Tax and the Bill ends up with the Taxpayer . If the waste has to be moved where does it go if its Hazardous . The Welsh Government could have a Landfill centrally located to accept any illegal deposits of Hazardous waste that has to be moved .
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	No issues
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	The current need for compliance testing around different wastes is adequate . To carry out the tests samples need to be taken from the site . The manager should be overlooking this .
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	Increase NRW inspections/ Audits to all sites . This may lead to a need for more staff .
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	Since Landfill Tax was brought in the higher rate has tried to be avoided and wastes have been treated etc to comply with the lower rate . Is this avoidance or innovation . If the tax was not brought in there would be no change . Therefore the Tax has been successful .

Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Yes , All of the figures are available .
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	Internally these codes are already incorporated in reporting of landfill taxation, therefore extending this to external reporting would not cause much inconvenience.
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	TATA UK LTD TO RESPOND SEPERATELY
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	TATA UK LTD TO RESPOND SEPERATELY
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	TATA UK LTD TO RESPOND SEPERATELY
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	TATA UK LTD TO RESPOND SEPERATELY
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Initially supporting compliance and enforcement then Bio diversity initiatives and wider environmental improvements .
Q29: Do you have any thoughts on the possible administrative model?:	no
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	NO
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	NO
Responses to consultations may be made public – online or in a report. If you would	(Checked)

prefer your response to be kept anonymous please tick the box::	

Reference 6

Name: Ian Danby

Organisation: British Association for Shooting and Conservation (BASC)

1. Please find below a response by the British Association for Shooting and Conservation (BASC) to the consultation document “Landfill Disposals Tax”.

Summary:

- BASC recommend that Welsh Government should increase the proportion of funds allocated to the wellbeing of communities from the proposed Landfill Disposals Tax.
- BASC recommend that the biodiversity and environmental improvements activities should be prioritised as it is at high risk of underfunding.
- BASC recommend that the new administrative model that Welsh Government and the Welsh Revenue Authority create ensures that those communities and third sector organisations with good projects can apply and that they can apply for multi-year biodiversity projects.

Introduction to BASC and our use of the Landfill Communities Fund:

2. Shooting is worth £2 billion per annum to the UK economy and supports the equivalent of 74,000 full time jobs.
3. The British Association for Shooting and Conservation is a representative body for all sporting shooting in the UK. BASC is recognised for its role by government, all the main political parties, statutory agencies and other rural non-government bodies.
4. The Association has an annual turnover of £9 million and a membership of over 140,000. This includes 1,600 affiliated clubs and syndicates.
5. BASC focuses its efforts on the guidance of public policy and political opinion, setting and promoting high standards and safety, developing opportunity and the responsible ownership of sporting firearms, while promoting practical game and wildlife conservation.
6. BASC is a Registered Society operating for the benefit of the wider community. The Association is governed by a Council that includes up to 19 members elected from the entire membership.
7. The Association's goals are pursued by a professional staff team who work at UK, international, home country and regional levels. BASC currently employs 112 staff at Head Office, offices in Scotland, Wales, Northern Ireland, and England (four English regional offices). The staff are supported by networks of accredited coaches and trainers, teams of volunteer helpers, and specialist committees of experts.
8. BASC have had a longstanding partnership with Natural Resources Wales (NRW) and predecessor organisations under our biodiversity programme, *Green Shoots*. Currently we have funding from NRW until 2018 to deliver

Wales wide benefits to water voles and red squirrels, both section 42 species under the Natural Environment and Rural Communities Act 2006.

9. However BASC have used Landfill Communities Funds in England to delivery public biodiversity and climate change targets. These projects would not have taken place due to lack of funds from statutory agencies, in spite of strong support for them. Further details can be seen on our webpages for our water vole work in south west England and our habitat connectivity work at a landscape scale in Cheshire. <http://basc.org.uk/conservation/green-shoots/>
10. Our core interests are covered by questions 27 to 29 and this response focuses on them.

Detailed responses:

11. **Question 27:** Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?
12. BASC urge Welsh Government to allocate a proportion of the funds to the wellbeing of communities. In fact we recommend that the level of funds diverted into the equivalent Landfill Communities Fund is increased. This is because the funds available to communities and third sector organisations to undertake these types of projects are extremely limited, yet they are recognised as having high value. There are few alternatives to be sought out if the Landfill Communities Fund ceases or dwindles. Increasing the proportion into the scheme would offset the effect of the expected reduction in taxation and so maintain or, ideally, increase the funding for the wellbeing of communities.
13. **Question 28:** If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?
 - Supporting compliance and enforcement and minimising the impact of waste crime
 - Supporting waste minimisation and the diversion of waste from landfill
 - Biodiversity initiatives and wider environmental improvements
 - Tackling poverty and deprivation in communities
 - Other (please specify)
14. Although BASC recognise the importance of all these areas, we feel the area of which is at most risk of underfunding is biodiversity initiatives and wider environmental improvements. So we concur with the suggestion at 5.24 in the consultation. Welsh Government should consider reviewing the rules of the Landfill Communities Fund to allow projects to occur in a greater radius from the landfill sites to avoid a restriction in benefit. In addition allowing projects to take place around historic as well as active landfill sites will be most fair as the long-term impacts of landfill sites last long after the site ceases to be active.

15. **Question 29:** Do you have any thoughts on the possible administrative model?
16. BASC recommend that Welsh Government ensure that the current range of applicants to the Landfill Communities Fund is retained. BASC is a registered society and we have drawn down funds from SITA Trust to undertake projects which have made significant contributions to species conservation and mitigating climate change. Should they be made, Welsh Government should resist any calls to restrict the Landfill Communities Fund to charities or community groups only.
17. Paragraph 5.10 outlines HMRC's interest in increasing the flow of funding to projects under the Landfill Communities Fund. The requirement on Environmental and Distributive Bodies to spend the funds they receive quickly has, in effect, restricted the term they are allowed to make agreements with applicants. This is an issue which has a negative impact on the types of projects that can be funded under the biodiversity and environment that most often require a multi-year term to produce the outputs society and government wish to achieve.
18. For example grants from the SITA Trust to BASC have been over two or three years and this has been essential to deliver the biodiversity outcomes for society and local communities. This has only been possible because the grant applied for has been allocated from a single year's budget and then ring-fenced for draw down over the term of the agreement. The impact of HMRC's direction to spend, not allocate, a greater proportion of funds provided each year means SITA Trust and other Environmental Bodies are not able to agree multi-year projects. This is nonsensical from the perspective of funding projects that will achieve public biodiversity targets.
19. In the administrative model, Welsh Government and the Welsh Revenue Authority should ensure that those communities and third sector organisations with good projects can apply and that they can apply for multi-year biodiversity projects.

Yours sincerely



IAN DANBY
Head of Biodiversity Projects
Reference 7

Name:	

Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	not important as wales can set a progressive approach which aims to ultimately eliminate the need to landfill waste ..
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	personally not sure but would like to see the taxes placed upon manufacturers and business which produced it but tends to dump problem on the poorer communities in our country !!
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	as part of the country's slow progress to political independence yes ... obviously having the ability to respond to local circumstances is important and also leads to greater democracy .
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	difficult to administer / monitor ?
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	may lead to more unlawful dumping of waste in remote and unspoilt areas ?
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	only recycling and upcycling of items . maybe you could explore credits for reuse of materials otherwise bound for waste ..
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	are more enforcement staff required ?
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	would appear so due to the amount of illegal waste dumpinhg that occurs ..
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	consider a tax on manufacturers based upon the non recyclebility and longevity of their products ..
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	would make sense ..
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and	

online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	yes to small artisan companies etc ..
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	definitely as these sites have been proven to impact on the well being of local communities ..
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	poverty and deprivation should be the priority as these sites tends to detract from these areas ... waste minimisation should also be focused upon as little progress has been made in this area other than token changes to packaging etc
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 8

Name:	

Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	It is vital to ensure that we do not become uncompetitive with our tax rates or we will see trans-border movements of waste
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	They are appropriate as we do not want to become significantly cheaper or more expensive than other parts of the UK
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	For materials that can be recovered and recycled such as Aluminium cans, it may be worthwhile having a nominal per tonne charge which does not render the recovered cans uneconomic to recycle.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	Depending on the material properties and ease of recovery and re-use
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	Affecting the prices reproprocessors are willing to pay for recovered materials
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	N/a
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	

Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	Could be problems with throughput as vehicles wait to use weighbridge
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	On the ground compliance monitoring is vital rather than relying on the integrity of the answers provided by a desk based exercise
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	Yes, more communication with business groups and via the Welsh Government business support portals
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	The main issue of tax avoidance relates to fly tipping some of which may be perpetrated by businesses but cannot be proven.
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Yes, as people are often sorting out their tax affairs at this time and it would be easier to manage.
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	Making sure that all financial bodies are aware of the codes so that they can advise their clients accordingly
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Allow business support organisations to provide guidance to small businesses
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	n/a
Q25: Have you any comments on the	

operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Support for community recycling initiatives
Q29: Do you have any thoughts on the possible administrative model?:	No
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	No
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	No
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box.:	(Checked)

Reference 9

Name: H Mcfie

Funding from the tax on landfill that is used to protect wildlife is definitely the best use of these resources. You make a mess you clear it up. Simple really.

Reference 10

Name:	Paul Rock

Organisation (if applicable):	Friends of Hailey Park
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and	

online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	All activities described in paragraph 5.7 of the consultation document. 5.7 -- Object A: The remediation or restoration of land which cannot now be used because of a ceased activity that used to take place there. Object B: The reduction, prevention or mitigation of effects of pollution that has resulted, or may result, from an activity which has now ceased. Object D: The provision, maintenance or improvement of a public park or another public amenity. Object DA: The conservation of a specific species or a specific habitat where it naturally occurs. Object E: The repair, maintenance or restoration of a place of worship or a place of architectural importance. Object F: The provision of financial, administrative or other similar services by one organisation enrolled with Entrust to another. --
Q29: Do you have any thoughts on the possible administrative model?:	Public and private sector landfill operators should be able to provide 100% grants. Under the present system, voluntary groups find it hard to raise the 10% required to secure funds. Perhaps qualifying groups could be eligible for grants directly from the landfill tax revenue to bridge this gap. We support the streamlining of the administration so that a higher proportion of the money can go directly to the funded projects.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	All material sent to incinerators should be subject to landfill tax.

Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 11

Name: D Bithell

Organisation: Wrexham County Council

I outline below some comments on the Welsh Government consultation on the land fill tax grant scheme.

The landfill tax grant scheme as administered by the Cory and Wren organisations, in Wrexham has been a major funder of projects that have benefitted the local community affected by landfill operations over the last 10 years or so. Within Wrexham, play areas, MUGAS, community buildings, Parks and their facilities have all seen improvements and the community have enjoyed these better facilities.

The schemes managed by Cory and WREN have been straight forward and relatively easy to apply for funding. The organisations have been sympathetic to local concerns and aspirations and their project officers willing to work with ourselves and local communities to help encourage good quality applications.

It is very important that a proportion of the landfill disposal tax is set aside for community benefits. This is often the only way local communities affected by landfill operations can see some pay back, in terms of their community gaining improved community facilities. If the money went into a general Welsh Government budget, the danger would be the community would not see the direct benefit.

The concern with a reducing amount of money from the landfill tax and a much wider remit in terms of what can be funded, such as tackling poverty and supporting compliance etc, is that there are insufficient funds to support projects that have benefitted from the landfill tax funds to date. For example, substantial funds have been spent on improving play areas and youth facilities for the local community across Wrexham over the last few years. Funding for this sort of improvement could not have been provided by the local authority.

It would be helpful if the fund could support grass roots sporting provision, such as football, rugby and hockey pitches, bowling greens and other facilities which have been excluded from the WREN funding as they have been considered to be single sports without community benefit and yet they obviously benefit many people. Perhaps the criteria could be slightly widened in terms of community benefit to include the above?

The other benefit of the current scheme is that it can be seen as a pump primer of capital money into a community facility, without which the facility would never be improved. The community, Community Council or Local Authority can then take on the revenue costs, once the scheme has been completed.

The present administration provided by Cory and WREN in the Wrexham area, is relatively straight forward and easy to use, this contrasts with Natural Resource Wales grant aid procedures, which tend to be complex and bureaucratic and change at regular intervals. The grants officers for Cory and WREN are also knowledgeable and helpful. A similar model to WREN and Cory would be helpful or a grant system similar to the previous Welsh Assembly 'Tidy Towns' model.

Yours sincerely



David A Bithell
Reference 12
Wrexham County Borough Council

Dear sir/madam

I am concerned the Landfill Tax may be abolished, I hope this is not the case.

I support the use of Landfill Tax to fund charities such as the Wildlife Trust to undertake amazing projects to protect and enhance important habitats and species. This will help ensure that our woodlands are alive with birdsong, our rivers are bubbling with life and our meadows are bursting with butterflies.

I shall be following this consultation with interest

Mrs Borley

Reference 13

Funding for wildlife projects is extremely difficult to find, and the Landfill Communities Fund is extremely important for helping the North Wales Wildlife Trust, and similar organizations to protect and enhance our natural environments. Please ensure that this funding is at least maintained, if not increased.

B & S Burnett

Reference 14

Name:	chris taylor

Organisation (if applicable):	na
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Very important. Many conservation projects rely on this funding.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a	

weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste	

minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 15



**DERBYSHIRE
ENVIRONMENTAL
TRUST**

**Registered Office: County Hall
Matlock
Derbyshire
DE4 3AG**

Question 29 – Do you have any thought on the possible administrative model ?

As this is a new scheme with a relatively low level of funding which is predicted to decline, a single or small number of distributive bodies, selected by open tender, might be most efficient (this could be an existing body). Alternatively funding could be distributed by the Welsh Government itself. However if more funding is available it might be worthwhile using a variation on the model of approved bodies adopted by the new Scottish LCF.

Question 30 – Do you have any related issues which we have not specifically addresses or other comments that you would like to make ?

DET would suggest adopting streamlined requirements for funders and applicants – without some of the more burdensome and off putting aspects of the Landfill Communities Fund eg third party contribution, requirement to monitor land and buildings assets and retain records in perpetuity.

Question 31 – Do you have any comments on the initial Regulatory Impact Assessment ?

N/A

I trust this is helpful and if you have any queries please let me know.

Yours faithfully



Sarah Walton

Trust Manager

DET considers that a proportion of the Landfill Disposals Tax revenue should be used towards projects that (a) compensate communities living in the vicinity of landfill sites and (b) reduce the amount of waste going to landfill.

Reference 16

Name:	C Roberts
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	No taxes on landfill companies should not be reduced. We need to account for the externalities of their businesses, such as land pollution, through taxation.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	No, it will negatively impact projects that benefit from the taxation of this such as the wildlife trust which creates projects that reduce the negative effects from landfill by creating wild places for people and the community.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might	

these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	All items should be taxed.
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	It would cause unnecessary bureaucracy having to enforce taxable and non-taxable. They should all remain taxable as all landfill has negative impacts.
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance	Yes, landfill tax continued to be collected. The LCF funds provide money for essential projects carried out by charities such as the Wildlife Trusts, without

and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	which Welsh Government would have to carry out extra work to ensure that there is a halt or reverse to wildlife loss by 2020 as WG is legally bound to meeting this target.
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	The Landfill tax should continue to go to wildlife projects which enhance the wellbeing of communities by providing outdoor space where they can interact with their environment.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Funding should go to well established charities such as the Wildlife Trusts who by providing wildspaces help maintain our ecosystem services, protect nature and provide wildlife that can be enjoyed by all.

Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box.:	(Unchecked)

Reference 17

I understand that there is a proposal to withdraw funding from the Landfill Communities Fund to bodies such as the Welsh Wildlife Trust.

Please reconsider this. The money provided acts just as seed money to inspire an unseen army of volunteers who would otherwise be unable to do the fantastic work they do. It is money extremely well spent with none wasted on vanity projects. Withdrawal of this funding really would have huge effect and have a real impact on all our futures.

Please drop this idea as soon as possible.

Yours

D Adams

Reference 18

Name:	paula Webster
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	not important
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	Don't know
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	Don't know
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	No
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	Don't know
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	Don't know
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	Don't know
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	Don't know
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	Don't know
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we	Don't know

might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	Don't know
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	Don't know
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	Don't Know
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	Don't Know
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	Don't Know
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	Don't Know
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	Don't Know
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	Don't Know
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Don't Know
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	Don't Know
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Don't Know
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	Don't Know
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people	Don't Know

eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	Don't Know
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	No It should ALL be to help Wildlife.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Biodiversity initiatives and wider environmental improvements
Q29: Do you have any thoughts on the possible administrative model?:	No
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	No
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	No
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box.:	(Unchecked)

Reference 19

I support the use of Landfill Tax to fund charities such as the Wildlife Trust to undertake amazing projects to protect and enhance important habitats and species. This will help ensure that our woodlands are alive with birdsong, our rivers are bubbling with life and our meadows are bursting with butterflies.

B Parry

Reference 20

Dear Sir/Madam,

We support the use of Landfill Communities Fund (LCF) to fund wildlife charities such as the Wildlife Trusts.

We believe that the Wildlife Trusts are the most efficient and cost effective way of protecting and restoring wildlife habitats, because the members are knowledgeable enthusiasts who put in their own money and time too.

It will significantly reduce their resources if this funding is withdrawn, but maintaining or preferably increasing it to 10% of landfill tax, would be applauded by many as a signal that the Welsh Government cares about the biodiversity that Wales is so lucky to have.

Yours faithfully,
S.J.Dalton
I.D.Thomas

Reference 21

Hi

I was disturbed to see this potential cut to funding from the Landfill Communities Fund.

The list below covers not only my concerns but also suggests some proactive ways forwards.

- The Landfill Communities Fund is one of the few funding streams for dedicated wildlife projects.
- It produces direct environmental benefits for communities living in close proximity to landfill sites
- Funding wildlife projects through the Landfill Communities Fund will help Wales to meet its key wildlife targets and legal obligations
- I support the use of Landfill Tax to fund charities such as the Wildlife Trust to undertake amazing projects to protect and enhance important habitats and species. This will help ensure that our woodlands are alive with birdsong, our rivers are bubbling with life and our meadows are bursting with butterflies
- Funding wildlife projects helps inspires individuals and communities to connect with nature
- Welsh Government should increase the percentage of Landfill Tax that goes to funding wildlife projects to 10%
- The Landfill Communities Fund is one of the few funding streams for dedicated wildlife projects.
- It produces direct environmental benefits for communities living in close proximity to landfill sites
- Funding wildlife projects through the Landfill Communities Fund will help Wales to meet its key wildlife targets and legal obligations
- I support the use of Landfill Tax to fund charities such as the Wildlife Trust to undertake amazing projects to protect and enhance important habitats and species. This will help ensure that our woodlands are alive with birdsong, our rivers are bubbling with life and our meadows are bursting with butterflies
- Funding wildlife projects helps inspires individuals and communities to connect with nature

- The Welsh Government should increase the percentage of Landfill Tax that goes to funding wildlife projects to 10%

May I add that Wildlife is one of key attractions for people/ tourists to visit and spend money in Wales - It is, therefore, a small investment for a massive return.

Thank you for taking the time to read my submission towards the Consultation.

Kind regards S Bell

Reference 22

Name:	Richard Cowie
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material	

entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications	

of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes, this is absolutely essential as a way of compensating communities that are adversely affected by living close to a landfill site. The adverse effects are mainly to the environment, and this is the area where compensatory action should be focused.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	The present objectives of the Landfill Communities Fund have worked well and should be continued. In particular I support Biodiversity initiatives and wider environmental improvements.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous	(Unchecked)

please tick the box::	

Reference 23

Name:	Malcolm Samuels
Email:	malcolmsamuels52@msn.com
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any	

issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes,	

please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance	

community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):.	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	This tax must continue to be used to support Wildlife and other environmental projects. It must not be used as just another tax. This is a much needed source of grant income for the Welsh Wildlife trust and other groups. Malcolm Samuels Wildlife Trust Volunteer Carmarthen.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 24

TO THE WELSH GOVERNMENT
LANDFILL COMMUNITY FUND CONSULTATION
TAX POLICY AND LEGISLATION DIVISION

I am a recently retired GP and one of the activities I can now indulge in more is to frequent places like Parc Slip to see and learn about the wildlife. It gives me and many people like me a great deal of pleasure and I have increasing respect for the hard work and dedication of the young people from the Trust who run the Reserves and get such wonderful results. They do not do this unaided—many volunteers lend a hand.

It is also a great learning opportunity and no doubt an inspiration to the very young keen budding naturalists who also benefit from the facility. All in all the wildlife projects appeal to and inspire all ages and I would suggest provide a therapeutic benefit in many cases too.

I understand the Landfill Communities Fund is one of the few funding streams for dedicated wildlife projects and I would support the use of an increased amount of the Landfill Tax to fund charities such as the Wildlife Trust to undertake projects to protect and enhance important habitats and species. This will result in benefits to the environment and the community whilst helping Wales meet its key wildlife targets and legal obligations which I believe is to halt and reverse the loss of wildlife by 2020; and to ensure all of our most important and protected sites in Wales are in a favourable condition by 2026.

Yours Faithfully

T Jenkins

Reference 25

My attention has been drawn to the fact that the Welsh Assembly is considering using the income from landfill tax for general purposes rather than giving grants to conservation bodies. Nature needs all the help it can get if is diverse and accessible. Although I live in England I am a long standing member of the Wildlife Trust of South and West Wales and make at least one visit to Wales each year to enjoy the scenery and wildlife. I am sure that I am not the only Englishman or Scotsman who supports the Welsh tourist industry for similar reasons to mine. I would ask members of the Assembly to bear tourists in mind and increase, if anything, the financial help given to conservation bodies. I would ask them to remember that the money spent in this way is very efficiently spent as it's value is increased by the efforts of hundreds of volunteers who give their services for no monetary reward. I have in the past been involved in conservation volunteering, in Wales as well as in England and hope that there will continue to be funding to allow those young enough to give their time and obtain the unquantifiable rewards which I enjoyed as a younger man.

Thank you,

T Strudwick

Reference 26

Dear Sir/Madam,

I support the use of Landfill Communities Fund (LCF) to fund charities such as the Wildlife Trust of South and West Wales (WTSWW) to undertake essential projects to protect and enhance Wales' most important habitats and species (biodiversity initiatives and wider environmental improvements). This fund is needed to try to reverse the terrible loss of wildlife including 60% of UK species being in decline and more than 1 in 10 species in the UK being under threat of extinction.

At this time, when so many people are being encouraged to take more interest in taking exercise in the outdoors in order to improve their health, it would seem appropriate to continue to support habitat charities. For many people the opportunity to get out in the fresh air in a clean environment could make a significant difference to their quality of life.

With financial support from the LCF, in the last two years alone, WTSWW has restored habitats on eight sites important for wildlife, from the Teifi Marshes nature reserve in Cardigan to Parc Slip nature reserve near Bridgend. LCF funds have directly supported WTSWW's work to save threatened species such as the lapwing and marsh fritillary butterfly, protect scarce habitats such as limestone grassland and create new habitats such as the wildlife-rich arable crops and wetlands at Parc Slip. It has also supported WTSWW to work with local communities at all these sites and engage with approximately two hundred community volunteers and engage with many more at community sessions such as guided walks and wildlife events. By supporting the voluntary sector, significant added value is achieved for every pound of grant funding awarded.

Yours faithfully,

L Martin

Reference 27

Name:	N A Wright
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Cross border consistency is only a consideration where lower rates are likely to encourage export/import of landfill wastes with the UK. The Welsh Government should place protection of the Welsh environment and people as its highest guiding principle over and above any consideration of tax rate equality with England or Scotland. Inadequate protection afforded in Scotland or England should not lead to lower standards in Wales.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	Current Rates should be uprated and the lower rate fixed to 10% of the upper rate. The 2018 rate should not be below £100 per tonne. At present the lower rate is an inhibition to the exertion of pressure to recycle that material which falls into the lower rate category.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	The rates in Wales should reflect both the challenges of the local economy, the threats to the local environment and human health, and any negative competitive impacts of rates set in England and Scotland i.e rates which encourage waste import into Wales as a cheap non recycling option.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	The list should be subject to regular review and materials that due to increased recycling opportunity due to economic and technological change should be moved to the higher rate. Bottom ash and fly ash from coal and petroleum coke combustion should be removed from exemption, other than as secondary waste from processes making use of bottom ash and fly ash from coal and petroleum coke combustion.
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	A threshold may have the effect of making inclusion of higher rate materials in primarily lower rate loads permissible up to the threshold, and thereby increasing the net volume of such material that is included. Nevertheless the benefit

	of tighter regulation achieved by a defined threshold (either by weight or volume) is likely to outweigh the disbenefit of an increase in declared mixing of lower and higher rate material.
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	LoL testing is an entirely logical approach. Should England go ahead with a LoL programme, Wales would be faced with high levels of waste imports from English sources if Wales does not implement LoI because of the inevitable cost differentials.
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	no response offered.
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	no response offered.
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	no response offered.
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	no response offered.
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	no response offered.
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	Exemptions should meet strict tests of economic, environmental and social benefit that are additional to the mere disposal of waste. Failure to meet such tests should result in case by case removal of exemptions.
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	The water discount is paradoxical. If the water content is not recoverable from a volume of waste, then by definition the water itself is a waste that requires disposal. The relief should be removed.
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	Fly Ash and Bottom Ash from innovative heat from waste or biomass power generation plants. Exemptions to be time limited
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	no response offered.

Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	Beyond issue of direct management, this would undoubtedly have practical benefit in reducing landowner complicity in illegal dumping.
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	no response offered.
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	no response offered.
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	no response offered.
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	no response offered.
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	no response offered.
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	no response offered.
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	no response offered.
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	no response offered.
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	no response offered.
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	Where payment has a direct relationship to the operation of innovative technologies in power generation via heat from waste or the burning of biomass, qualification for exemption may need to be tested via the appeal process, it would be unfair to demand pay before the test is complete.
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Communities living adjacent to Landfill operations are often adversely affected by those operations. Allocation of funds from the LDT to exceptionally

	meet the Welsh Government's policies regarding community wellbeing in the face of adverse of landfill operation impacts should be part of the LDT process.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):.	The four areas outlined in Q28 are of equal validity, rather than prioritising between them a more useful question is how the administrative process is to be enacted such that local priorities in the vicinity of both current and closed landfill operations are to be met? A solely mathematical formula is not sufficient and a dynamic plan involving multiple partners will be needed
Q29: Do you have any thoughts on the possible administrative model?:	Allocation of funds should be prioritised on local needs as identified by the geographic distribution of current and past landfill operations, as well as the broad environmental concerns of the Welsh Government. A regional board structure with appointees from local Government, Wales Government Historic Landscape, Natural Environment and Economic Development advisors, and Voluntary Sector Health and Environment bodies may be the most effective way to structure a funding allocation body, which would work to priorities set by the Welsh Government.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	The current allocation of revenue from the LDT includes sums granted to the Wildlife Trusts in Wales. The work achieved by the Trusts is vital to the health of the Welsh environment, changes to the management of the LDT should wherever possible enable the Trusts to continue their work at least at 2015 levels. If this is not to be possible the Welsh Government should make a clear statement as to what amelioration of this negative effect it would seek to make.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 28

Dear Sir

Our countryside with its plants and wildlife are one of the glories of Wales. I urge you to continue to use the Landfill Communities Fund for wild life projects. Apart from their importance in restoring and maintaining biodiversity for the survival of our rich wild life, the projects enhance the beauty of the countryside, contribute to the enjoyment of our own population and make Wales more attractive to visitors with benefit to our economy.

Yours faithfully
R Hughes
Professor R Hughes

Reference 29

Name:	Lucy Griffiths
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	

Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	

Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	These fund's are vital to the work of many charities and should continue to be made available. In particular, conservation charities which work to counteract the negative impacts of landfill waste should be supported.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 30

Dear Sir / Madam,

- The Landfill Communities Fund is one of the few funding streams for dedicated wildlife projects.
- It produces direct environmental benefits for communities living in close proximity to landfill sites
- Funding wildlife projects through the Landfill Communities Fund will help Wales to meet its key wildlife targets and legal obligations
- I support the use of Landfill Tax to fund charities such as the Wildlife Trust to undertake amazing projects to protect and enhance important habitats and species. This will help ensure that our woodlands are alive with birdsong, our rivers are bubbling with life and our meadows are bursting with butterflies
- Funding wildlife projects helps inspire individuals and communities to connect with nature
- Welsh Government should increase the percentage of Landfill Tax that goes to funding wildlife projects to 10%

I am a member of the Wildlife Trust of South and West Wales and have seen the difference to biodiversity and country side protection that has occurred thanks to funding from this fund. In particular I visited Carmel reserve in Carmarthenshire and what a joy it was to see carpets of blue bells and wild flowers in woodland glades. Surely such assets can only help encourage tourism and become havens for residents alike seeking a little natural peace in our busy world.

I urge you to consider the very great value that has been added to Wales by this fund.

Yours Faithfully

P Coleman

Reference 31

Dear Welsh Government

The Landfill tax is a very effective way to fund Wild Life Projects that benefit the whole community.

These help to protect the environment and should be encouraged, it is extremely short sighted to remove these funds from projects that do so much for everyone in Wales including meeting the Governments key wildlife targets and legal obligations. The funds should not be cut, the percentage of Landfill Tax that goes to wildlife projects should be increased to 10% to help charities such as the Wildlife Trust to be able to carry out work to improve the environment for the benefit of all sections of the community.

Regards

E & M Sadler

Reference 32

As a member of and occasional volunteer for the Wildlife Trust of South and West Wales I have just been informed of a possible threat to the Landfill Community Fund to fund wildlife projects.

After reading the document with some difficulty due to its complexity I am interested in answering Questions 27 and 28.

Question 27 - Yes please allocate a portion of LDT to enhance the wellbeing of communities. Some excellent projects have been realised and more are in the pipeline. As your report states "LCF is currently the main source of funding for biodiversity initiatives and environmental improvements. Without it these projects would find difficulty getting funding from other sources."

The report says it all. I am only shocked at how small a percentage (around 5%) has been allocated to these important projects.

A rise to at least 10% would make a huge difference to the environmental improvements that could and should be undertaken. Please defend this as ring-fenced money for the environment at all costs.

Question 28 - In my humble opinion, the most important uses for Landfill tax money is in minimising the impact of waste crime. More help for communities to dispose of their rubbish responsibly would be helpful. As council sites no longer accept black bin waste I see black bags building up in gardens, alleyways and anywhere that people can find to dump them. People may be prepared to pay to dump black bags at tips if there were a mechanism for doing so.

Secondly and most importantly is use of the money for biodiversity initiatives and the improvement of the wider environment. Protection and enhancement of Welsh wildlife and habitat is vital for the vision of an environment that is respected and enjoyed.

There are direct benefits for communities that are close to landfill sites and it is important for the public to know there is a connection between responsible waste management and environmental and community enhancements.

From S Thomas - Rhondda area

Reference 33

Wildlife is in desperate need of continued effort and financial aid , I do realise that the Welsh Assembly are helpful and compassionate with the human situation and appreciate how hard the members work to assist all members of the community, in order to benefit humans we must also provide a wide range of wild and maintained natural landfill sites for the fauna and flora of this beautiful principality to prosper, we do have a legal obligations to fulfill and the benefits are tremendous both to wildlife and to the communities they serve. I do support the Wildlife Trust and ask that the Welsh Government increase the percentage of Landfill Tax so that projects can continue with the volunteers hard work to benefit the whole of welsh population.

Yours sincerely

J Humphreys

Reference 34

Dear Sir/Madam,

I am writing in response to the consultation on the operation of the Landfill Communities Fund. I am very keen that the current diversion of funds to environmental and communities projects is at least maintained, and ideally enhanced. In particular, I believe that the proportion funding natural environment and wildlife-related projects should be increased from its current levels. Wales' wonderful natural environment is of vital importance not just to the wellbeing of its inhabitants but also in providing a range of highly valuable ecosystem services such as flood prevention as well as helping project an attractive image externally for both tourism and business. The various bodies carrying out work to support the natural environment are significantly underfunded already and achieve a huge amount even with this small amount, including helping Wales to achieve various targets under EU directives. Removing or reducing this important source of funds would be a highly retrograde step.

With regards,

Dr M Harbottle

Reference 35

I am very alarmed to learn that the Welsh Government is contemplating diverting these funds away from wildlife projects, such as those being pursued by the Wildlife Trusts. I urge the Government not to take this course.

Landfill is pollution of the environment, and money needs to be set aside as we pollute to improve the environment where ever we can, so as not to leave a horrible legacy for our children and future generations.

Government gets good value for money from organisations like the wildlife trust, as much of the work is done by volunteers.

Yours sincerely,
J Cook

Reference 36

Name:	M.A.& J.R.Samuel
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Wildlife organisations look after the countryside using the money from this tax, and if they did not do it because of lack of funding, Bridgend area would be a lot poorer environmentally. They are qualified people who are at present doing a very good job. The council could save a lot of money by only cutting the verges once a year in the Autumn as recommended by all the wildlife and horticultural organisations. Bridgend Council already has a bad name because it shut the visitor centre in Kenfig.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with	

the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax	

avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made	(Unchecked)

public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	

Reference 37

I have been alarmed to learn that the Welsh Government is considering diverting receipts from the Landfill Communities Fund away from projects such as those undertaken by the Wildlife Trusts. Having witnessed several superb environmental projects funded in this way being undertaken by the Trust I am deeply disheartened to think that such work may cease in future.

Safeguarding habitats and the wildlife it supports cannot be delayed until some hoped-for time when financial pressures will ease. I urge the Welsh Government to continue, or to increase, its support for these vital tasks, and to use Landfill finds accordingly.

P Hatherley

Reference 38

I was horrified to learn that you are considering using the landfill tax for purposes other than conservation. This tax is one of the few dedicated specifically to wildlife and if my memory serves me correctly was so dedicated from the time of its introduction. Funding is so difficult these days that such a change would have massive implications, not only to wildlife but to the volunteers who give freely of their time.

S Rosser

Reference 39

I am writing to urge you to continue to use the Landfill Communities Fund to fund wildlife projects. This is crucial funding for many wildlife projects and without it our wildlife will suffer It is really important.

Kind regards,

S Hazell

Reference 40

Please don't remove vitally important funding which is used so effectively to help our wildlife in Wales. Wildlife face huge challenges as we threaten more of their environments. The Wildlife Trust does some vital work to assist for very little funding. Please make the care and conservation of wildlife a priority.

Thank you,

M and R Crennell

Reference 41

Cwmllynfell Community Council has considered the consultation papers on the devolution of some taxes to Wales from April 2018 and has no objection to the proposals subject to a proportion of the proceeds of the Landfill Disposals Tax being allocated to enhance the well-being of communities including the financing of projects by eligible Community and Town Councils.

Regards,

Cwmllynfell Community Council

Reference 42

RWE Generation UK Response to: Welsh Government Consultation on: Landfill Disposals Tax (Number: WG24170)

Introduction

RWE Generation UK plc is one of the UK's largest electricity generating companies, with major assets in Wales in the form of Aberthaw and Pembroke Power Stations. Aberthaw Power Station can generate around 1555MW of electricity for the National Grid System. This is enough power to meet the needs of some 3 million households - equivalent to ten times the total population of Cardiff. RWE Generation UK aims to maintain Aberthaw Power Station as one of the most efficient coal-fired power stations in the UK and completed a £230 million environmental upgrade in recent years. Aberthaw Power Station was designed to burn semi-anthracitic, low-volatile coal. A high percentage of this coal is locally sourced coal, mined in Wales and is transported to the power station by rail.

Pembroke Power Station is a combined cycle gas turbine (CCGT) plant which began full commercial operation in September 2012. The station is capable of generating over 2000MW, enough to power around 4 million homes - more than twice the number of households in Wales. The state-of-the-art CCGT technology means that Pembroke is one of the largest and most efficient plants of its kind in Europe. In January 2011 our new £1 million education centre was officially opened by the First Minister of Wales. The Aberthaw Centre for Energy and Environment (ACE₂) provides an important new facility for schools, colleges and community groups throughout South Wales.

Consultation response

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

RWE Generation UK believes that it is imperative that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates. A failure to do so could lead to cross-border 'waste tourism', with its associated impacts on the environment, human health and community wellbeing. These impacts would be likely to include dis-amenity experienced by communities along the haul routes due to increased traffic.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

RWE Generation UK is of the opinion that the current standard and lower tax rates are set at an appropriate level for Wales. For the reasons discussed in the answer to Question 1 above, both the standard and lower tax rates should continue to reflect those applicable in the rest of the UK. Therefore, in line with the 2014 UK Budget Statement which announced that future Landfill Tax rates will be maintained in real terms until at least 2019-20, it would appear appropriate that future Landfill Tax rates set by the Welsh Government should follow this trajectory.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

RWE Generation UK is of the opinion that there would be value in the Welsh Government having the ability to set different lower rates of tax (as explained in paragraph 2.10 - 2.11). However, for the aforementioned reasons of preserving equity of taxation rates across the UK, it would appear inadvisable for this power to be exercised, other than where changing circumstances demand an appropriate deviation from this policy in order to avoid negative impacts.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

RWE Generation UK assumes that it is the intention of the Welsh Government to use the Landfill Tax (Qualifying Material) Order 2011 as the basis for determining which materials qualify for the lower rate of taxation.

Therefore, RWE Generation UK believes it is important to draw attention to the fact that the notes shown for the Group 5 materials (Ash) shown in Appendix 1:

“SUMMARY OF THE LANDFILL TAX (QUALIFYING MATERIAL) ORDER 2011” of the consultation document actually reflect the text of SI 2012 No. 940 The Landfill Tax (Qualifying Material) (Amendment) Order 2012.

Following industry representations to HMRC in 2012, and the Department of Environment, Food and Rural Affairs (DEFRA) advising HMRC that it saw no environmental rationale to prevent the co-disposal of ash from coal and from biomass, the UK Government decided that SI 2012 No. 940 would not be approved by the House of Commons and was allowed to lapse on 22nd May 2012 and the landfill tax liability of ash reverted to the original terms set out in Notes (7) and (8) of SI 2011 No. 1017 The Landfill Tax (Qualifying Material) Order 2011:

‘(7) Group 5 comprises only—

(i) bottom ash and fly ash from wood or waste combustion; and

(ii) bottom ash and fly ash from coal or petroleum coke combustion (including when burnt together with biomass).

(8) Group 5 does not include fly ash from sewage sludge, municipal, clinical and hazardous waste incinerators.’

The above definition of Group 5 materials is also shown in in Section 19.1 of Excise Notice LFT1: a general guide to Landfill Tax (as updated by HMRC on 27th March 2015). Additionally, this definition of Group 5 materials is also given in the Scottish Landfill Tax (Qualifying Material) Order 2015, which came into force on 1st April 2015. RWE Generation UK is aware that HMRC is currently in the process of reviewing the wording of the notes associated with Group 5 of the qualifying materials and has been engaged in dialogue with industry on the subject over recent months.

RWE Generation UK is of the opinion that the approach to the taxation of ashes arising from the combustion of biomass, whether as a result of co-firing with coal or petroleum coke, or from 100% biomass combustion, needs to be carefully considered. It is important that the industry’s attempts to reduce CO₂ emissions by the utilisation of renewable energy sources should not be hindered by the unintended consequences of the application of taxation.

For example, given the wide range of biomass materials available, it is considered that the use of the term ‘wood’ in relation to Group 5 of the qualifying materials is too restrictive, as this could potentially lead to ashes arising from the combustion of non-wood biomass being excluded from the list of materials qualifying for the lower rate of Landfill Tax. Also, it is important that the wording of any mono-filling requirements is

carefully considered, in order that any intended environmental benefits can be achieved without imposing any unintended, and potentially prohibitive, restrictions. RWE Generation UK would encourage the Welsh Government to engage with HMRC on this subject and update the relevant text to provide greater clarity for the sector and for the Welsh Revenue Authority.

Question 5: What would be the practical implications of introducing a threshold to define ‘a small quantity’ of non-qualifying waste in a load of qualifying material?

RWE Generation UK has no comments to make on the practical implications of introducing a threshold to define ‘a small quantity’ of non-qualifying waste in a load of qualifying material.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

RWE Generation UK would support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved, provided that this was to be for materials within the scope of SI 2015 No. 845 The Landfill Tax (Qualifying Fines) Order 2015. Also, it would be appropriate that any qualifying LoI threshold should reflect that set by HMRC. Once again, this would help to ensure the maintenance of cross-border consistency, and so, avoid potential drivers for ‘waste tourism’.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

RWE Generation UK has no comments to make on the existing arrangements for defining the area in which a taxable disposal takes place.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

RWE Generation UK has no issues with the current arrangements for credit for landfill material permanently removed from a landfill site.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

RWE Generation UK has no comments to make on the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

RWE Generation UK would expect qualifying materials which are used for the purposes of filling existing or former quarries in accordance with the conditions listed in Section 5.4.1 of Excise Notice LFT1: a general guide to Landfill Tax (as updated by HMRC on 27th March 2015) to be exempt from landfill tax. Again, maintenance of consistency with the HMRC position will avoid potential drivers for ‘waste tourism’.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

RWE Generation UK has no other suggestions for how the taxable and non-taxable activities on a landfill site might be clarified.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

RWE Generation UK is of the opinion that none of the current exemptions should be removed or modified.

In particular, RWE Generation UK is of the opinion that qualifying materials which are used for the purposes of filling existing or former quarries in accordance with the conditions listed in Section 5.4.1 of 'Excise Notice LFT1: a general guide to Landfill Tax' should remain exempt from landfill tax.

This exemption encourages the restoration of quarries, which has the potential over the longer term, to improve landscapes and offer benefits such as increased biodiversity, improved amenity for local communities and the opportunity to return land to agricultural use.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

RWE Generation UK believes that there is no case for removing or modifying the water discount relief from the weighing process when determining liability for Landfill Tax.

Historically, the water content of Group 5 materials (Ash) as designated under the Landfill tax (Qualifying Material) Order 2011 has been exempted from the weighing process i.e. the water is discounted when determining Landfill Tax liability.

Water is added to Group 5 materials (Ash) for the purpose of enabling the material to be transported for disposal. This is in accordance with condition (a) (i) under Paragraph (5) of Regulation 44 of SI 1996 No. 1527 The Landfill Tax Regulations 1996.

RWE Generation UK is of the firm opinion that the handling and transport of Group 5 materials (Ash) in a dry state has the potential to create significant dust and environmental nuisance impacts at both production facilities and landfill disposal areas. Therefore, it would be inappropriate to remove the water discount relief where water is added for the purpose of mitigating the potential environmental impacts associated with handling ash in its dry state.

Also, in certain cases water may be used as the transporting medium for ash, with the ash being dewatered at the landfill location. This is the case for settlement lagoon type Pulverised Fuel Ash (PFA) landfills, where ultimately, the carrier water does not form part of the material deposited within the landfill, but is discharged as supernatant water, post ash settlement. As a result of this, it is not possible to physically weigh the ash disposed to landfills of this type. Instead, the quantity of ash (dry weight) being disposed to landfill is calculated based on the ash content of fuel burned using a method that has been accepted by both SEPA and HMRC.

The 'conditioning' of PFA by mixing with water within controlled proportions, also has longer term benefits either when disposed of in landfills or used as a bulk fill material. This is because, when mixed with water, pozzolanic reactions take place within the ash, meaning that when correctly emplaced it forms a fill material with enhanced properties of physical stability. This can often make it an ideal material for land restoration projects, such as the filling of disused quarries.

RWE Generation UK strongly recommends that for Group 5 materials (Ash) the water content continues to be discounted when determining Landfill Tax liability. Adopting this approach will also ensure consistency across England, Scotland, and Wales.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

RWE Generation UK is of the opinion that there is no case for introducing any new exemptions or reliefs.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

RWE Generation UK would support the placing of an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site. As stated in the consultation document, this should help create a level playing field between operators and help deter the under-declaring of waste.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

RWE Generation UK supports the concept that extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax would provide an additional financial deterrent to illegal disposals of waste and would help support the Welsh Government's Fly-tipping Strategy.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

RWE Generation UK fully supports the concept that it should not be cheaper to offend than to take the appropriate precautions with regard to environmental offences.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

RWE Generation UK has no comment to make with regard to whether or not there is a need for increased compliance activity on the ground.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

RWE Generation UK has no suggestions for any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

RWE Generation UK is not aware of any evidence of tax avoidance within the existing Landfill Tax.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

RWE Generation UK would support aligning the tax return period with the financial year. Aligning the quarterly invoice period with the landfill site operators' waste returns to NRW would appear a logical step to support compliance activity.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

RWE Generation UK is of the opinion that making it a requirement that European Waste Catalogue codes are used in completion of the tax return would impose only minimal extra burden whilst simplifying the process of cross-checking tax and waste returns.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

RWE Generation UK recognises the fact that the small and diminishing number of landfill site operators in Wales makes a complete move to an online platform for Landfill Tax unlikely to be cost-effective. However, changing the format of the tax return to enable electronic returns to be submitted via email and encouraging electronic payments would be seen as a step in the right direction.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

RWE Generation UK is of the opinion that the circumstances in which landfill site operators can claim bad debt relief should be narrowed, using a similar approach to that recently adopted in Scotland.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

RWE Generation UK has no comment to make on the operation of the current internal reviews and appeals provisions in a Landfill Tax context.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

RWE Generation UK has no comment to make on whether there are any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

RWE Generation UK is of the opinion that the Welsh Government should allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

RWE Generation UK has no comment to make with regard to which activities should benefit from funding.

Question 29: Do you have any thoughts on the possible administrative model?

RWE Generation UK has no comments to make on the possible administrative model.

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

RWE Generation UK would like to draw attention to the fact that since the electricity supply industry operates through the National Grid system, the vast majority of operators supply into a market which spans the national boundaries within the UK. Therefore, for generators of electricity, it is of particular importance that all elements of the industry, including costs associated with landfill disposals, are allowed to operate on a level playing field which acts across these same national boundaries.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

RWE Generation UK has no comments to make on the initial Regulatory Impact Assessment.

If you require any further information on this response please contact:

Mike Clarke

Planning, Consenting & Permitting Advisor - Ash Disposal

RWE Generation UK plc

Reference 43

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and	

what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government	

simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes. This is valuable source of funding for many community projects.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	Biodiversity initiatives and wider environmental improvements - such projects are able to compensate communities for the disamenity of the proximity of a landfill site. Tackling poverty and deprivation in communities - any help deprived communities can obtain to improve community facilities should be facilitated. Using such funds to improve play areas, community buildings and other facilities will have a positive impact on the general health and well-being of communities. In our experience of funding projects, every £LCF is, on average, supported by another £2 of other money, raised from the local community and other grant funding sources. Such an injection of additional money into local communities would not be realised if this tax revenue was used to minimise waste crime or for waste minimisation/diversion purposes.
Q29: Do you have any thoughts on the possible administrative model?:	In order to minimise the administrative cost, a model utilising an existing community grant-awarding infrastructure may be the most cost-effective. Setting up a new distributive body would likely be a disproportionately high cost, to be taken from the fund.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the	

initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 44

GroundCover DBM

Landscape Design, Build & Manage



Reg.No. 4130259

14th May 2015

Your ref: WG24170

Our ref:

5000/smb

If telephoning please ask for:

Stephen Blunt

Tax Policy and Legislation Division
Welsh Government

Dear Sir / Madam,

LANDFILL DISPOSALS TAX – CONSULTATION RESPONSE

Our company specialises in the provision of Japanese Knotweed eradication and management throughout the UK, and is based in Wales. One of our partner companies, Richards, Moorehead & Laing Ltd, prepared the Welsh Development Agency / Welsh Government guidelines on the control of Japanese Knotweed and has researched this invasive, problem plant for some 25 years.

In 2010 the cost of Japanese Knotweed to the UK economy was estimated at over £165 million per year - £8.8 million of this in Wales ('The Economic Cost of Invasive Non-Native Species on Great Britain' CABI Bioscience).

Landfill Tax, and its application to material containing Japanese Knotweed, is the largest financial factor affecting our on-site knotweed treatment business.

In response to **Questions 4 and 5** we consider that the list of Qualifying Materials in Appendix 1 should specifically exclude all material containing viable Japanese Knotweed.

Since the introduction of the landfill tax, HMRC guidance has changed repeatedly. Exemptions and now uncertainty on the meaning of 'incidental' contamination of soils by Japanese Knotweed mean that affected soils can often be disposed of at the lower rate. This does nothing to encourage on-site treatment of these soils, and leads to unnecessary use of scarce landfill capacity.

In deciding what is 'incidental' the landfill operator must consider whether separation is practical. This places the onus on a landfill operator who would not be expected to know about the Japanese Knotweed treatment industry and the on-site treatments that are available. Clarity is required, as the consultation document notes in paragraphs 2.15 – 2.18.

The Qualifying Materials list could state specific limitations under the Conditions or Notes headings for relevant material groups, so that incidental contents of specific material such as Japanese Knotweed can be tightly controlled. The threshold for Japanese Knotweed needs to be very low (<1%) or it will be too easy for material to be deliberately mixed when it is excavated from infested sites.

In response to **Question 6** we have no comment on the tax status of MRF fines, but consider that a Loss on Ignition test for Rocks and Soils (Appendix 1 Group 1) should be introduced as a requirement before Lower Rate tax is applied. The Lol test would confirm that the organic content is below 1%. In practice there should be few occasions where the test is required, because these Rocks and Soils are recoverable for re-use and should not be landfilled. Materials with greater than 1% organic content would attract Standard Rate tax if landfilled, and so no Lol test would be needed.

There should be no difference in the technical and procedural aspects of Loss on Ignition testing in Wales ie the tests conducted by any conforming organisation should be valid and accepted by all administrations within the UK. Any variations will introduce confusion, additional costs and possibly 'waste tourism'.

Yours faithfully,



Stephen Blunt BSc MSc MLI, Technical Director
GroundCoverD.B.M. Limited

Please reply to Ruthin office

Reference 45

Name:	Denbeigh Vaughan
Organisation (if applicable):	Independent ecological consultant
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Consistency is important in any increase in tax rates. The principle of all polluters pay must be upheld and any decrease in tax rates in England or Scotland must not be followed by Wales. Wales has a reputation for social and environmental responsibility that must not be eroded.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	Don't know
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	There could be. Changes should only be made to deter negative impacts that relate to effects on the environment (see Q1)
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	Don't know
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	There would be the potential for contamination and enforcing the threshold could be problematic - how would you identify and measure the 'small quantity' if mixed in with qualifying material?
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	Yes. To prevent occurrences of pollution.
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	don't know
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	don't know
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	There would be costs associated with informing, monitoring and policing
Q10: What activities would you expect to	Generally: Benign materials for functionally

be exempt (not subject to tax) and why?:	beneficial activities that will not lead to actual or potential pollution issues.
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	No
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	Dredgings - material removed from water Mining and quarrying waste remove exemption - is an environmentally destructive activity. Filling of quarries - maintain exemption only where material is benign. Pet cemeteries - remove exemption - people can and will find the money to fund this activity. The activity offers no benefit to the environment. Waste from visiting (NATO) forces - remove exemption - too broad a category and open to abuse with potential for pollution (and Unidentified at that)
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	Inclusion of water in landfill should not be encouraged for reasons of potential pollution.
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	don't know
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	Improved regulation and functionality of legislation
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	A good thing to do if it can be enforced - the more deterrents the better
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	don't know
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	Yes. Simply because when people see action taking place they are less inclined to break the law.
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	Financial penalties should be high enough to result in severe consequences for offenders.

Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	don't know
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Why not?
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	don't know
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	don't know
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	don't know
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	don't know
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	don't know
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	All the above. Funds should also be available for projects that result in an increase in local knowledge that will benefit biodiversity and wider environmental initiatives (i.e. research)
Q29: Do you have any thoughts on the possible administrative model?:	don't know
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to	

make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 46

Name:	Steve Sutcliffe
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if	

so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes - and particularly biodiversity and conservation enhancement within communities involving local people in their local environment whenever possible supported by experts within the field.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Enhancing environmental works which contribute to biodiversity and community understanding of the environment should be high on the agenda.
Q29: Do you have any thoughts on the possible administrative model?:	The requirement to meet over stringent limits to funding models and the poor understanding by some officials and waste companies in particular have made it very difficult to access some funds. The ability of fund managers to think out of the box and not be strung up by beaurocracy seem to me to be priorities for the next administration. Somewhat independent administration from the disposal tax contributors may well help all concerned to allocate funding support more appropriately. Some wildlife charities and communities have received considerable support and may be extremely disadvantaged by substantial change.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	The "old" 10 mile limit should be changed as it radically affects the ability of communities in Wales to access the funds available and undoubtedly contributes to the underspend apparent at the moment. This limit MUST be changed to create a fairness of distribution in Wales.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	

Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 47

The UK Environmental Law Association (UKELA) aims to make the law work for a better environment and to improve understanding and awareness of environmental law. UKELA's members are involved in the practice, study or formulation of environmental law in the UK and the European Union. It attracts both lawyers and non-lawyers and has a broad membership from the private and public sectors.

UKELA prepares advice on proposals of governments and regulators covering a range of environmental law topics, with the help of its specialist working parties. This response has been prepared with the help of the UKELA Waste Working Party and UKELA Wales Working Party.

RESPONSES TO CONSULTATION QUESTIONS

Tax Rates

1. How important is it that the Welsh Government maintains consistency with the UK and Scottish Governments on Landfill tax rates and why?

UKELA agrees with the analysis and arguments for maintaining consistency with rates in England set out in the consultation document. The factors which might impact on decisions to send waste generated in England to landfill sites in Wales are wide-ranging and complex, but there will inevitably be the possibility of waste generated in England being sent to landfill sites in Wales if Wales sets lower rates of tax than England. For that reason UKELA believes that the Welsh Government should maintain consistency with the UK and Scottish governments on tax rates.

2. Are the current standard and lower rates set at an appropriate level for Wales. Please explain your response.

The logic of the UK Government not increasing the lower Landfill tax rate in proportion with the standard rate is not evident from the consultation paper. However, UKELA considers that an analysis should be undertaken of the implications of raising the lower rate in Wales, in particular the likely impact on reducing, recycling or reusing waste; the likely effect on relevant businesses; and whether it would give rise to waste tourism and "backhauling".

3. Is there value in the Welsh Government having the ability to set different lower rates of tax and why?

UKELA would support the Welsh Government having the ability to set different lower rates of tax for the reasons set out in the consultation paper. It is difficult to predict the future with any certainty and any Government could be disadvantaged by not having the power to make necessary changes in response to economic, political, social and environmental developments.

Defining Taxable Material

4. Are there any changes to the list of materials qualifying for the lower tax rate that should be considered, and on what basis?
Given the wide gap between the standard rate of tax and the lower rate of tax, there is a very real risk of waste tourism and backhauling if the Welsh Government adds additional materials to the list of materials qualifying for the lower rate of tax in Wales that are subject to the standard rate of tax in England. Again, UKELA believes that the Welsh Government should maintain consistency with the UK and Scottish Governments.

Compliance with the Lower Tax Rate

5. What would be the practical implications of introducing a threshold to define 'a small quantity' of non qualifying waste?
The absence of specific guidance as to what constitutes a small quantity is of concern as inevitably interpretations would vary considerably, leading to potential, consequential loss of revenue. It seems sensible and reasonable to impose a threshold of 10%. The argument about fully enforcing EU Council Decision 2003/33/EC is valid, subject to consideration of the enforcement costs.

Introduction of the Loss of Ignition Test

6. Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved. Please explain your reasons.
The case for introducing this test appears to be well made and has the potential to contribute to the reduction of greenhouse gases. The Welsh Government has the opportunity to learn from the English and Scottish experiences of the test before taking a final decision.

Defining the Area in which a Taxable Disposal Takes Place

7. Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?
It is difficult to respond to this question without some factual information on the extent to which tax is paid on waste items that are stored or sorted for recycling within tipping areas. The practical implications of changing the tax point need to be fully explored and the costs/benefits of each approach considered before a decision is made.

Credit for Landfill Waste Removed

8. In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Whilst UKELA supports the Welsh Government's desire to ensure the arrangements for credit are fair, simple and appropriate, it is difficult to comment without knowing the difficulties (if any) of the current arrangements. This relates to the previous question as to the appropriate tax point and so it is assumed that if the tax point is to be at the tipping area there would be no need for claiming credit.

Landfill Site Activities to be treated as Disposals

9. What would be the practical implications of legislating on the basis that all material entering a landfill site is subject to tax?

It is evident that the existing legislation is fraught with difficulties in view of the litigation that has arisen and the fact that this puts at risk significant tax revenues. The case for legislating to ensure that all material entering a landfill site, apart from that which is exempt, should be taxed appears to be well made and should overcome current problems with interpretation of the legislation.

The Welsh Government should be aware of the First-Tier Tribunal's Tax Chamber's decision in the case of *Patersons of Greenoakhill Limited v The Commissioners for Her Majesty's Revenue & Customs* [2014] UKFTT 334 (TC), which has clarified the status of biodegradable material that degrades to produce methane gas which is subsequently used for power generation.

10. What activities would you expect to be exempt from tax and why? UKELA suggests that the Welsh Revenue Authority should adopt the same approach as HMRC to exempt activities, in order to avoid the risk of creating opportunities for waste tourism and backhauling.

11. Do you have any suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Please see response to question 10 above.

Exemptions and Reliefs

12. Do you think that any of the current exemptions should be removed or modified? Please explain your response.

The case for retaining the current exemptions is not apparent. If it is proposed to retain any of them, the reasons should be clarified in terms of impact on the environment and business. Furthermore, there will need to be robust guidance to minimise abuse and inconsistent application.

13. Is there a case for removing or modifying the water discount relief? Please explain your response?

It does not appear that there is a sound case for retaining the water discount relief. However, the likely financial impact on businesses needs to be considered before a decision is made.

14. Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

It is impossible to comment on this in a meaningful way without understanding the rationale and implications.

Improving Regulation

15. What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge, where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

There appears to be no reason why an operator should not be obliged to use a weighbridge where one is available and functional. The practical implications relate to regulators satisfying themselves that weighbridges have been operational and that they have been used in every case. The guidance would need to be explicit on the circumstances in which a penalty will be charged and it would need to be sufficient to deter landfill operators and waste management companies from avoiding the requirement.

Extend the Definition of a Landfill Site

16. What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

UKELA is concerned about waste crime and would support any measures aimed at reducing illegal waste deposits and fly-tipping. Cogent arguments have been presented in support of extending the definition of landfill sites to include illegal waste deposits within the ambit of the tax. However, the success of such a measure will be dependent to an extent on effective regulation and enforcement. The benefits will need to outweigh the overall costs, which have already been identified as significant.

While UKELA agrees with the proposal that anyone caught illegally disposing of waste and anyone who knowingly permits such a disposal at a site other than a landfill site should be made liable to pay landfill tax, it is concerned that liability should not be imposed on innocent landowners who fall victim to illegal waste disposal activities, or on innocent landlords whose tenants engage in illegal waste disposal activities on their land or go insolvent leaving their landlord with large quantities of waste to dispose of. Such landowners and landlords will have to pay landfill tax on the disposal of waste removed from their property, which is arguably unfair in itself, and should not be penalised twice for the illegal activities of third parties. UKELA notes that Defra and Welsh Government have recently consulted on waste crime issues, including the position of landowners and landlords faced with illegal waste management activities on their land.

Criminal and Civil Penalties

17. Are there any issues with the current penalty regime and if so, how might they be addressed?

UKELA believes that the current penalties are adequate. What matters, however, is that there is proper enforcement of the law by the enforcement bodies mentioned in paragraph 3.29 of the consultation document and that the courts impose appropriate penalties to remove any economic benefit derived from offending and to deter future offending.

Compliance Activity

18. Is there a need for increased compliance activity on the ground, rather than desk based? If yes, please explain your view and provide evidence/explain the benefits where possible.

UKELA considers that on the ground regulation and enforcement is more likely to have the desired effect in reducing waste crime and tax evasion, than desk based assessment of information. Offenders need to know that there is a real possibility of being caught in order to consider stopping re-offending and legitimate operators need to know that their businesses are not being undercut by illegal operators.

Minimising the Impact of Landfill Disposals Tax Evasion

19. Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement, and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

There is limited information about actions planned by Welsh Government to improve compliance and enforcement, and minimise the impact of Landfill Disposal Tax evasions. Achievement of these objectives will require action on a number of fronts including more effective enforcement and effective PR and communications activity. It will be important to establish the costs of such activity against the estimated costs of non-compliance and tax evasion on both financial and environmental grounds.

Tackling Tax Avoidance

20. In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

UKELA has no information on this issue.

The Invoice Period

21. Would you support aligning the tax return period with the financial year? Please explain your reasons.

There does not appear to be any substantive reason for not aligning the tax return period with the financial year. The dominant criteria for such a decision should be convenience to the site operator's business cycle and the regulator's administrative processes, rather than work flow considerations of the Welsh Revenue Authority, the new body to be set up to collect the taxes. European Waste Catalogue Codes

22. What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of returns?

On the understanding that site operators are familiar with and competent in the use of EWC codes, and that their use does not impose an undue burden, UKELA would support implementation of the requirement to use the codes in the NRW waste returns. However, it would be helpful to have some indication of the costs involved for site operators and whether this is likely to lead to efficiency savings.

Filing Tax Returns

23. How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Whilst the costs and proportionality argument is valid to an extent, in today's technological environment, it would be a backward step to continue with a paper based system. Furthermore, apart from the medium term efficiency savings and improvements in records and compliance, there are also savings for the environment through the use of less paper.

Bad Debt Relief

24. Should bad debt relief be offered and if so, in what circumstances is it appropriate?

All businesses face the risks of bad debt and this should be factored into their business modelling. It is not clear why the waste disposal sector has been awarded this relief. However, there may be a case for awarding relief in particular circumstances on a discretionary basis.

Resolving Tax Disputes

25. Have you comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to see a review or appeal?

UKELA supports the proposals as set out in the consultation paper.

The Timing of Payment when a Dispute Arises

26. In your view, are there any exceptional circumstances in which tax payers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

The current HRMC arrangements appear fair and reasonable. In situations where the landfill operator has secured agreement to withholding payment until the appeal has been heard, the fact that there is a requirement to pay the full amount with interest if the appeal is lost presents a risk to the operator and should act as a deterrent to bringing forward appeal cases with a weak evidence base. There may well be exceptional circumstances in which the landfill operator may not have been able to secure the payment in question

from the waste disposal company, so it appears reasonable to continue with the current arrangements.

Community Well-being

27. Should Welsh Government allocate a proportion of Landfill Disposals Tax Revenue to enhance the well-being of communities?

In a situation of reduced public funding, the Welsh Government's block grant being reduced in line with the amount of landfill tax being collected and anticipated reductions in the level of tax collected, it is difficult to decide whether all the tax should accrue to the Welsh Government for distribution amongst various budgets or whether some should be allocated specifically for the well-being of communities affected by landfill sites. Those communities living nearby are likely to be affected by traffic and other impacts from the site. It is further noted that a number of sites are close to communities in deprived areas of Wales. In the light of this and proposed implementation of the goals of the Well-being of Future Generations Act, UKELA concludes that a proportion of the tax revenues should be retained to enhance the well-being of those communities affected by landfill operations.

28. If the Welsh Government allocates a proportion of the Landfill Disposals Tax revenue to enhance community well-being, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement, and minimising the impact of waste crime.
- Supporting waste minimisation and the diversion of waste from landfill
- Bio-diversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other

It is suggested that the funding should be flexible and enable projects that cover all four of the above, although there are concerns about supporting compliance and enforcement as the money should be used for the communities rather than to supplement the work of public bodies in terms of these activities. There should be a strategy for the funding such as aimed at improving the living conditions of those residing near a landfill site and clear criteria for award of financial support.

UKELA believes that research in areas such as biodiversity and waste management should be restored as legitimate purposes for the LCF (which used to be the case). This would mean relaxing the 10 mile rule, but the rule would arguably be unnecessary, as the funds raised could only be used in Wales.

29. Do you have any thoughts on the possible administrative models?

It is noted that there are about 50 active environmental bodies in Wales, a number of which could handle the process. It is important that care is chosen to select a body that provides value for money and ensures that the funds are well spent in the interests of the communities affected by landfill activity.

Lessons need to be learnt from the experience of using the existing distributive environmental and environmental bodies.

Dr Norma Barry
UKELA Wales Co-ordinator

Reference 48

Please would you not remove funding which is key to keeping our wildlife in our patch, so we are able to continue with the project we desperately need to keep.

Regards K and L Jones.

Reference 49

In response to the consultation, the collective response from Third sector in Conwy is set at below:

- The 2 areas which have resonated with our communities are: Schemes to tackle the level of waste accrued from building operations are needed. Small scale Community projects can utilise timber, bricks etc., a Community Company or other existing facilities could undertake the operation to divert such materials from landfill.
- 2. Tackling poverty and deprivation in all its forms restores to communities their self-respect and raises the desire to care for their communities. The investment of funds such as LDT revenue directly to grass-roots organisations demonstrates that government also cares and can 'kick-start' that development of self-respect.
- The control of funds for communities must be within an organisation that knows and works in its community. The Local Voluntary Services Councils are ideally placed. They know their communities, the local organisations, the local needs and priorities and are led by trustees who have the good of their communities at heart. A new administrative body, and all the cost involved in setting up such a body should be avoided.

W Jones
Chief Officer
Community & Voluntary Support Conwy

Reference 50

Name:	Robert Cherryman
Organisation (if applicable):	NSA Afan
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	No comment
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	No Comment
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	No Comment
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	No Comment
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	No Comment
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	No Comment
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	No Comment
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	No Comment
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	No Comment
Q10: What activities would you expect	NO Comment

to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	No Comment
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	No Comment
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	No Comment
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	No Comment
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	No Comment
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	NO Comment
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	No Comment
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	No Comment
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	NO Comment
Q20: In your view, is there evidence of tax avoidance within the	No Comment

existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	No Comment
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	No Comment
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	No Comment
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	No Comment
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	NO Comment
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	No Comment
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes - NSA Afan believes that a proportion of the LDTR should be allocated to support community based initiatives. Using community based organisations (DTA members and local charities) to facilitate the development of community based initiatives.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Using the services of DTA Wales membership and local community based charities would be simple and effective conduit to facilitate a range of community based initiatives. Tackling Poverty and environmental initiatives in particular would have the maximum benefit to communities especially those in multiple deprivations.

Q29: Do you have any thoughts on the possible administrative model?:	Using the services of DTA Wales as a conduit would be an ideal organisation to obtain maximum coverage for Wales and in turn open a fund into which local community charities could bid to deliver hard outcomes for the community they represent.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	No Comment
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	No Comment
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 51

Name:	Matthew Perkins
Organisation (if applicable):	City and County of Swansea
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Important with respect to England for the standard rate. If there are different rates there is the potential for waste tourism. Scotland is too far away to have a similar impact.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	Yes. The current standard rate level has discouraged landfilling waste and increased recycling. Further increases in the standard rate would likely have the effect of also increasing recycling costs. An increased standard rate would likely result in landfill operators finding it difficult to actually achieve landfill completion. An increase in standard rate would make it difficult for landfill operators to maintain environmental compliance (cover material) and maintain site (e.g. aggregate for roadways etc).
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	See response to Q4.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	Links to Q3. A higher lower rate would make it increasingly difficult (or more expensive) for landfill operators to maintain compliance with their environmental permits. The operators need material to cover waste deposits and need material to maintain roadways etc. At the moment these are captured in the definition of the The Landfill Tax (Prescribed Landfill Site Activities) Order. Provided the materials are used on the landfill site then should they be taxed? 2009.
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	It would be very difficult to give anything other than a opinion of what constitutes a "small quantity" in a given load. Realistically, unless you test the entire load you cannot categorically determine the percentage of contamination. Therefore, I think the current position is reasonable providing operators act in good conscience.
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	Yes, it's a reasonable manner of determining one characteristic of the material's potential to pollute.
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	Yes, there are issues with the existing arrangements as even materials that have to be used are currently taxed. To resolve: materials imported to maintain haul roads or environmental controls off the active landfill cell should not be taxed as these materials are not being disposed. Materials placed within the waste mass, while not

	necessarily being disposed, should be taxed at the existing lower rate. Materials (even low polluting materials) which have no beneficial use could be taxed at the standard rate.
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	The current credit arrangements are reasonable though it can be difficult to accurately identify when waste was deposited.
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	See response to Q4.
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	See response to Q4.
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	See response to Q4.
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	No.
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	Remove the water discount mechanism. It's complex and in any case it is still a material being disposed.
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	See response to Q4.
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	The only negative implication would be upsetting unscrupulous operators or hauliers. It would aid in the management of tax avoidance.
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	It will act as an additional deterrent to illegally depositing waste so can only be a good idea.
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	No issues noted.

Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	Boots on the ground, even once a month trying to visit several sites should have no impact on the honest operators though will aid in identifying unscrupulous operators who evade tax.
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	No, the industry will be aware of the tax.
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	No experience of tax avoidance.
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Aligning the tax returns with the quarterly waste returns would make sense. Quarterly returns will also help in managing cash flow.
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	While initially awkward to incorporate, the EWC codes are used in the rest of the returns and are recorded on weighbridges so should not make it difficult for operators.
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Online support would make sense as the majority of other returns are handled by this means.
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	The Scottish model makes sense. WG should not offer significant tax relief for the public sector.
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	No comments.
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	The Scottish model makes sense as the operator should have already collected the tax from the person depositing the waste.
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes, though limit the use of the fund to specific activities, see Q28.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax	Activities or topics to cover should include only a small list of items: Waste Awareness (e.g. Waste minimisation and

revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	improving recycling/re-use) Biodiversity or environmental activities Activities which have a positive impact on the community It should not be spent to subsidise functions which should be budgetted elsewhere or on activities which do not have a positive environmental or community impact. If the fund is not being spent then it areas more than 10 miles from a site should be allowed to access it if it has a positive impact as above.
Q29: Do you have any thoughts on the possible administrative model?:	A wider advertisement of the fund (e.g. WG website etc) with a single body responsible for administration rather than one per operator.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	N/A
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 52

Name:	Peter Cox
Organisation (if applicable):	Waste Recycling Environmental Ltd (WREN)
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	We believe that parity should be maintained in order to minimise the logistical movement of waste from one revenue area to another.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond

Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	As we are a distributor of Landfill Communities Fund monies we have no expertise in this area and are unable to respond
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes. The history of the Landfill Communities Fund (formerly the Landfill Tax Credit Scheme) has sought to address the dis-amenity of having a landfill operation within a proximity of the community. This has been a successful scheme for those communities, particularly deprived and rural that have not been able to access capital funding through other schemes.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	The success of the existing scheme has been the ability to support the built and natural environments, but always with people as the overall beneficiary. WREN annually exceeds £1million of grants for halls, kitchen upgrades, access, play, and projects that promote social inclusion. As well as this, we also fund landscape scale biodiversity impact projects with a longer term delivery, and invest in the restoration and safety of historic buildings and monuments on the at risk register e.g. industrial heritage sites. There has been significant investment in each of these also, and this has led to wider understanding and access for the public. The revised and increased range of projects you suggest will significantly impact on the capital investment for the smaller and deprived communities, and may lead to pressure points between these communities and the commercial operations of the waste companies as a consequence. This is undesirable for all parties
Q29: Do you have any thoughts on the possible administrative model?:	The Welsh Government forecast for a fund in the future is very low, and with several organisations potentially distributing the monies, there is the prospect of erosion of the fund through administration. Equally daunting for the administration organisation is the prospect of a "cap" that may make the task a non-viable option due to the modest size of the fund they are distributing. The Welsh Government could therefore consider a single body through a tender basis, provided that the

	landfill operators received assurances from the Welsh Government in terms of no financial penalties arising from the risk management of the project by an unrelated third party organisation and also that the landfill operators could enjoy some form of PR recognition.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 53

Dear Sirs

I gather that you are thinking of removing the funding for wildlife and conservation projects in Wales, when this used to be promoted as the basic reason and use for the Landfill Tax.

Various charities such as Wildlife Trusts, Butterfly Conservation, Plantlife, Buglife etc who do tremendous work for the benefit of the whole community rely on some extra help from this fund.

It would be a terrible shame if this help were withdrawn and would affect us all, even councillors.

Your sincerely
C Manley

Reference 54

Dear Sir / Madam,

Members of St Fagans Community Council wish to make the following comments / observations in relation to the consultation paper on Landfill Tax:

Q1 - Members consider there is no sense in having widely different rates for landfill tax either side of the border. As the document states it simply encourages landfill to the cheapest site. For that reason Members consider that it makes little sense to devolve this taxing power to Wales as it would be operating with its hands tied behind its back as far as any competition is concerned.

Q2 - Members believe the issue of lower rates of disposal for some products is a tricky one. Some of the products in the lower group (as defined in App. 1) are eminently re-usable and so are not really 'wastes' in the sense that they can't be used. Rubble can be used as a construction product for example. The Council's only issue is that the small waste generator (e.g. a small builder) pays the same rate to a waste haulier for a skip of rubble, as he does for a skip of mixed waste, so there is little incentive to separate things out. In any event, the Welsh rate has to be the same/similar to the English rate.

Q3 - Members consider that changes to the lower rate will only work if it's reflected across the border, unless the difference is quite small thus cancelling out the transport costs.

Q4 - The list of products qualifying for lower disposal rates is considered to be quite extensive! Members question why plasterboard is such a problem; it is excluded from Group 7 and banned from many council tips.

Q6 - Members feel the Loss on Ignition test is at least scientific so consider that it's a good idea to use it.

Q15 - Members are of the opinion that forcing sites to use a weighbridge should be a minimum control measure. If you can't measure, can't control it.

Q16 - Members are unsure as to what is meant in the paper by deterrent. However, paying twice for the landfill cost if you're caught dumping isn't considered to be much of a deterrent. If a waste haulier tips three loads and gets caught for one of them, he would still be gaining financially. Members would favour very strict penalties, ranging from vehicle confiscation, punitive fines (£1000/tonne?), to very long Community Service orders.

Q17 - The same comments as in Q16.

Q18 - Members are unsure as to how a desk based compliance regime works. From their personal experiences with the enforcement business at the Environment Agency, they consider there is no substitute for 'boots on the ground' initially when dealing with major frauds on landfill sites.

Members hope these comments / observations will be of assistance in taking this proposal forward.

Yours sincerely,

D Barnard
St Fagans Community Council



National Trust response to the Consultation on developing a Landfill Disposals Tax in Wales

This document contains the responses to the consultation on developing a Landfill Disposal Tax in Wales on behalf of the National Trust. We have consulted with colleagues in Wales in drafting our response. The table below contains our views on the questions that are pertinent to the National Trust as an applicant organisation. We have not responded to questions that are not directly relevant or where we have insufficient knowledge and experience. The Landfill Communities Fund (LCF) was introduced in 1996 and since then has awarded grants of over £1.4 billion to projects that benefit local communities. The National Trust has been a regular applicant to the scheme, and our grant income from the LCF was £1.3 million in 2014/15, although only a proportion of this was for projects in Wales. In Wales, England and Northern Ireland the LCF has funded crucial projects in the National Trust, including cycle trails, play areas, community spaces, and conservation of species or habitats and of historically significant buildings.

Consultation questions

All the consultation questions are included in the table below, with responses to the questions that are important to the National Trust in italics.

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

It is important to maintain consistency with the rest of the UK on tax rates in order to make the scheme(s) as simple to administer as possible, especially for companies and organisations operating in more than one of the countries. This will also help to ensure that waste and landfill sites are managed appropriately. As an applicant organisation any lack of consistency could potentially have an impact on the funding that is available for projects. National Landfill Operators and distributors of funding would have to comply with more than one system, which would increase complexity and cost as far as administration is concerned.

We also recognise that the fact that the tax rate (and diversion rate for the LCF) is announced in the budget each year could be a barrier to maintaining

consistency and would urge a longer term approach (e.g. rates set for the next three financial years on a rolling basis) to be taken across the UK.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

It would seem sensible to look at the flexible approach that Scotland is taking, but to review and learn from how this is working there before implementing it in practice in Wales. It would also seem sensible for the whole of the UK to take the same approach in order to reduce landfill waste and encourage recycling.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Yes. The LCF has been a crucial source of funding for voluntary organisations and community groups for a wide range of projects that are sometimes not easily funded from other sources. These projects are very different to what is funded through government and local authorities, and as a result add enormous value to their local area. The scheme is relatively easy and quick to apply to, making it comparatively easily accessible even for small and less experienced or smaller community groups. As such it is important that the scheme continues, even if a slightly different format.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

Whilst widening the funding to areas that are not immediately adversely impacted by a nearby landfill site under the decreasing numbers of these could be a very positive thing, the types of activities that could be funded should be carefully considered. This is particularly important with the level of funds decreasing over coming years. As a result we do not agree that the following activities should be funded:

☐ Waste crime and fly tipping: These should continue to be a statutory responsibility and there are other proposals as part of the consultation that also targets this. If additional investment for this purpose (perhaps funded through some of the other measures proposed as part of the consultation) could be found this would be a good thing, but we don't believe that funding should be re-directed from other projects as a result.

☐ Waste minimisation and the diversion of waste from landfill: This is something that we do support in principle, but we do not believe that this is the right source of funding for it. Promoting this to and educating industry and businesses could be achieved in different ways, e.g. through existing networks and communication channels, and is in our view more about ways of working rather than funding.

We do support, and indeed strongly recommend, that the funding should support the following activities and projects:

☐ Biodiversity initiatives and projects that support the restoration of a habitat or conservation of a species: These projects are vital for the communities that

surround them, but funding is often not easily accessible. Some other grant sources are either very onerous and for very large grants (e.g. LIFE+), or require additional activities in order for a project to be supported (e.g. HLF). These projects can also have additional benefits, e.g. projects to restore blanket bog peat or the natural flow of a river or stream can also help alleviate flooding and improve water quality.

□ Tackling poverty and deprivation in communities: This is arguably already being achieved by many projects already delivered by the current LCF scheme. Most projects would rely on volunteers either during the delivery of the project or the running of the amenity once complete. There are vast amounts of evidence that demonstrate the positive impact of volunteering in terms of developing new skills and/or building confidence. Volunteering, and working in partnership with other local organisations to reach certain groups of volunteers, could be further encouraged under a revised scheme. The existing scheme also delivers facilities (as demonstrated by your examples) such as play areas, skate parks and community halls, which would often not be possible without this funding. Many of these will be in urban or deprived areas.

□ Revenue funding: This is currently very limited (max 10% for direct project delivery) as part of the LCF scheme. Although we would like to see it continue as a mainly capital focused scheme, more flexibility to allow for support of volunteers, skills development, partnership activities and community engagement initiatives would be very positive for many projects.

□ Projects that indirectly benefit the local area: These types of projects can encourage tourism and visits to an area that lead to other benefits (e.g. economic, job creation), and could include, for example, coastal access/footpaths, visitor facilities, coastal and/or water sports centres or off-road cycle trails.

Question 29: Do you have any thoughts on the possible administrative model? Where there is an existing body and this is working well (e.g. in terms of spending LO contributions on projects quickly, keeping their administrative costs low etc.) then we would recommend that this should continue. Some of these operate in the UK as a whole and as a result you should be able to achieve some economies of scale. Discussions during the current consultation by HMRC also suggest that LO's might be resistant to losing control of how the funding is spent and as result withdraw from this (at present) voluntary scheme. Where there is no existing body, distribution could take place through an alternative organisation, e.g. Community Foundation in Wales, with the LO's permission and agreement on how the funds should be spent.

To reduce the administrative burden and the costs relating to this we would recommend learning from both the Scottish and the UK models for managing the LCF. There are many aspects of the scheme that could be made less onerous, e.g. registration of projects, management of assets and the requirement for a contributory third party payment. There are also aspects

that are working very well, e.g. good practice developed by distributors of funding working together and sharing learning.

Bearing in mind the geographical locations of the landfill sites in Wales, and the predicted reduction in these, we would also support that the geographical boundary limit of 10 miles is reconsidered. We would especially welcome this for projects focusing on biodiversity and the environment since these are often in very rural areas.

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

Although we have no direct experience of, or are impacted directly by, some of the proposals we would support changes that are beneficial to the environment (e.g. the water discount relief) or that aim to minimise Landfill Tax evasion/avoidance or waste crime. As such we would support the proposal to widen the legislation to also apply to sites that do not have the necessary licenses or permits but that are nevertheless accepting landfill waste.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

Case study

Abergwesyn Common

In 2009 Biffa Award funded a partnership project on Abergwesyn Common in Wales, and three other sites in England. The project was instrumental in giving us the opportunity to trial a range of upland management techniques, and engage with our key stakeholders - the graziers.

The funding was used to pay for molinia cutting – to benefit Golden Plover sites, to provide mulch for bare peat protection and to support a cattle grazing project and engagement with local graziers. The grazing project helped to demonstrate that it was possible to re-introduce cattle to large, unenclosed upland sites and that could be managed to graze molinia, but also that extra funding is needed to sustain this.



The project is still having an impact today, 3 years after completion, and the lessons learnt are still very relevant and has helped influenced recent projects both in the Elenydd and in other organisations. Abergwesyn is still home to Golden Plover, and a few pairs are still using the cut areas for feeding and breeding. The 1ha of bare peat that was mulched now has vegetation growing on it, helping to reduce peat erosion and release of CO₂.

Reference 56

Name:	Lucy Singleton
Organisation (if applicable):	Valpak Ltd
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	We are pleased that the Welsh Government has decided to consult on this topic. Whilst we recognise that the Welsh Government has powers to raise and set landfill tax levels in Wales, we believe that unless there are exceptional circumstances, it is important to maintain consistency with the UK and Scottish Government on Landfill Tax rates. This will help to ensure that waste tourism does not occur and will remove the incentive for waste carriers to travel across borders between the countries to dispose of waste.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	Yes we believe they are. As mentioned in the previous question, differences in the standard and lower tax rates between countries could lead to waste tourism.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	As the Landfill Tax (Scotland) Act 2014 gives power to the Scottish Government to set different rates of lower tax, we believe that this power should also be extended to the Welsh Government.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	We do not have expertise to comment on this question
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	We do not have expertise to comment on this question
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	We would support this. This legislation currently exists in England to prove that the waste is inert. A LoI test in Wales would therefore be consistent. If this is to be introduced, the Welsh Government should consider the thresholds used in other parts of the UK as this will ensure consistency in charges for producers.
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	We do not have expertise to comment on this question
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill	We do not have expertise to comment on this question

site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	We do not have expertise to comment on this question
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	We do not have expertise to comment on this question
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	We do not have expertise to comment on this question
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	We do not have expertise to comment on this question
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	We do not have expertise to comment on this question
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	We do not have expertise to comment on this question
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	In the current guide to Landfill Tax in England and Scotland, if a weighbridge exists at a landfill site then the Government would expect it to be used. If using a weighbridge would be too costly or if it has broken down then a producer can ask to agree an alternative method of calculating the weight. If a site has no weighbridge then specified methods are listed in the guidance. If a weighbridge is available, it seems fair that the operator should use it if it is in working order and does not cause excess cost (eg if the waste does pass near the site where the weighbridge exists).
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	We do not have expertise to comment on this question
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	We do not have expertise to comment on this question
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	We do not have expertise to comment on this question
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals	We do not have expertise to comment on this question

Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	We do not have expertise to comment on this question
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	We do not have expertise to comment on this question
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	We do not have expertise to comment on this question
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	We do not have expertise to comment on this question
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	We do not have expertise to comment on this question
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	We do not have expertise to comment on this question
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	We do not have expertise to comment on this question
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	We do not have expertise to comment on this question
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	We do not have expertise to comment on this question
Q29: Do you have any thoughts on the possible administrative model?:	We do not have expertise to comment on this question
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	We do not have expertise to comment on this question
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	We do not have expertise to comment on this question

Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 57

Dear Sir/Madam

Welsh Government Consultation – Landfill Disposals Tax

On behalf of its members, NFU Cymru welcomes the opportunity to be able to respond to the Welsh Government's Consultation on a Landfill Disposals Tax for Wales. The consultation poses quite a number of questions, not all of which are directly relevant or applicable to our membership. We have therefore confined our answers to those questions which are of greatest relevance and interest to our members.

Consultation Questions

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

NFU Cymru does consider it important that the Welsh Government maintains consistency with the UK and Scottish Government in terms of rates to ensure that Welsh businesses are not disadvantaged. A rise in landfill taxes may act as a disincentive for waste carriers to dispose of waste responsibly, thus leading to an increase in fly-tipping. Landowners who are the victims of fly-tipping would also be left with a greater financial burden to responsibly dispose of the waste, something which would impact upon legitimate farming businesses.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

The current standard and lower tax rates are acceptable, providing there is no proposal for movements between categories.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

There is value in the Welsh Government having the ability to set different, lower rates of tax in order to be able to react quickly to changes in rates across the rest of the UK. It is however difficult to see any merit in setting a rate which is inconsistent with the rates in the rest of the UK. For example in addition to complexity for businesses operating cross border, reducing the rates would risk additional waste being brought in to Wales whilst increasing rates risks many farm businesses within Wales finding themselves victims of increased illegal fly tipping.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis? If the list is made narrower, the landfill tax for these materials will rise very significantly, giving a further incentive not to dispose of the waste responsibly. There is a secondary affect that farmers and other landowners would then be left responsible for paying for these elevated tax rates, creating a greater financial burden. This list gives incentives to producers of waste to produce non-hazardous waste types which have negligible greenhouse gas emissions or impacts on the environment. Industry in general may be less inclined to ensure the waste types they produce are of the same specification if they don't have the incentive of a lower landfill tax.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

Weighbridges are less accessible in rural areas meaning many small-scale rural businesses will be reliant on the waste company to determine whether the proportion of non-qualifying waste was above the threshold. This could lead to exploitation as many would not know what a set tonnage or proportion of waste looks like. Alternative collections for separate waste types in rural areas are less readily available, meaning farmers are likely to have to pay more for separation costs or accept the greater landfill tax figures.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

To make a complete response on this it would be beneficial to obtain information on the main waste types which landfill operators claim have a secondary use. Applying a tax to all waste types in all circumstances would hugely increase costs on small-scale farm businesses which produce the waste. As profit margins on these business types are low, this could have a detrimental impact on legitimate business as a whole.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

A legitimate recovery operation such as the bailing of plastic for reuse should not be taxed. If these waste types and activities become taxed, it will reduce the incentive to recover waste.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

The use of European Waste Catalogue codes is vital to ensure objectivity in the activities which are exempt. There should be consultation on these activities before their implementation.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Plastic wrapping used for silaging in agriculture is often not able to be recovered due to sun and acidic silage effluent damage. Unlike many other processes, there is no alternative material which can be used which is recoverable. Small-scale farm plastic recovery firms offer services to collect this waste. A proportion can be reused but also a proportion has to be landfilled due to damage. If these services did not exist then silage wrapping would blight the countryside. By providing a reduced tax rate on the collection of this material it will provide an incentive to maximise the collection and reduce any impact on the rural environment.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

Currently Scotland has a Fixed Penalty Notice which can be issued in response to a fly-tipping event. These are relatively quick and easy to issue and it can be seen how being able to add the cost of landfill tax onto the cost of the fixed penalty notice is beneficial. Currently in Wales and England this does not exist and we are unsure how enabling landfill tax on fly-tipped waste to be recovered can be enforced. For example, clarity is needed on which regulatory body would be able to charge the landfill tax.

The concern is that landowners would be left to pay extra to clear-up waste which is fly-tipped on their land. There is often huge subjectivity as to whether a landowner 'knowingly permitted' a waste disposal activity to occur on their land. Where landowners hold permits to spread waste to land, there are occasions where the waste operator supplying the waste disposes a different waste type to land than which was initially agreed. It is disproportionate in these circumstances for the landowner to be left with the financial burden of clearing up the waste and paying extra in tax.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

A common example of tax avoidance is fly-tipping. The prevalence of this would increase with a sudden rise in Welsh landfill tax rates compared to English. It is estimate in 2013/14 remediating fly-tipping events cost local authorities and private landowners in excess of £100million. Fly-tipping also impacts on farm businesses- e.g. their operational activities and time burden for surveillance.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

This really related to operators, however from our own experience should an operator be located in a remote rural area there are often significant challenges to the use of electronic returns and online support.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities

should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

We believe research into creating a circular economy should be supported e.g. not just looking at ways to recover and recycle waste, but how processes can reduce waste production in the first instance. This will aid in reducing waste sent to landfill.

The funding should also ensure greater compliance within the waste industry- for example 'duty of care'. There are proposals to introduce a fixed penalty notice (FPN) in England and Wales for fly-tipping events. We believe funding could be spent on implementing FPNs if they are introduced. It is believed this will reduce council and landowner spending each year in remediating after fly-tipping events and reduce the impacts on local communities.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

NFU Cymru does not have any further comments to make on the initial Regulatory Impact Assessment.

I trust you will find my comments useful, if there is anything that you would like to discuss further with me, then please do not hesitate before getting in touch with me.

Yours faithfully
Huw Thomas
NFU Cymru

Reference 58

Hello

I would like to contribute my thoughts to this consultation please.

I feel it is hugely important that the organisation who oversees the grant monies is embedded in the local community and knows the local needs. Grass roots community action is where support is most needed in tackling poverty and other very real issues.

There is already in existence a local Voluntary Services Council and I feel they have the experience of grant management and providing representation to other grant panels and also know their local areas via their memberships.

I there would wish for serious consideration be given to their administration of any community funding.

Regards

J Smith

Reference 59



1. Wales Council for Voluntary Action (WCVA) is a registered charity and umbrella body working to support, develop and represent Wales' third sector at UK and national level. We have over 3,350 organisations in direct membership, and are in touch with many more organisations through a wide range of national and local networks. WCVA's mission is to provide excellent support, leadership and an influential voice for the third sector and volunteering in Wales.

2. WCVA is committed to a strong and active third sector building resilient, cohesive and inclusive communities, giving people a stake in their future through their own actions and services, creating a strong, healthy and fair society and demonstrating the value of volunteering and community engagement.

WCVA's response

3. WCVA welcomes the opportunity to respond to the Landfill Disposals Tax consultation. As an umbrella body for the third sector in Wales, we are concentrating our response in particular on Chapter 5: Community Wellbeing.

Question 27 – Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

4. Yes, we agree that Welsh Government should allocate a proportion of the tax revenue to enhance community wellbeing.

5. A range of third sector organisations in Wales have benefited from the Landfill Communities Fund, and the lack of such a fund when Landfill Tax is devolved would be seen as the removal of an important funding source.

6. Although the projected tax revenues are substantially smaller, and therefore the amount available for Community Wellbeing also smaller, we believe that allocating a proportion of tax revenue to help address the disamenity of living near a landfill site is still an important activity. The fund also provides an opportunity for partnership working between the private sector (landfill site operators) and the third sector.

Question 28 – If the Welsh Government allocates a proportion of Landfill Disposals

Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

7. As an umbrella body working to represent and support the breadth of the third sector in Wales, our members will be working in all the above activities, so we are not in a position to prioritise one above another. However, we note that the operation of landfill sites does contribute to environmental degradation and it would seem reasonable for these funds to mitigate this at both an overarching and a local level.

8. We would also suggest some principles for determining how funding should be prioritised.

9. We would suggest that a decision is made based on other available sources of funding at the time, and that the community wellbeing funding should be seen 'in the round', as complementing other grants schemes, or providing support where other funding is not available.

10. It is our experience that micro grants can be a very effective tool for mobilising local community-based action. Micro grants, with proportionately light-touch application and monitoring processes, could enable community groups to pilot different approaches, and demonstrate considerable social return on investment.

Question 29 – Do you have any thoughts on the possible administrative model?

11. We would suggest that an independent, experienced and trusted intermediary would be able to distribute the grant while minimising administrative costs; ensuring effective engagement with the Corporate Social Responsibility requirements of landfill site operators; and sharing successes and learning. Such a body could also administer any match funding, as required.

12. For example, although the proposals come into effect in three years' time, at the time of writing Environment Wales could fulfil the role of administering the funding whilst also providing practical advice and support to ensure effective spend and delivery.

13. Environment Wales is a third sector partnership, currently funded by Welsh Government, with an aim to contribute to sustainable development by

supporting and encouraging voluntary action to protect and improve the environment. The core partners that make up this initiative are Keep Wales Tidy, The National Trust, Wildlife Trusts Wales, WCVA, Groundwork in Wales, and The Woodland Trust. Environment Wales both administers grants schemes and provides dedicated bilingual pan-Wales development support. A 2014 external evaluation of Environment Wales found that the initiative has levered in significant additional investment since its inception in 1992: £6 for each £1 invested by Welsh Government. The evaluation also found that its model of combining grant aid with Development Officer facilitation has been successful in achieving attitude and behaviour change from individuals and groups and 'enables groups to achieve long-lasting impact in their locality'.

Gareth Coles
WCVA

Reference 60

Dear Sir

I am very concerned about the proposal to end the Landfill Community Fund, one of the few sources of funding for environmental projects in Wales. While I appreciate the problems that lack of finance is causing in the wider agenda, wildlife groups use this sort of funding to leverage so much more effect in terms of protecting our fragile, natural environment. Communities benefit far more, pound for pound, by the use of this funding by organisations such as the Wildlife Trusts because of the added value these groups confer with their use of volunteers, their network of supporters, and their expertise and experience. We are suffering a devastating loss of wildlife – 97% of our wildflower meadows, so vital to supporting pollinating species such as bees, have been lost in the last 70 years for example, and species decline in general is accelerating at an alarming rate. We must support these third sector organisations in their attempts to address this decline. The Landfill Community Fund is one of very few sources of funding for these vital projects.

It is not just about protecting biodiversity. There is evidence that connecting with nature is hugely beneficial to the people's health and wellbeing. The communities around landfill sites deserve the opportunities to enjoy wildlife, and connect with the natural world.

I strongly urge the Welsh Government not just to maintain this funding, but to increase the proportion of landfill tax that goes to funding wildlife projects. It really is money well spent.

Yours faithfully

M Dunkelman

Reference 61

Name:	kevin heath
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your	

response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until	

the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	I believe that the Landfill tax should remain as a source of income for the well being of communities. However I believe that the distance restriction should be removed.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	The Landfill Tax should remain as a core source of funding for environmental projects supporting biodiversity and environmental education.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 62

Name:	David Lewis
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge	

where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	All of the above

Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 63

Name:	Robert Alexander
Organisation (if applicable):	EEESafe
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	I don't believe its a high importance. Wales has Sustainability at the core of its constitution and should not let the rest of the UK hold it back from developing a better system.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	I'm not qualified enough to make this comment.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	Yes. So that they are able to respond to economic changes, social circumstances and/or environmental developments.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	No
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	No comment
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	Not qualified to comment.
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	No
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	Perhaps look at how Landfill site operators choose those they deem worthy to receive funding. They should be allowed to widen the scope to include Social Enterprises who can evidence Waste Prevention in any area of Wales.
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is	We deal with Waste Prevention and couldn't comment on what the implications would be on legislating on this basis.

specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	We think that Tax Credits should be given where Waste Prevention is evidenced. Waste Prevention is a higher priority than recycling and reprocessing. See our Page on Sustainability and the engagement of businesses with communities, to understand our views. http://eeesafe.com/sustainability/
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	No
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	Not particularly
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	Its now EU Law and therefore increased compliance has probably justified the removal of this discount.
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	Anything that is further up the Waste Hierarchy should be seriously considered for exemptions. If we're evidencing and reducing waste, we have less to tax and then less to burden businesses and communities as we work towards a sustainable living model.
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	A positive one. One that would provide more accurate figures for forecasting and budget making decisions.
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	More revenue and less waste hopefully. However we think the cost of managing would increase. The return ratio of finance on Waste Crime may have a negative effect. It would be better to offer more education and invest in systems that engage communities in Waste Prevention, particularly where it's easy to engage and there are incentives, such as the one offered by our Sustainable Living Platform. http://hub.eeesafe.com/community-csr/
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	We need to recognise that Waste is a Resource, and build infrastructure to localise reprocessing. We're doing some work on that but have limited resources. We do however have an Quality Recycled Components Platform that through safe disassembly by our Competent Persons Register, we can teach communities how to be Certified and recognise the value

	at a local level, of many components electrical and cosmetic. The need to penalise would be reduced if we were allowed to develop this in partnership with Local Authorities. The upshot being extremely positive in reducing Waste Arisings, increasing revenues to communities, creating new enterprises locally, reducing harmful emmissions and developing skills with our training course. We believe you should adopt our outside the box thinking on how best to tackle penalites with a carrot and not a stick.
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	You would have to supply more data on the costs of compliance, before we could make an informed comment. For now we refer to our answer in Q16
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	Our comments are in Q16 and Q17
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	We are not informed enough to make a comment.
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Yes. It must make administration easier in the long rung
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	To be honest, it could put people off as it would appear as more red tape. Despite guidance being available, I think a simple guide with a simplified link to product categories might assist here. You could include the EWC codes alongside that. We are looking at adding EWC Codes into our own Household Items Database, used in our online Waste Prevention shop. This would assist us and others who lease our system, to automatically include the EWC's in community reports.
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Similar to Q22, but our system is available for WG to use through the correct partnership models.
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	Yes it should be offered as it's not always the fault of the Site Operator and they shouldn't be unfairly penalised. I think a better system of administration can be put in place to reduce that part of the cost.

Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	You could use a similar system to Paypal to resolve most of it online, where both parties agree. Then you can follow your existing processes, of which should result in lower costs.
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	This would depend on each circumstance. We cannot comment further than that.
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	All of the above but I would also advocate where evidence of Waste Prevention exists, those that can provide it should have funding. We offer opportunity to seriously and effectively tackle Poverty, as explained in the next question. Working with our model, we can evidence and reduce impact on the environment and help create jobs in communities with full alignment of the Health & Well Being Bill.
Q29: Do you have any thoughts on the possible administrative model?:	We offer an Administrative Model through our LocalitEEE Platform. Many waste Prevention and Community evidence is available through our Platform. We can demonstrate Tonnage Savings, Volunteer outcomes and Social outcomes in the Circular Economy Model. Short presentation is available. http://bit.ly/localiteee The Model can operate at a National Level as well as a lease option for individual authorities or approved groups. Both can co-exist. We have recently won an award for this. Details at http://hub.eeeseafe.com/isustain-winner In our National Model, we are able offer a 35% Intervention in the form of a Social Currency, which allows people who have earned the currency from volunteer activities, can spend on the shop online to purchase without real cash, goods, food and services required by those who are deemed as vulnerable and living in poverty. The Currency is explained here. http://eeeseafe.com/eeecoins The current proposals for Reuse/Repair from the WG are extremely expensive, particularly when compared with our Platform

	and the evidence it can provide. We urge Welsh Government to ensure they are getting best return from Taxpayers Money, when it comes to Reuse/Repair and Waste Prevention. We have already discussed our model with some Assembly Members who are supporting our work.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	no
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	no
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 64



Natural Resources Wales response to: Welsh Government landfill disposals tax consultation

We welcome the opportunity to provide our views on this consultation and recognise that the transfer of tax-raising powers to Welsh Government represents a significant step in devolution in Wales. We are represented on your Wales Landfill Tax Project Board, and Landfill Tax Technical Experts Group. Through these groups we have been working with you to look at the potential role and opportunities for Natural Resource Wales in relation to Welsh Landfill Tax. The purpose of Natural Resources Wales is to seek to achieve sustainable management of natural resources in relation to Wales, and apply the principles of sustainable management of natural resources. Natural Resources Wales works as a regulator, partner and advisor to businesses, non-governmental organisations, local authorities and communities to help deliver Welsh Government and European Union policies and priorities. We take an ecosystem approach to promoting integrated natural resource management that delivers social, economic and environmental benefits for the people of Wales. We indicated in our response to the Welsh Government's consultation on the white paper "Collection and management of devolved tax in Wales" that we did not wish to be considered for the collection and management role at this time, but recognising there are potential synergies between our existing regulatory role and the forthcoming landfill tax regime, we committed to explore opportunities to deliver a more effective compliance and enforcement regime in Wales, working on the expectation that any additional role would be fully funded. I trust you will find these comments and recommendations useful. If you have further queries relating to our comments, please contact Becky Favager, Waste & Resources Manager.

Yours Faithfully
Ceri Davies

Executive Director for Knowledge, Strategy and Planning

Response to specific questions

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

We believe there are significant potential benefits to continued consistency between Welsh Government and the UK and Scottish Governments. The UK Landfill Tax introduced in 1996 was the UK's first environmental tax and is a key mechanism in enabling the UK to meet its targets, for the landfilling of biodegradable municipal waste, set out in the Landfill Directive.

Landfill Tax is a tax on the disposal of waste at landfill, which provides a strong incentive for waste producers to produce less waste, recover more value from waste, for example, through recycling or composting and to use more environmentally friendly methods of waste management. Through increasing the cost of landfill, other advanced waste treatment technologies with higher gate fees are made to become more financially attractive. The effectiveness of this tax in changing behaviour has been demonstrated by the reduction of waste disposed at Landfill sites in Wales. Since 2000 the amount of waste disposed at landfills in Wales has reduced from 4.5 million to 2.1 million tonnes in 2013.

The proximity of major urban areas on both sides of the Welsh and English Borders means that potential flows of waste could easily be reversed simply by relatively small changes in differential rates. To create incentives to waste tourism to other parts of the UK could impact negatively on Welsh waste management enterprises when bidding against competitor operators from other parts of the UK. Welsh Government should also consider the potential impact on existing and developing long-term regional waste contracts, whilst primarily focussed on managing local authority municipal wastes, the business model would almost certainly include an element of commercial waste, the basis of which, would have been unlikely to have considered or mitigated for different taxation rates.

We believe co-operation between administrations in setting rates and fees is desirable if taxation is to achieve optimal environmental responses supporting the management of waste further up the waste hierarchy within appropriate proximity of its arising. We also recognise that stability and certainty are critical to how the business community will respond to any proposals. It would be helpful if any changes were clarified as early and as openly as possible.

Question 2: Are the current standard and lower tax rates set at an appropriate level for Wales? Please explain your response.

Standard rate

We believe that the current standard rate is appropriate for Wales. As highlighted in our response to the previous question, the effectiveness of achieving a greater than 50% reduction in disposal of biodegradable municipal waste at landfill, indicates that that the implementation and escalation of the standard rate in tax has been successful. We would be concerned if the level of standard rate applied in Wales is changed as it could have the potential to negatively distort current waste management practise and weaken a key mechanism to delivering the ambitious targets set in Towards Zero Waste. Page 3 of 10 www.naturalresourceswales.gov.uk

Lower, 'inactive' rate

We do not believe that the current lower rate provides enough of an incentive to effectively drive recovery and corresponding diversion from landfill of this waste stream. Since its introduction the inactive rate of Landfill Tax has remained at a low rate and not in pace with price changes in the wider economy. We recognise that it is difficult to separate out the impact of the rate change from that of the global downturn following 2008 and therefore assess the effectiveness of the lower tax rate in driving waste producer behaviour or choice of waste management options for qualifying waste types. There are a number of well-established options for recovery which should be encouraged over disposal at landfill and we would support Welsh Government in taking this opportunity to consider increasing the lower rate.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

We would support Welsh Government having the ability to set different lower rates of tax as this would provide a mechanism for tax rates to respond and support delivery of future policy objectives for Wales or to reflect any changes in England and Scotland. We recommend that the consequence of any actual proposed changes would need to be fully considered before introduction, for example, potential to alter waste flows and impact on waste crime.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate that should be considered, and on what basis?

We believe that there are inherent advantages, highlighted above, in maintaining a consistent approach and keeping the list broadly the same as across the remainder of the UK.

We recognise that there is an inconsistency between what is defined as inert for waste regulation purposes and that which is defined as inactive for taxation purposes. Aligning the two classification systems so that only inert materials qualify for the lower rate, could incentivise improved management of non-inert waste streams, and however in doing so would have a significant economic impacts on large industrial waste producers in Wales.

Any proposed changes would require detailed modelling and the benefits of international experience where available to ensure that all potential outcomes, positive and negative are identified so perverse consequences are avoided.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

We would strongly recommend that no threshold is introduced to define a small quantity. In our experience of regulating waste facilities, our common sense approach to waste acceptance is that any non-qualifying waste must be incidental, i.e. present by accident.

We anticipate that the practical implications of introducing a threshold will encourage some parts of the industry to use less efficient methods for segregating waste at source and treatment, with even some operators deliberately mixing wastes to achieve the limit set. So introducing a 10% limit will legitimise 10% of higher rate waste to be disposed of at the

lower rate. As well as encouraging poor waste management practice this also legitimises tax avoidance.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

We would support the introduction of the Loss on Ignition test in Wales. The LoI test was introduced in response to concerns raised that there was no consistent methods for both operator and regulator to assess whether certain materials attracted the lower or higher rate of tax. We believe that the introduction of a consistent measure is essential if the scheme is to be delivered successfully. The Environmental Services Association has supported the UK scheme in that it creates a level playing field and will reduce misclassification. We note that Scotland have a different methodology from England and recommend that Welsh Government learns from their experience and consults with other bodies before developing any test in Wales.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

We are not aware of any problems with the existing arrangements, although we recognise that there may be potential for confusion between wastes deposited for recovery purposes within a landfill. We would recommend that the taxable disposal area is consistent with the site boundary identified within a landfill facilities environmental permit and operator's management plan. We would also recommend that the landfill operator ensures that they keep an accurate record of intention and final use of the wastes entering the disposal area.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

We have no relevant experience of this happening in practise. We would recommend that the landfill operator ensures that they keep an accurate of any material removed, including its final destination.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

We would support Welsh Government in taking a common sense approach, so that materials entering the landfill where waste disposal was never the intention are excluded from tax requirements, for example, compaction vehicles. We believe that it would also be useful to ensure that any exemptions are clearly defined. It is essential that operators keep an accurate record is kept all wastes types and quantities.

Question 10: What activities would you expect to be exempt (not subject to tax) why?

We would support Welsh Government considering tax exemptions for activities that promote recycling or recovery of waste over disposal, or the activity offers a clear benefit by reducing unnecessary administrative burden.

We believe the exemptions in place under the current regime are appropriate, and therefore should be maintained in the Welsh provisions. These exemptions incentivise the reuse of waste materials on site, where appropriate, without compromising the objectives of the tax regime.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

We suggest that the operator's management system / site working plan includes information which clearly sets out the location and activities being undertaken.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

We do not believe that removing the exemptions would result in any positive changes in the amount of waste arising and/or encouraging alternative waste management to landfill disposal. For example, there are limited options for the appropriate treatment and disposal of dredgings. Where the dredged material cannot be deposited on the bankside or otherwise recovered the most appropriate option would be disposal at landfill. Removing the exemption would not decrease the amount of waste destined for disposal but could potentially increase costs for public authorities with a responsibility for dredging waterways.

We also believe that there are benefits, in maintaining a consistent approach and keeping the exemptions broadly the same as across the remainder of the UK.

Question 13: Is there a case for removing or modifying the water discount relief?

We would support Welsh Government in considering modification of the water relief discount and recommend that a cost-benefit analysis is undertaken and the potential timescales analysed. The current system encourages the addition of water to waste, increasing the amount of leachate being generated that will require further management to ensure that the environment is appropriately protected. The availability of a water discount relief may also support bad practice of operators in undertaking ineffective pre-treatment of waste prior to landfill.

However we do believe it is appropriate to maintain water discount relief in some circumstances, for example, where water has been added to ash to ensure dust suppression or in the disposal of fire damaged materials. We would recommend that Welsh Government considers the potential for limiting the water discount relief to specific wastes and/or circumstances.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

We believe there may be merit in including difficult stable non-reactive (SNR) wastes, such as Asbestos and Gypsum, in the list exempting landfill disposal tax. An important and appropriate waste management option for disposal of both waste streams is landfill. There are limited asbestos and no gypsum disposal facilities in Wales. The sensitive handling required for both materials means that they are likely to be illegally dumped and/or deliberately mis-described resulting in inappropriate management putting the environment and human health at risk. Providing an incentive for these specific wastes to qualify may encourage responsible management of wastes.

We would also support the introduction of an exemption for public authorities, such as Natural Resources Wales and the Local Authorities, who have responsibility to clear and dispose of fly tipped and illegally deposited waste. This would reduce the financial burden on the public purse and may enable waste to be clearly more quickly.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

We do not believe that there would be any practical implications of obliging operators to use a weighbridge, as our understanding is that all permitted landfill sites in Wales have a weighbridge.

We recognise that we may become aware of potential breaches of this obligation through our compliance activities and would ensure that this information is shared with the appropriate body.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

We believe that introducing this measure may act as an additional deterrent to illegally depositing waste. However Welsh Government should be aware that this measure will only become effective if sufficient evidence is gathered to undertake successful enforcement action.

There are some practical implications that we recommend Welsh Government further consideration, such as;

- ☐ the practicalities of assessing the illegal deposit of waste; would Welsh Government expect every illegal deposit to be assessed and who would take responsibility for undertaking the assessment?
- ☐ Proceeds of Crime Act (POCA) - we use the avoided costs (legitimate disposal) figures to prove criminal benefit. It would be duplicitous to expect a Defendant to pay a Confiscation Order based on his criminal benefit and then expect them to repay the taxation which, essentially, will already be covered by the POCA proceedings. Excluding the legitimate disposal would reduce the total benefit assessment, which could reduce the amount of funds payable under the confiscation order and the subsequent funds returned back to the regulators

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

We have no experience of the penalty regime, however we would recommend that Welsh Government consider the development or implementation of the penalty scheme to deliver the Hampton¹ principles as follows;

Six Penalties Principles

A sanction should:

- Aim to change the behaviour of the offender;
- Aim to eliminate any financial gain or benefit from non-compliance;
- Be responsive and consider what is appropriate for the particular offender and regulatory issue, which can include punishment and the public stigma that should be associated with a criminal conviction;
- Be proportionate to the nature of the offence and the harm caused;
- Aim to restore the harm caused by regulatory non-compliance, where appropriate; and

- Aim to deter future non-compliance.

Seven characteristics of a successful sanctioning regime

Regulators should:

- Publish an enforcement policy;
- Measure outcomes not just outputs;
- Justify their choice of enforcement actions year on year to stakeholders, Ministers and Parliament;
- Follow-up enforcement actions where appropriate;
- Enforce in a transparent manner;
- Be transparent in the way in which they apply and determine administrative penalties; and
- Avoid perverse incentives that might influence the choice of sanctioning response.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Our perception is that currently there is little on the ground compliance activity undertaken, which may not pose an effective regulatory framework. We support Welsh Government's aspiration to increase compliance with the tax regime, and believe there are significant benefits in undertaking on the ground site compliance activities as it will allow the regulating officer to check compliance and compare actual site practise against the site management documentation and record keeping. We also believe that on the ground presence will be essential to ensure that the Lol tests are being undertaken properly.

We also recognise the benefits that having an effective tax compliance would have on protecting the environment, for example, operators ensuring inactive and active wastes are appropriately described would ensure that the correct amount of tax is levied and that the wastes are properly managed. It would also support more effective segregation of wastes at source and pre-treatment, providing increased opportunity to recycle and recover more materials.

We will continue to work with Welsh Government to explore any potential role that we may have in compliance or enforcement of this regime, to ensure that we are fully funded and that there is a resilient level of knowledge and skills present to enable us to deliver any role effectively.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

We recognise, that there are opportunities and synergies in delivery of this activity to achieve shared outcomes. Examples include improving information sharing and coordination, and potential to reduce administrative burdens on businesses, through new policy approaches. We will continue to work with you on these opportunities through our representation on your Project Board and Technical Experts Group.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

We have no evidence of tax avoidance.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Yes we would support aligning the tax return period to a financial year. Landfill operators are required to submit a quarterly summary of the waste received on site, this is an important information source to cross-check the accuracy of the tax return submission. Aligning the tax return periods will simplify this cross-checking.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

We would support the use of the European Waste Catalogues (EWC) codes in the completion of the tax return as this is the classification system used for waste regulation purposes and is the basis of the waste return summary highlighted above. If both returns use the same classification system this will improve the ability to cross-check the information.

We highlighted the difference in categorisation of inactive (for tax purposes) and inert (for waste regulation purposes), to help overcome this difference it would be useful if the inactive list was translated into the associated EWC. There will be some codes that are more difficult to directly translate, for example 19 12 12 – Other wastes (including mixtures of materials) from mechanical treatment of wastes.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

We recognise that the number of landfill operations in Wales is likely to decrease significantly by 2018, and that the expense associated with developing an electronic system will be a consideration for Welsh Government. We would be happy to share the experience we've gained from developing replacement IT system for waste permits and returns, following decoupling from the Environment Agency. We have designed the overall architecture for our regulatory IT systems to be modular to facilitate additional functionality to be built in if required, including automatic validation or quality assurance checks. In our experience this provides a cost-effective way of providing an electronic system.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

We have no comment on these questions.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals

Tax revenue to enhance the wellbeing of communities?

We would strongly support the allocation of a proportion of the Landfill Disposal Tax (LDT) revenue to be used to enhance the wellbeing of communities.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals

Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

We would support the use of the LDT revenue to support compliance and enforcement and recognise the wider potential benefits that an effective enforcement regime could bring to community wellbeing. We are aware of the success that the Environment Agency has been able to deliver, to reduce waste crime with additional funding, this could also lead to greater amount of tax captured.

We also recognise and support the use of this funding in tackling poverty and deprivation via biodiversity initiatives and wider environmental improvements. It is well documented that the wider benefits of a healthy environment on communities, urban and rural, so activity that encourages access to quality outdoor space, environmental improvement work, habitat restoration and biodiversity enhancements are very welcome and important to local communities as well as wider ecosystems. An example of how we believe the funds could be put to use is woodland creation in areas of greater social deprivation. This would allow regeneration of former industrialised areas whilst promoting health and well-being agenda through provision of attractive open green spaces. This can drive economic regeneration, opportunities for flood alleviation and education opportunities for the community. A significant number of sites brought forward annually for action are associated with past waste management practices (e.g. closed landfills/closed tips).

We have benefited directly from some small amounts of LCF funding, and would wish to be able to eligible for funding but also recognise the great importance of this funding for third sector partners in delivering biodiversity and community outcomes.

Question 29: Do you have any thoughts on the possible administrative model?

We consider that there are opportunities to simplify and improve efficiency of the administration of this fund, particularly as we recognise that the total size of the fund is estimated to be around £1M and diminishing. A model that it might be worth looking at might be the Welsh Government's Aggregate Levy Fund, with a cross-sector assessment panel including WG, Landfill Operators, NRW and other parties, although we think a flexible timetable is essential to support partners to find match and "contributing third party" funding.

Reference 65

Name:	Florence Bullough
Organisation (if applicable):	The Geological Society
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and	

why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	

Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	We support the plan to allocate a proportion of the proposed Landfill Disposals Tax to enhance community wellbeing: landfill projects have a significant effect on local communities in terms of environmental impact and the Landfill Communities Fund will contribute towards ameliorating some of these issues. An important area of activity that is omitted in the consultation document is geoconservation and the protection of geologically important sites. Many of our Fellows and people in the wider geoconservation community have expressed concern about the lack of awareness, support and protection of important geological sites in Wales. The inclusion of geoconservation activities in the remit of the Landfill Communities Fund would help to improve the maintenance of these sites and also enhance the public's appreciation and understanding of this amenity. Wales is home to vast number of geological sites that are of great importance to research and education in geoscience, some of global significance. They also form a crucial part of the history of geology and serve as a

	major tourist draw to Wales. Wales is home to many established geotourism sites including National Parks, Sites of Special Scientific Interest, Geoparks and others. Some of these sites were highlighted in The Geological Society's 100 Great Geosites project which launched to much media attention in late 2014. Many of the less well known sites represent an important knowledge source to locals as well as people from the rest of the UK and around the world. Time and place are important factors in the study of geology: key geological outcrops that underpin our understanding of the planet we live on are not replicated elsewhere and are unique to a specific location, so conservation of regional sites is very important. They also inspire great enthusiasm on the part of many local geoconservation groups and amateur geologists and contribute to a sense of pride in the regionality of local geology. Visitors to Wales' vast areas of natural beauty and geological heritage contribute significantly to the Welsh economy. Aside from the more established sites, there is a wealth of scientifically and historically important geological sites in Wales that are not used or promoted in the most beneficial way. Allocation of funds from the Landfill Disposal Tax revenue to geoconservation could significantly improve care and maintenance of areas of geological importance as well as enhancing access to this public amenity through activities such as raising awareness of Welsh geology and generating branded promotional materials including installation of geological interpretation panels and maps of local sites.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	The Geological Society is the UK's learned and professional body for geoscience, with more than 11,500 Fellows (members) worldwide. The Fellowship encompasses those working in industry, academia and government with a broad range of perspectives on policy-relevant science, and the Society is a leading communicator of this science to government bodies, those in education, and other non-technical audiences.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 66

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where	

one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Absolutely.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Biodiversity initiatives.

Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 67

Name:	Paul Taylor
Organisation (if applicable):	One Planet Council (Wales)
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Charities and community groups such as Wildlife Trusts in Wales undertake essential projects to protect and enhance Wales' most important habitats and species. This fund is essential if Wales is to reverse the terrible loss of wildlife including 60% of UK species being in decline and more than 1 in 10 species in the UK being under threat of extinction. Welsh Gov projects such as those to increase wildflower populations will suffer if related projects funded by landfill tax do not take place due to lack of funding.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	I urge the Welsh Government to maintain as a minimum current funding and if possible increase the percentage of landfill tax that goes to funding wildlife projects to 10%.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is	

subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year?	

Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes when this is provided via constiuted bodies such as Charities, Community Groups, Social Enterprise and or Community Interest Companies. Health & wellbeing benefits of the natural environment are well documented in academic research.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Supporting work that; a) improves ecology and increases biodiversity, b) protects the natural environment c) helps improve community wellbeing (i.e. via access to open space) d) offers training and or work experience opportunities that help tackle poverty and deprivation ia constiuted bodies such as Charities, Community Groups, Social Enterprise and or Community Interest Companies.
Q29: Do you have any thoughts on the possible administrative model?:	The ENTRUST model used in England is efficient and effective.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	

Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 68

Name:	David Williams
Organisation (if applicable):	Potters Waste Management
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	It depends if Wales is trying to attract waste in or push waste away. If Wales can set its own rate then it can determine which it wants to do.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	If the levels are different it will promote the movement of waste across borders. It depends if you think this is a good thing or not.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	If WG would like to attract the resource of waste into Wales then lower tax would provide an attraction.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	The issues are with policing this and who is responsible.
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	An LOI test is required to be consistent with England. Unless you wish to push waste away OR draw it is?
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	A landfill site is a 3 dimensional form with different areas of the site subject to different activities at different times. For example you would not want to penalise a company that wants to improve upon the minimum restoration cap thickness.
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	Engineering, daily cover, fluff layers over liner and below cap
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified?	

Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	Most transactions are undertaken by weight. No practical implications for this.
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	This would be good it should cover illegal waste deposition and the costs that criminals have avoided.
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	AS I understand it illegal waste disposal sites are not required to pay the avoided landfill tax. They should be and even at a higher penalty rate.
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	We operate two landfill sites and to assist our cash flow we have the sites on different quarter dates. We use the third month of the quarter to make our VAT payments.
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	If the waste is coming out of transfer stations or pre-treatment facilities it will have a 19 code so what would the benefit be.
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Returns are quite straight forward now.
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation	

of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Compliance and Enforcement: NO. Waste min & Diversion: NO Biodiversity/ Environmental: YES Poverty: NO Sports and Education around Landfill YES
Q29: Do you have any thoughts on the possible administrative model?:	Money needs to remain away from Government as currently LFTCS money can be used to match fund grants.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box.:	(Unchecked)

Reference 69

Name:	Cath Hare
Organisation (if applicable):	The Wildlife Trusts / Biffa Award
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	

Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or	

appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes. The Landfill Communities Fund provides funding to a vast number of projects that would otherwise struggle to find funding in the current economic climate; the overall scheme is very popular and the Biffa Award programme always receives far more applications than the sums available for distribution.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):.	Biodiversity initiatives; wider environment improvements; and tackling poverty and deprivation in communities - these would have the most direct impact on those local communities that are near to landfill sites, enhancing their wellbeing. Other community projects such as improvements to community hubs and amenities, eg village halls and sports clubs, should also be considered as these types of projects remain consistently popular, making up a high percentage of the types of applications which are funded under the current scheme, and often without many alternative funding sources available.
Q29: Do you have any thoughts on the possible administrative model?:	If a Third Party Contribution is required under the new scheme, then the regulations around who can provide this should be relaxed so it is less complex and that it is compliant for small charities or community organisations to raise and provide this through general fundraising and ordinary reserves held. This may also prevent delays to that part of the process, speeding up the administrative procedures and helping ensure that monies flow through the scheme and are spent out in a timely manner.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 70

Name:	P Taylor
Organisation (if applicable):	Cwm Harry Community Land Trust (Charity)
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of	

these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax	

returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	If Welsh government intends to increase the level of Landfill revenue that is made available it could allocate the additional money to enhancing community wellbeing on projects that interconnect the natural environment and the wellbeing of people and/or communities.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	If money raised and distributed increase in addition to protecting and enhancing biodiversity and natural environment wellbeing benefits to people or communities might include training or work experience opportunities that help tackle poverty and deprivation. Money should only be made available to Charities, Constituted Community Groups, Social Enterprises and Coops.
Q29: Do you have any thoughts on the possible administrative model?:	It needs to be simple. All too often administration in Wales is much more complex and time consuming than that found in England and Scotland. Welsh Government must at all costs avoid the involvement of local authorities given their inability to be cost effective.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 71



Woodland Trust response to Welsh Government Consultation Document: Landfill Disposals Tax

1. The Woodland Trust (WT) welcomes the opportunity to respond to this consultation. The Trust is a charity receiving no statutory funding, relying on donations from a wide range of sources, and some operationally related income. We receive funding from various landfill operators through the Landfill Communities Fund (LCF) in Wales and throughout the UK. This response focuses only on those questions that are most relevant to us, and is set in the context of the vital part that Landfill funding plays for us in Wales, and the threats and opportunities that we see.
2. The Trust is the UK's leading woodland conservation charity. Operating since 1972, the Trust is the UK's leading woodland conservation charity. We have three aims: to protect native woods, trees and their wildlife for the future; to enable the creation of more native woods and places rich in trees and to inspire everyone to enjoy and value woods and trees. We have over 500,000 members and supporters across the United Kingdom. We manage over 1,000 woods, over 100 of them in Wales cover 1,580 hectares (3,900 acres). Wales is one of the least wooded countries in Europe, with woodland making up just 14% of the landscape and less than half of this is native.
3. Over the life of the Landfill Disposals Tax WT has registered over 800 projects through Entrust which has resulted in funding of well over £10million towards our environmental and community outcomes throughout the UK.

Financial Context

4. DEFRA has reported that delivering against the Government's Biodiversity 2020 targets costs in the order of £425m per year and that there is currently a shortfall of around £100m against this, increasing year on year – meaning that targets are not being met, environmental degradation is continuing and the best efforts of the voluntary sector to deliver are not being supported and mobilised.
5. 'Where the Green Grants Went, 6' (Environment Funders Network, 2014) and its predecessors have reported that, of philanthropic and

grant giving in the UK, less than 5 % goes towards environmental causes despite the environment being the backdrop to the lives and wellbeing of people in the UK. This incredibly low level has long been the case and shows no sign of improvement despite the huge climate challenges that we are facing, including flooding and tree disease.

6. It is also in stark contrast to the ever growing awareness of the importance of the natural environment to tackling some of the great policy challenges of the age such public health and climate change. For example, the Natural Capital Committee has recently called for the creation of a further 250, 000 ha of new woods close to people but it is clear that central government is only going to be prepared to fund a small proportion of this (Natural Capital Committee Third Report 'The State of Natural Capital' (2015)). Recent work carried out for the Woodland Trust by Europe Economics has placed the total value to society of UK woodland at £270 billion excluding the health and water benefits of which there is a growing awareness.

Qu. 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why? :

- 7 It is important that consistency is maintained to avoid the risk of "Waste Tourism" either side of the Wales/England borders.

Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities? :

- 8 The Woodland Trust supports the continuation of the fund.
- 9 We propose that a proportion of the tax should continue to be allocated towards directly enhancing the wellbeing of communities through biodiversity projects rather than all of the tax being absorbed into the general Welsh Government budget. Waste is an environmental pollutant and landfill sites have a negative environmental impact so we therefore strongly feel that the fund should benefit environmental projects and the allocated funds should be kept separate to help mitigate the impacts. Creating new landfill sites will always be highly controversial, yet there continues to be a need for them, albeit hopefully at a lower level than in the past. The existence of the Landfill Fund at least gives the communities concerned some indication that they are likely to benefit from them in some way.
- 10 We advocate that a higher percentage of the fund should support Biodiversity as this benefits the community through recreation and wellbeing as well as benefiting habitats and wildlife. Under Object DA, the LCF is also one of the few remaining funding streams that maintain

a direct interest in Biodiversity. Indeed, against the wider backgrounds of austerity and a funding community rarely focussed on nature conservation, this fund is increasingly essential (Where the Green Grants Went 6).

11 The LCF has: -

- allowed important habitats to be restored to help safeguard Wales' rich, but drastically declining, biodiversity
- provided healthy green spaces for people to enjoy and connect with nature
- supported volunteering and skills development opportunities for local communities

12 It also helps to support the Well Being Goals in the Well Being of Future Generations Act 2015, especially in creating A Resilient Wales – “A nation which maintains and enhances a bio diverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change)”

13 The LCF is one way that the Finance Ministry can discharge their statutory duties to conserve and enhance biodiversity under the Natural Environment and Rural Communities Act 2006, especially in meeting the responsibility to take account of biodiversity and more particularly to conserve species and habitats listed under section 42 of that Act.

14 At the Woodland Trust we have registered over 800 projects through Entrust which has resulted in funding of well over £10million throughout Wales, Scotland and England. Not only has this had a direct financial benefit through biodiversity projects for wildlife, habitats and communities, it also forms the basis of match funding which typically levers in other private funding at a ratio of 1:4 (so each £1 of Landfill Tax will attract a further £4 investment into those communities and their environment).

15 Diluting the income through the general taxation pot would reduce the visibility of the impacts that currently so clearly demonstrate its benefits. As the fund is currently a private scheme it does not need to be diverted to align with Government policy, so it can continue to enhance the areas most affected by the impact of landfill.

Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. -

Tackling poverty and deprivation in communities. - Other (please specify).

- 16 We would advocate the use of funds towards Biodiversity initiatives and wider environmental improvements. Biodiversity funding is extremely limited whereas other funding needs such as waste minimisation and tackling poverty do have alternative opportunities especially through market mechanisms. We would further suggest that because the tax is generated by landfill, which has a negative impact on the environment, then it is right to ensure that the fund is used to achieve environmental improvements and local Biodiversity.
- 17 There are a number of key benefits to supporting Biodiversity initiatives which include: -
- Climate change mitigation,
 - A wide range of improved health benefits including improved air quality, mood improvements and improved health outcomes such as enhanced birth weight
 - Improvements to water and soil quality
 - Important aesthetic benefit to local communities and visitors.
- 18 To provide you with the background and research into this area a attached a copy of our recent commissioned report 'The Economic Benefits of Woodland' is attached.
- 19 If funding is diluted or diverted away from supporting environmental projects that will impact on the opportunity to hit specific environmental Welsh Government commitments such as halting the loss of Biodiversity by 2020. LCF-funded wildlife projects contribute to Wales' key environmental objectives and legal obligations:-
- halting and reversing the loss of wildlife/biodiversity by 2050 (with interim targets for 2020)
 - ensuring all statutory designated sites (such as Sites of Special Scientific Interest (SSSIs) and Special Areas for Conservation (SACs)) are in favourable condition by 2026 – with interim targets for 2015
- 20 LCF has been absolutely vital to the success of the Woodland Trust and we would not have been able to achieve so much without the direct support of this scheme; it has often been our first confirmed funder which has then helped us to secure support from other funders to enable the project to happen. When we do have several funders contributing to elements of a project this can leverage much larger scale funding, spreads the risk and delivers greater overall impact. LCF has also been the final funder on a number of occasions so without them the work would not have been able to be completed. The funds we receive at times may seem like a small part of the project

funding but they ensure we can complete a large scale and long term positive result.

- 21 An example of this is how we have been able to develop our ancient woodland at Plas Power near Wrexham with the help of three landfill funders. Their investment allowed us to work with the visitors' centre there to bring the local community into the wood by improving access, creating and updating way markers and interpretation boards as well as creating an interactive maze and running a number of events. The effect of this was that more people felt able to explore this beautiful location and increase their confidence to enjoy such a wonderful piece of natural heritage. The longer term impact is to increase the community's sense of ownership and attachment to the woods, and reduce any anti-social behaviour or environmental damage. It has been a very successful project and just would not have been possible without our landfill partners.

Q29: Do you have any thoughts on the possible administrative model? :

- 22 It should be a clear and effective administration process; either through one third sector provider (there are existing organisations who would be able to deliver this combined distribution of funds) or by individual third sector organisations as currently happens, this will show a clear and transparent flow of funds clearly audited and one step away from Governmental influence. This should not be handled by a Government department as this could mean that the funds might be drawn into other requirements and will not show the benefits that it currently achieves. There should be no duplicate process set up that would add complexity and administrative burden to DEBs and charities and would mean less money for good causes.
- 23 It would be beneficial to widen the definition from landfill sites to 'landfill sites and related activities (such as depots and transfer stations)'. This will ensure that more stakeholders will benefit from this opportunity across Wales.
- 24 The administrative model should follow a simplified process and provide the key benefits for the landfill operator, such as PR related to their support for good causes, in order to secure their continued support for the fund and thereby its ongoing success.
- 25 Multiyear projects would enable us to look at projects that have a larger impact on the natural environment as the action/work is so subject to seasonal constraints (weather affected access, presence of breeding species, seasonal dependencies etc) that it very often may take a couple of years to complete to maximum effect

- 26 It is vital to recognise that there is a big difference between 'unspent' funds and funds retained by a DEB but already allocated for multiple-year projects, released on a yearly basis. . It must be recognised that funds committed through a contract are not easy to spend within short timescales. Indeed, it is vital for the success of conservation projects to have funders who can commit to funding medium term projects (3-5 years).

Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make? :

- 7 The Woodland Trust activity in Wales would be where it is now without the support of the LCF. Our projects have a direct impact on the Welsh stakeholders. As an organisation we are only the custodians of the project we run that are open to all residents in the vicinity.
- 8 Everyone benefits from trees, woods and forests even if they never see or touch a tree, or walk in a wood. We all rely on the natural world to supply us with the essentials of life such as clean air, water, food and fuel. Trees offer other riches too: our lives would be far poorer without their place in our landscapes, literature, language and livelihoods. Our spiritual and practical connections with trees and woods go back centuries and millennia but are now lost for many people. It is time to renew that cultural connection with trees and woods to bring them back into all our lives. The LCF can help to achieve this and we very much hope that it will be part of this connection into the future.

The Woodland Trust, Kempton Way, Grantham, LINCOLNSHIRE NG31 6LL
www.woodlandtrust.org.uk

Reference 72

Gwent Wildlife Trust Ymddiriedolaeth Natur Gwent



Developing a Landfill Disposals Tax Consultation Response

About: Gwent Wildlife Trust (GWT) was established in 1963 and is a registered charity. It is a member of the largest voluntary organisation concerned with all aspects of the protection and enhancement of our natural heritage – the Wildlife Trusts Partnership. With over 10,000 members, GWT aims to protect and enhance the wildlife of Gwent, and encourage public enjoyment and awareness of local wildlife for all with its vision of an environment rich in wildlife for everyone. We work to inspire people about the natural world and to encourage individual action for wildlife.

Question 27: *Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?*

Gwent Wildlife Trust agrees that a proportion of Landfill Disposals Tax should be allocated to enhance the wellbeing of communities. We also advocate that not only should the specific focus of the fund remain on biodiversity delivery, but that a higher percentage of tax returns should be diverted towards this scheme (e.g. currently the LCF is funded by 5.7% of the Landfill Disposals Tax, we recommend that it is increased to 10%).

Projects that are enabled through the Landfill Communities Fund (LCF) contribute significantly to Welsh environmental objectives such as halting biodiversity loss, ensuring favourable condition for SSSIs, SACs and SPAs, creating resilient ecosystems and providing accessible natural greenspace.

LCF projects deliver an enormous quantity of added benefits. On a broad scale, biodiversity delivers ecosystem services that positively affect our health and wellbeing. Individual projects provide jobs, training opportunities for the unemployed, volunteering opportunities, community resources, educational facilities and much more. For example, Veolia funded a restoration and enhancement project at Gwent Wildlife Trust's Great Traston Meadows nature

reserve, where much of the work was carried out by a substance misuse support group – giving them skills and much needed confidence.

Whilst there are concerns regarding unspent funds and high administrative costs, we believe that these can be addressed through monitoring and regulation. As a recipient of LCF funding, we have strict reporting schedules and claims procedures to ensure that money is spent where it's most needed. It is also important to note that there is a difference between unspent funding, and funding that is allocated, but held for release at certain stages of a long term project. And whilst excessive administrative costs are to be avoided, it is important to recognise that administrative support is essential – for office space and IT, and supervision and management of staff.

Question 28: *If the Welsh Government allocates a proportion of Landfill Disposals*

Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

Gwent Wildlife Trust supports funding for biodiversity initiatives, and would not like to see this diluted by broader objectives.

In the current economic climate, as a charity we are finding it ever more difficult to fund our work, our members cannot afford to be as generous, and there is increased competition for fewer grants. Natural Resources Wales is facing funding cuts. Lack of funding was identified as a key factor in Wales' failure to meet the 2010 target to halt biodiversity loss.

The Landfill Communities Fund is one of very few that grants are specifically dedicated to biodiversity. At a time when our wildlife is in crisis, there needs to be funding allocated to protecting our ecosystems.

As already stated, LCF projects bring social and economic benefits in addition to their environmental focus. Areas with high biodiversity and natural green spaces are associated with better physical and mental health, stronger sense of place and community and even higher house prices.

Question 29: *Do you have any thoughts on the possible administrative model?*

Gwent Wildlife Trust supports the use of Distributive Environmental Bodies, as these have the expertise to support applicants and are regulated by being registered companies.

We would support a relaxation of the eligibility criteria from within 10 miles of a landfill site, to within approximately 20 miles of a landfill site or site for other waste related activities (such as waste transfer stations). More projects would be able to benefit, as the current restriction runs the risk of exhausting the provision of projects in closer proximity.

Good grants schemes, in our experience:

- Take a long-term approach, recognising that certain activities are seasonal, and that environmental change is slow – 3 to 5 year projects are more valuable tools for environmental work than 1 year projects
- Support the continuation of existing successful projects, as well as new initiatives
- Work with existing plans, frameworks and partnerships, such as LBAPs
- Are flexible, both in their decision making and in terms of managing grants
- Provide for reasonable administrative and management costs
- Accept applications on a continual cycle, or fix their application and decision schedules well in advance, allowing applicants to plan accordingly
- Require strict, but not onerous, reporting, against clear objectives

Sorrel Jones, Conservation Officer
Ian Rappel, CEO
Gwent Wildlife Trust

Reference 73

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Very important. Need to ensure consistency across all Governments to dissuade "Waste Tourism"
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	Along with diversion targets, the standard rate has now reached the level where it has had the desired effect in promoting recycling and diverting waste from landfill, especially municipal waste. Increase in the lower rate may need to be considered if the Welsh Governemnt wants to provide extra incentive to promote further recycling in the Construction / Demolition and Industrial sectors.
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	Yes. With Scotland having the ability to set its own rates, need for Welsh Government to have the same powers as a means to rreact where necessary.
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	Consideration to Bonded Asbestos. Limited or no environemntal effect from leaching and gas generation. Material potentially stabilised.
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	Would be better than current system with defined threshold, although still open to abuse for reasons mentioned in consultaion document with mixing of wastes after sampling. Currently disconnect between tax and environmntal laws. Materials on qualifying list can fail Inert WAC thresholds. Opportunity to align both with 3% limit.
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	Yes, needs to be included form the outset to avoid confusion, unlike Scotland recently. Need to maintain consistency across all Governments to avoid "Waste Tourism".
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	No views.
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	No views.
Q9: What would be the practical implications of legislating on the basis that all material	"Landfill" sites now undertake a diverse range of recycling activites within their boundaries.

entering a landfill site (other than that which is specifically exempt) is subject to tax?:	Use of information areas and prescribed disposal activity descriptions and notifications seems to work.
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	No views.
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	No views.
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	No views.
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	In 12 years experience have only had two instances of this exemption being applied. Not onerous to landfill operator if exemption remains.
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	No views.
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	None to ourselves as already use a weighbridge.
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	None to ourselves. But agree with the need to increase the financial penalty and thus deterrent for those flytipping.
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	No views.
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	Yes. Agree with comments in paragraph 3.31. HMRC officers now based in Newcastle whereas previously in Swansea.
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	Ensure appropriate funding, communication, sentencing and financial penalties apply in the processes of compliance and enforcement.
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	No views.
Q21: Would you support aligning the tax return period with the financial year? Please	No views.

explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	None for ourselves. Ability to report landfill tax rates against EWC codes exists.
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	Provide for the option of online filing in addition to electronic payment alongside that of the paper based approach.
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	Yes, as existing circumstances.
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	No views.
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	No views.
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Response to be provided directly by Environmental Body.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Response to be provided directly by Environmental Body.
Q29: Do you have any thoughts on the possible administrative model?:	Response to be provided directly by Environmental Body.
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	No views.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	No views.
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box.:	(Checked)

Reference 74

Please record my objections to the proposal to divert funding away from wildlife projects.

The wildlife organisations, particularly the Trusts, are already under threat of less funding due to the setting up of the NRW and the cost cutting involved. It is the responsibility of a government to look after its flora and fauna and these decisions give the public the impression that they are reneging on that undertaking.

The hundreds of volunteers in wildlife conservation need support and it gives the impression that the government considers their work of secondary importance.

Yours sincerely
R Williams

Chair Bridgend Biodiversity Committee

Reference 75



Dear Sirs

Consultation on Landfill Disposals Tax (Number WG24170)

PricewaterhouseCoopers (We) welcomes the opportunity to respond to the Consultation Document, issued on 24 February 2015. We have included our comments below for your consideration.

A summary of our responses is set out immediately below under each heading. Our detailed response to each question is enclosed at Appendix 1.

Our comments in respect of tax rates and taxable disposals

In our opinion, maintaining consistency with landfill tax rates imposed by the UK and Scottish Governments will ease the devolution process and minimise the risk of cross border transportation of waste, i.e. customers seeking to move waste across borders to take advantage of more favourable tax rates. However, the Welsh Government may wish to consider introducing the ability to set different lower rates of tax from those imposed by the UK and Scottish Governments to increase its flexibility to respond to socio-economic and technological developments.

Consideration might also be given to aligning tax legislation more closely with environmental legislation to simplify administrative and operative processes. The introduction of a threshold to define a small quantity of non-qualifying waste should provide greater certainty for landfill site operators, but careful consideration will need to be given to how this is implemented to ensure consistency of treatment between landfill site operators and prevent potential difficulties.

Legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax could potentially remove much of the current uncertainty around the tax treatment of certain activities. This will also provide the Welsh Government with an opportunity to align exemptions with activities that are necessary for environmental reasons, and enable the Welsh Government to drive environmental policy and also react to economical/technological changes. However, introducing new exemptions could potentially increase the risk of cross border transportation of waste and give rise to issues in respect of EU law.

We believe the continuing availability of water discount relief would be welcomed, but consider that the Welsh Government has an opportunity to remove much of the uncertainty surrounding this relief.

Our comments in respect of compliance and enforcement

Our view is that the Welsh Government should maintain the potential for landfill site operators to agree alternative methods of weight calculation where the use of a weighbridge is impractical.

Increased compliance activity on the ground will improve the effectiveness of compliance operators. To assist in this process the Welsh Government may wish to consider the involvement of National Resources Wales in this process.

Our comments in respect of administration

Our view is that the Welsh Government should consider reducing the administrative burden on landfill site operators by aligning landfill tax return periods with environmental reporting periods or site operators' own accounting periods.

A failure to align landfill tax return periods with environmental reporting periods could increase the administrative burden on site operators. Maintaining the current paper based filing procedures may mitigate the financial impact for the Welsh Government of introducing the new tax as it will obviate the requirement for potentially costly electronic systems implementation.

We consider that the bad debt relief rules should be maintained and possibly extended to shorten the timescale within which relief can be claimed. The Welsh Government might also want to consider extending the current appeals procedures to include customers of landfill sites.

Our comments in respect of Community Wellbeing

We do not have any comments on this section.

We trust that these comments are helpful.

Yours faithfully

PricewaterhouseCoopers LLP

Appendix 1

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

Maintaining consistency of landfill tax rates with those set by the UK and Scottish Governments will minimise the risk of cross border transportation of waste, as differential tax rates or tax treatments may cause waste to be moved across country borders. This is particularly relevant for those sites which are close to the English/ Welsh border.

Consistency of treatment would also ease introduction of the new Welsh tax as landfill site operators would be operating under rules with which they are already familiar. This would hopefully reduce the risk of non-compliance, and mitigate the requirement for comprehensive guidance and day to day involvement on behalf of the Welsh Revenue Authority.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

We consider that to maintain consistency with the UK and Scottish landfill tax policies and to avoid the risk of cross border transportation of waste, the current rates should be maintained however see our response to Question 3.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

In our opinion the ability to set different lower rates of tax would enable the Welsh Government to respond to economic changes, social circumstances and/or environmental developments. This flexibility may be desirable to the Welsh Government, given that rates have historically been determined for the UK market and, as such, a degree of fluctuation may be deemed necessary to reflect the specific requirements of the Welsh economy.

The Welsh Government might also wish to consider at some point the introduction of additional tax bands to discourage the disposal of specific materials and/or to incentivise the adoption and development of specific alternative treatment and recycling technologies.

However, drafting a definition of waste qualifying for the different rates of tax would need careful consideration to avoid introducing complexity and confusion into what is currently a relatively simple tax. Implementing a clear and simple tax is especially important given the relatively low amount of revenue that is expected to be derived from landfill disposals tax in Wales.

The above comments are also relevant in respect of other questions in this document where the Welsh Government is able to include a degree of flexibility in respect of the way in which the new tax is legislated/administered.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

In our view there is currently a disconnect between the tax legislation which defines the types of waste which is subject to the lower rate of tax, and the definitions of inert waste in environmental legislation. There may be an opportunity to align the definitions leading to administrative and operative simplifications.

The list of qualifying materials was identified by the Treasury by reference to criteria published by HMRC under section 42(5) Finance Act 1996. These criteria were that waste subject to the lower rate should be as follows.

“Non-hazardous

Wastes which are not 'hazardous' within the meaning of the Council Directive on Hazardous Waste (91/689/EEC). (This is likely to be superseded shortly by the revised Waste Framework Directive (2008/98/EC).)

Low potential for greenhouse gas emissions

Wastes which are not bio-degradable, have a low organic content or do not break down under the anaerobic conditions that prevail in landfill sites to produce methane. These include inert waste within meaning given under the Landfill Directive; and waste with little or no organic content such as inorganic residues or completely combusted residues from the incineration of biodegradable/organic wastes.

Low polluting potential in the landfill environment

- *Waste where the contaminants are unlikely to become mobile in the landfill and any leachate produced has little or no pollution potential.*
- *Where the pollution potential of the waste is reduced if deposited alone in mono-fill landfill sites or within separate cells (not mixed with other wastes) within a landfill site.*
- *The engineering requirements for the landfill are lower than would be the case for a non-hazardous landfill (as laid out in the Landfill Directive) by virtue of a risk assessment agreed with the regulator.*
- *The aftercare period and requirements are significantly lower than would normally be required for a non-hazardous waste landfill, based on a risk assessment agreed with the regulator.”*

Under the Landfill Tax (Qualifying Material) Order 2011 the waste does not have to be inert in order to qualify for the lower rate of tax. Similarly, not all wastes that meet the criteria and which could be considered as inert waste under environmental legislation, are included in the list of qualifying materials. In practice, where waste streams are mixed and can contain a number of materials this can lead to confusion. Revenue & Customs' Briefs 15/12 and 18/12 highlight the fact that site operators have experienced difficulty in

determining the correct tax treatment of fines from recycling facilities and transfer stations. Some landfill site operators have applied the lower rate of tax, while others have applied the standard rate of tax. This causes issues for operators in the market and, as a result, we believe it may have led to some difficulties in the past, based on the different tax treatment adopted by different operators. New legislation and guidance was implemented in the UK with effect from 1 April 2015 to deal specifically with fines from mechanical treatment plants. However, there remains ambiguity in relation to other qualifying materials, as well as to the level of non-qualifying materials which can be present before the load must be taxed at the standard rate. In our view the application of the lower rate of tax could be clarified significantly by aligning the tax legislation with environmental legislation. Inert waste is defined in the EU Landfill Directive 1999/31/EC as:

“waste that does not undergo any significant physical, chemical or biological transformations. Inert waste does not dissolve, burn or otherwise physically or chemically react, biodegrade or adversely affect other matter with which it comes into contact in a way likely to give rise to environmental pollution or harm human health. The total leachability and pollutant content of the waste and the ecotoxicity of the leachate must be insignificant, and in particular not endanger the quality of surface water and/or groundwater.”

The EU Council Decision on Waste Criteria [2002]¹ sets out waste acceptance criteria for inert wastes, both in the form of a list of European Waste Catalogue (EWC) codes for wastes which may be accepted as inert without testing (subject to certain conditions), and in the form of leaching limit values and organic parameters limit values which have to be met for any other waste.

Legislation could be introduced by the Welsh Government that would align the tax position more closely to the requirements of the environmental legislation. This could result in any waste which meets the definition of inert waste, and meets the waste acceptance criteria for inert wastes, qualifying for the lower rate of tax. This approach would also help to “future proof” the tax against changes in waste processing and treatment technology, by linking the tax legislation with the environmental legislation. Any new waste streams generated by new treatment technology would naturally fall to be taxed at the lower rate if they qualified, as opposed to the Welsh Government needing to update a defined list of qualifying materials. It should be noted that any divergence from the existing UK and Scottish tax rates could have an impact on cross border transportation of waste and as such, the potential impact of any such changes would need to be carefully considered. To mitigate this risk and reduce complexity, any changes might be made in lockstep with the UK and Scottish revenue authorities,

¹ The Council Decision of 19th December 2002 establishing criteria and procedures for the acceptance of waste at landfills pursuant to Article 16 and Annex II to Directive 1999/31/EC

Question 5: What would be the practical implications of introducing a threshold to define ‘a small quantity’ of non-qualifying waste in a load of qualifying material?

The introduction of a qualifying threshold would provide greater certainty for landfill site operators and their customers in respect of the application of the lower rate of tax. However, in practice, consideration will need to be given as to how this is measured for different types of waste, whether testing is required, and at what frequency, and also on which party the risk falls in instances where the amount of non-qualifying material breaches the thresholds set. Clear and comprehensive guidance on the application of the threshold would be necessary to allow the rules to be applied consistently and to prevent advantages/disadvantages between landfill site operators arising from any ambiguity.

In addition, careful consideration would need to be given to the parameters set in order to prevent misuse or abuse of the rules. For example, the Welsh Government may wish to consider whether it is necessary to prescribe that the load cannot qualify for the lower rate of tax, even where the “small quantity” threshold is met, if the qualifying waste has been blended/mixed with non-qualifying material.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

The introduction of a Welsh LoI test would help to maintain consistency with the rest of the UK and Scotland, which would ease compliance for businesses operating in two or more of the relevant jurisdictions, provide a degree of certainty both for site operators and their customers, and help to prevent any issues arising from cross border transportation of waste.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

In our view, the current disconnect between tax legislation and environmental legislation does lead to a disparity of treatment. Closer alignment of tax with environmental legislation could remove that disparity and is likely to be simpler for landfill site operators to understand and comply with.

We would support the proposal that the area already identified within the Pollution Prevention and Control (PPC) permit should be the taxable area of the site and, as a result, the taxable activities would in effect be those taking place while the operational phase is underway.

This would allow closer linking of permanent engineering, cell development and restoration activities as agreed with Natural Resources Wales in order for those activities to be agreed to be outside the scope of/exempt from the tax.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

The credit mechanism allows site operators to claim a landfill tax credit where they deposit waste to landfill, which is intended to be re-used by way of recycling, incineration or removal for use, and is in fact subsequently re-used. The credit can only be claimed where the waste is reused within one year of disposal, unless water was added to facilitate the disposal, in which case a five year time limit applies.

Use of the credit mechanism is common in the power industry where ash deposited in landfills or lagoons is subsequently removed for use. Other industries are also developing the capability to recover materials from their landfills. It is foreseeable that there will be a time when landfills are seen as a valuable source of material, and “landfill mining” or recovery will start to take place.

The Welsh Government might wish to consider extending the rules with a view to encouraging the practice of landfill mining. This would have a number of potential benefits: the recovery of recyclable materials; use of combustible material in power generation; creation of further disposal space in existing sites; and remediation of hazardous sites. This could potentially be achieved by replacing the requirement to inform tax authorities of the future intention to remove the material at the time of disposal with a requirement to notify the tax authorities when material is intended to be removed for recycling, recovery or treatment. In addition, the time limit which applies for the period between disposal and removal could be extended or removed. Support for the recovery of waste material may also have a beneficial impact on the development of Energy from Waste (EfW) facilities by providing additional sources of fuel.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

Taxing all material which enters a landfill site (other than specifically exempt materials) could potentially remove much of the current uncertainty that has arisen following the *Waste Recycling Group*² decision, and the way in which a taxable disposal is defined in the legislation.

Broadly speaking, following the *Waste Recycling Group* decision, the disposal is not a taxable disposal if the site operator does not intend to discard the material, but has a use for it. The mechanism which has been used to close

² HMRC v Waste Recycling Group (WRG) Limited [2008] EWCA Civ 849

the gap created by the decision is a list of prescribed landfill site activities which are taxable. This leaves the potential for activities which are not included on the list to be non-taxable.

Introducing legislation to define all disposals as taxable, regardless of the site operator's intention, other than those which are specifically defined as exempt would allow the Welsh Government to align the exemptions with the activities that are necessary for environmental protection and safe management of the site as agreed with Natural Resources Wales.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

As well as the existing exemptions, consideration should be given to providing exemption for engineering activities on-site such as site development and infrastructure (including permanent haulage roads), cell construction, temporary and permanent capping. This will remove much of the doubt arising from the way in which taxable activities are defined in the current legislation.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

See Question 9.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

Subject to certain conditions, the current exemptions are for:

- material removed from water;
- mining and quarrying waste;
- pet cemeteries;
- filling of quarries; and
- waste from visiting NATO forces.

There are circumstances where the clean-up of spoil heaps from mining and quarrying operations may not currently qualify for the exemption, because the spoil is produced in a separate process from the original mining or quarrying. The Welsh Government may wish to consider whether amending the mining and quarrying exemption to remove the requirement that the material has not been subjected to, or results from, a non-qualifying process, would help it to achieve its environmental objectives.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

The current water discount relief provides a valuable relief from landfill tax for certain industrial and water industry wastes. Removal of the relief might have a significant cost impact for Welsh industry.

There are issues with the drafting of the current water discount relief in UK legislation arising from the requirement that no water should be present in the material naturally. We agree that no water discount should be provided for naturally occurring water, but the exclusion of relief from wastes which contain any natural water would make the relief virtually impossible to apply if the legislation was interpreted and applied literally. The Welsh Government may wish to consider retaining the water discount relief in order to retain the benefit to Welsh industry, but modifying the existing rules in order to avoid future potential disputes.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Any new exemptions or reliefs introduced by the Welsh Government may risk cross border transportation of waste as described in question 1, making Wales a destination of choice for the exempted or relieved materials. The Welsh Government may wish to consider carefully whether to introduce new exemptions or reliefs in the light of this impact.

A potential new exemption for certain legacy materials, such as asbestos, has been previously raised for discussion by the Welsh Government. These materials are damaging to either the environment or human health if they are left in position. However, an exemption may attract asbestos to be transported to Wales for disposal from the rest of the UK. Any attempt to constrain the exemption to waste materials generated in Wales may give rise to issues under EU law.

The same applies to the clean-up of certain contaminated land. The application of landfill tax to wastes from these sites encourages the development of alternative treatments and remediation technologies, but there will be some situations where this is not the best practicable environmental option. The Welsh Government may wish to consider reintroducing landfill tax exemption certificates for land remediation, for circumstances where the landowner can demonstrate that landfill of the contaminated material represents the best practicable environmental option (to be agreed by Natural Resources Wales). As the assessment of best practicable environmental option should include consideration of the environmental impacts of transporting the contaminated material over long distances, this may act to limit the impact of cross border transportation of waste arising from the exemption.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

There are circumstances where mandatory use of a weighbridge is impractical or impossible. For example, some vehicles used to move waste from information areas or recycling/treatment areas are too big to use the weighbridge, and tax is currently collected based on an agreed estimation method. The Welsh Government may wish to consider maintaining the potential for landfill site operators to agree alternative methods of calculation the weight of waste, where those methods are necessary for practical and/or operational reasons.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

No comment

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

No.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Landfill tax is an operational tax, which is based on the activities which take place on site. We consider that, in order to enforce and administer the tax effectively, it is necessary for the tax authorities to be familiar with the sites and the way that they operate. This necessitates increased compliance activity by compliance officers. In Scotland administration of the tax is to be supported by Scottish Environment Protection Agency (SEPA), which allows environmental and tax regulation to be connected and allows the tax to be administered by an agency which understands the operation of landfill sites in detail. The Welsh Government might wish to consider the involvement of Natural Resources Wales in the administration of the tax for similar reasons.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

No comment.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

We have not experienced instances of tax avoidance within the existing landfill tax.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Under the current UK legislation a landfill site operator can request a tax return period which suits their business, and choose to align the tax return period with their accounting periods. This helps to reduce the administrative burden imposed on taxpayers.

In Scotland the tax return periods have been aligned with environmental reporting periods to increase transparency.

In our view, reducing the administrative burden should be considered in any proposed change to the landfill tax return periods, either by aligning them with environmental reporting periods or by allowing landfill site operators to continue to align their returns with their accounting periods.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

If the landfill tax return periods are aligned with environmental reporting periods, then the only impact on landfill site operators would be the need to analyse each European Waste Catalogue (EWC) code from their environmental report to determine the correct landfill tax treatment applied.

However, if the landfill tax and environmental reporting periods differ, then there may be a significant additional burden on landfill tax operators, as the waste disposed of may need to be analysed more than once for different periods. There could also be discrepancies and differences arising, which may be difficult to compare and resolve if the periods do not match.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Given that expected revenues from the tax in Wales are less than £50m, and there may be only ten Welsh landfill sites affected, developing a digital replacement may not be a priority on a cost/benefit based analysis.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

We consider that the current bad debt relief rules should be maintained as far as possible. One area where the Welsh Government may wish to consider

change is in respect of the time period that must elapse before bad debt relief can be claimed, which at present is 12 months. To improve cash-flow for landfill site operators, the Welsh Government may wish to consider reducing this period to six months in line, with other indirect taxes such as VAT.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

The Welsh Government may wish to consider allowing customers to seek reviews/appeals of decisions which affect their waste streams as, in most instances, it will be the customer that bears the burden of the tax.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

In our opinion there are no such exceptional circumstances.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?
No comment.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

No comment.

Question 29: Do you have any thoughts on the possible administrative model?

No comment.

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

We are not aware of any related issues which have not been addressed specifically.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

No comment.

Reference 76



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Dear Sirs

Consultation on a Landfill Disposals Tax

Please find enclosed our comments on the above consultation document issued on 24 February 2015. We welcome this opportunity to comment on what constitutes an important issue, particularly given that this is one of the first two taxes for which the Welsh Government will have responsibility, where that responsibility previously lay with the UK Government. Our detailed comments are set out in the attached Appendix.

Yours faithfully
Christopher Sanger
Head of Tax Policy
For and on behalf of Ernst & Young LLP

Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

It is important that consistency is maintained with the UK Government but also – perhaps to a slightly lesser extent - the Scottish Government, in respect of their Landfill Tax regimes, if the Welsh Government is to avoid unintended competition distortions and environmental impacts. For example, it is conceivable that material differences in the rates would result in waste being transported longer distances, with increased pollution. This ‘waste tourism’ would also be in contravention of the aim of the Landfill Directive. The sizeable border between Wales and England, and the number of landfill sites within a small distance of that border is the main reason why rate arbitrages between Wales/England could have a larger economic effect on Wales than arbitrages between Wales/Scotland.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

Our initial view is no but we believe that this question should be considered by the Welsh government in more detail. Increasing the standard rate has helped to achieve the policy objective of moving waste up the waste hierarchy and been a key driver for increased levels of re-use and re-cycling. However, the widening differential between the standard and lower rates has certainly made the potential for crime arising from the misclassification between these rates more likely. The increase in tax has, we believe, also influenced fly tipping and illegal dumping in the UK. Moreover, due to the reasons set out in Question 1 above, we consider it difficult for Wales to materially operate rates below those set out by the UK and Scottish Governments.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

Yes. There is an argument to be had for the introduction of an intermediate rate of landfill tax, as it is incorrect to assume that everything that is not a 'qualifying material' is equally as polluting. This does not necessarily mean that it is important to have more than the current two rates immediately, but the ability to adapt to future changing circumstances, and indeed to quickly react to changes by the UK and Scottish Governments is positive. Waste tourism could again, however, be in point.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

Broadly, in our view, the Qualifying Materials Order (QMO) is effective. However, there are a number of waste streams produced by what is considered to be environmentally friendly behaviour that are standard rated. Perhaps, such material would be more appropriate to the lower rate and hence within the QMO. Air pollution control residue ("APCR") is a good example of this. However, it is noted that every waste producer/industry will have its own views on this. The ability to move items in/out of the QMO quickly – both in a proactive and reactive manner – is a positive step.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

An objective threshold is arguably preferable as it enforces an even playing field across the industry and removes reliance on visual tests. However, there is a risk that this is of greater benefit to smaller operators which, it is understood, are less likely to be inspected by the financial and environmental regulators. More regulation and inspection has the potential to give comfort that rates are not being abused. Finally, for consistency purposes, it should be noted that Revenue Scotland have recently set out further guidance as to 'qualifying materials containing a small amount of non-qualifying material' without defining 'small'.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Yes. But the testing framework needs to be brought in with more planning and should not be rushed, as is the perception regarding the position in Scotland.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

No. The site boundaries are typically quite clear, as is the disposal area. Information areas and tax free zones work effectively in controlling the non-taxable 'temporary deposits' of waste on a landfill site.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

The credit for permanent removal scheme works well in our view.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

There are a number of flaws in this suggestion. To give just one example, this fails to take account of the fact that some landfill sites include processing and recycling plants/operations. Note that this was part of the UK Landfill Tax 2009 consultation, but was quickly rejected.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

It should be expected that all exemptions in effect in the UK and SLfT regimes should, at least initially, continue to remain exempt under the Welsh tax since failure to implement the same exemptions would have a more damaging effect than a small disparity in rates between the regimes. From a wider perspective however, arguably anything that encourages green behaviour could be exempt.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

The prescribed activities order works well in highlighting taxable and non-taxable activities on a landfill site – notwithstanding whether each of the regulations are in keeping with the primary purpose of Landfill Tax.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

We have no specific comments at this time.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

From first principles, water should not be regarded as waste. Any water added to waste due to another process should be discountable as ultimately it should be collected in the leachate which will be treated i.e. it is not a part of the material being disposed of. Also of course, water itself is now banned from landfill. However, there is significant scope for abuse under this regime, particularly as it is the producer, not the site operator, which applies for the discount. There is clearly some uncertainty in this area. Originally, Revenue Scotland proposed removing the water discount, but this is no longer being considered.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

We have no specific comments at this time.

Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

It depends on the context. If every load that comes onto site had to pass over a weighbridge (if operational) this is perfectly reasonable. This helps not only from a Landfill Tax perspective, but also with the accounting and invoicing procedures, as most weighbridges have an electronic system configured to it which feeds the AR. However, requiring movements out of information areas to pass over the weighbridge could create difficulties depending on where the works are being done on site, where the weighbridge is located, and where the information area is located. Furthermore the only weighbridge in a close proximity may be third party owned. The implications for costs, use of the weighbridge, responsibility for accuracy etc need to be considered.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

We believe this would be a positive step in a number of areas. Firstly, it encourages secure boundaries of sites in a similar way to warehousing, forcing the operator to take ownership of illegal deposits on their sites. Secondly the fly-tipper – if caught – could be faced with a double tax bill (i.e. for the original ‘dumping’ and then the disposal on a site) in addition to any criminal sanctions.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

We have no significant comments at this time but would welcome sight of any considerations around any penalty regime for a future LOI testing regime.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Yes. In our view, there is no substitute for a site inspection. Note also our response to Question 5. 5

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

Yes. Further actions such as objective and scientific testing (eg LOI) along with more inspections (as per Question 18) would help to improve compliance and enforcement.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

We do not consider that there is wide scale tax avoidance, but note that fly-tipping by waste producers could constitute evasion.

Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Not necessarily. Operators should be free to choose their accounting quarters as per VAT returns. There should be an appreciation for those who will have quarterly VAT payments and also QIPs, and the operator should be empowered such that they can successfully manage their cash flow position.

Landfill Disposals Tax

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

Aligning the EWC and QMO should be desirable for every stakeholder however this would be fraught with difficulty. It would take a revision of the EWC codes (given that two loads of a certain EWC code could be subject to the lower rate one day, and the standard rate the next day). Furthermore some EWC codes are hazardous for environmental purposes but lower rated for UKLFT purposes. However, it would provide certainty for operators.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Online returns should be favourable for operators and for the relevant tax authority. However we note that there was a recent tax tribunal case where a Christian taxpayer did not want to use a computer for religious reasons and the Tribunal required HMRC to provide the option of a paper return.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Bad debt relief should be available, but it should mirror VAT given that both taxes will generally be charged on the same invoice.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

It should be clear that an “Independent review” is independent. 6

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

There are no circumstances we wish to raise at this time.

Community Wellbeing – Questions 27 to 29

Additional Questions – Questions 30 to 31

We have no comments at this time in respect to these questions.

Reference 77

Name:	Graham Horder
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if	

so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	I think it is vital that Landfill tax enhances the wellbeing of communities. Isn't that a main duty of any government?
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	I am passionate about biodiversity and wider environmental improvements for many reasons, not least that improved natural environment has so many positive effects on the physical and mental health of our population.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 78

Dear Sir/Madam

I understand that it is possible that this important source of funding for dedicated wildlife projects may be removed. I think that this would have a totally detrimental effect on the work of charities and especially the Wildlife Trusts who use the funding to undertake projects important to both wildlife and local communities. I therefore appeal to you to think again and not to remove this funding source.

Yours faithfully

J Dawes

Reference 79

Name:	A Callaby
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be	

and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes, this is very important to the regions wildlife.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit	I support spending on nature conservation and biodiversity.

from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 80

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any	

new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community	Supporting biodiversity initiatives and nature conservation because it is a cost

wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	effective way of protecting the Welsh countryside, bringing nature closer to people and improving the quality of life for future generations.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 81

Name:	Augusta Lewis
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	Maintain consistency, but do not divest it from the communities that landfill effects. The finance from these projects should remain directed at preserving and enhancing the environment as compensation (i.e. to local Wildlife Trust projects and other conservation projects).
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current	

exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	

Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 82

Name:	Susan Danziger
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	Dan-y-Castell Primrose Green
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your	

response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until	

the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes. Definatly
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Biodiversity initiatives and the wider environment, especially as very valuable habitat will be lost if the relief road goes through Magor Marsh.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 83

Name:	DICK FINCH
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they	

be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion	Biodiversity initiatives and wider

of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	environmental improvements: a lot of valuable work has been started and further funding is needed to continue improvements that enrich all our lives.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 84

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
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Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
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one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
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Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
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Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	Biodiversity and environment
Q29: Do you have any thoughts on the possible administrative	

model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 85



Response from Geoconservation Cymru – Wales (formerly the Association of Welsh RIGS Groups (AWRG))

Preamble

This response to the *Landscape Disposals Tax* Consultation is made on behalf of the Association of Welsh RIGS Groups (in the process of changing its name to Geoconservation Cymru – Wales).

The Association of Welsh RIGS Groups was established in April 1999, bringing together the RIGS¹ groups in Wales with geologists from the then Countryside Council for Wales and British Geological Survey with the aim of conserving and promoting Welsh geodiversity².

We regard partnership and communication of geodiversity and geoconservation (including other conservation organisations in biodiversity, local government and the National Assembly for Wales and Welsh Government) as essential objectives in the holistic and sustainable management of the natural resources, services and landscapes of Wales. Our Aims & Objectives are set out in Appendix A, abstracted from our revised Constitution (2015).

AWRG worked with the Welsh Government in a full Audit of Regionally Important Geodiversity Sites in Wales completed in 2012 and, around and since then, responded to the *A Living Wales* (2010), *Natural Resources Wales* (2012) and *Nature Recovery Plan for Wales* (2014) Consultations.

Our Response

Our responses conform to the numbering system used in the Consultation Document and, after some initial comments, relate entirely to Section 5 : Community Wellbeing - since matters of Taxation (2), Compliance (3) and Administration (4) lie outside our brief.

Ministerial Foreword

We welcome the Minister's wish “....to consider whether and how a proportion of the tax revenue might be used to enhance community wellbeing.” and “I am seeking to consider the fullest range of options through this consultation...” encouraging us to share our ideas “....on how we can design this tax so that it works well for Wales.”

Chapter 1 : Introduction and Policy Background

1.16 It is our case that recognition of Wales' geodiversity and its conservation and accessibility are integral part of the scientific, historical, educational, cultural, aesthetic and recreational landscapes of Wales and thus supports the Welsh Government's **long-term vision for Wales by 2050 ... to be the best place to live, learn, work and do business** and put into law a **set of clear, integrated, wellbeing goals for Wales**.

1.21 Funds supporting geoconservation, and the closely-connected expression of Wales' geodiversity to its people and visitors, through the development of Wales' natural, historic, cultural and industrial landscapes closely accords with the use of a proportion of landfill tax funds **to support local community and environment projects within the vicinity of a landfill site** and is illustrated from many examples of such projects across the UK.

Chapter 5 : Community Wellbeing

5.1 We strongly recommend a decision to allocate a proportion of Landfill Disposals Tax revenue to enhance community wellbeing and, below, propose a range of geodiversity-related **proposed activities that could receive funding**.

5.3 The Landfill Communities Fund (LCF) is a tax credit scheme which 'offsets' some of the dis-amenity of living near a landfill site. The purpose of this fund is to incentivise landfill site operators to support local projects benefitting the general public, biodiversity or the environment. We welcome the intentions set out here, including opportunities for site operators to demonstrate **Corporate Social Responsibility**, and set out the following justification for supporting geodiversity-related projects.

5.3.1 In this age of austerity in government funding, landfill tax offers a mechanism to provide direct community and environmental benefit without impinging on direct or indirect personal taxation. Landfill represents an environmental dis-benefit through wasted natural resources, many of them geological, and many landfill sites are located in disused quarries. It is therefore fitting that landfill tax credits be used to "pay back" both the environment and the communities affected and we assert that geoconservation and raising awareness of geodiversity, geological resources and heritage is a pre-eminently fitting use.

5.3.2 Geoconservation projects in Wales and elsewhere in the UK demonstrably benefit the **general public, biodiversity and environment** – the intended beneficiaries of the LCF – and specific examples are included in our response to **5.7** below.

5.3.3 With regard to benefits to the **general public**, the published Constitution and Aims of Geoconservation Cymru – Wales (formerly the Association of Welsh RIGS Groups) is to encourage the identification, conservation, appreciation and promotion of what were first collectively known as Regionally Important Geological/Geomorphological Sites (RIGS) and are known currently as Regional Important Geodiversity Sites (RIGS) in Wales, for education and public benefit, through a series of Objectives - which are set out in Appendix A below.

5.3.4 Geoconservation Cymru – Wales is the national, coordinating ‘parent’ body of the voluntary Geoconservation movement in Wales, which is reflected in the Objectives. The Constitution also includes the Objectives of the Regional Geoconservation Groups where public benefits are elaborated.

5.3.5 With regard to benefits to the **environment**, in general terms geoconservation and geodiversity draw attention to a fundamental component of the physical landscape and control of its operating processes, the underpinning of biodiversity and a strong influence on the cultural and socio-economic environments developed over time. This awareness is obscured – and therefore often ignored and uncomprehended – through its largely subsurface expression, which makes the occurrence of surface outcrops and exposures, and their conservation and opportunity for scientific study, informing national policies and strategies, public education and amenity all the more important. Active geoconservation also improves environmental quality, exemplified in responses to 5.7 below.

5.3.6 With regard to benefits to **biodiversity**, geodiversity provides the fundamental underpinning of the biosphere, through the chemical and physical character of the rocks and, together with climate, is the principal determinant of the structure and composition of the plant communities. For all these reasons, geodiversity is also a major determinant of human land use provides a wide range of ecosystem and related services. Geodiversity creates biodiversity.

5.3.7 However, a serious problem of the definition, recognition and application of geodiversity pervades public, private and governmental organisations *inter alia* and is bound to influence the nature and level of acceptance of geoconservation and geodiversity in this Consultation and Landfill Disposals Tax policy decisions which flow from it. The essential problem concerns what is and isn’t included in the term ‘nature’ and ‘nature conservation and hence the derivation of the term biodiversity. In some organisations and publications, ‘nature’ is considered to embrace both biotic and abiotic (physical - geological) components but in other, narrower definitions ‘nature’ covers only the biotic.

5.3.8 Exclusion of the geological half of ‘nature’ is rarely deliberate and comes instead from lack of understanding. Geoconservation and geodiversity

have a good pedigree in the publications and policy of the UK's Statutory Conservation Agencies and other organisations but their continuity into downstream publications and policy – including this Consultation – is inconsistent, unreliable and often subject to individual author's understanding. There is a frequent necessity to re-state the case for their recognition. Extended justification for the definition and use of the terms is provided in Appendix B.

5.3.9 It is therefore a principal request that in order to avoid ambiguity and exclusion, the terms **geodiversity** and **geoconservation** be written into the eventual Landfill Disposal Tax Policy and relevant Regulations wherever reference is made to **biodiversity** and **bioconservation** and wherever the general term **conservation** implies either of these. For example, the relevant phrase in 5.3 should read '.... **projects benefitting the general public, biodiversity and geodiversity, or the environment.**'

5.3.9 As the terms geoconservation and geodiversity underlie basic understanding and communications in this broad field, consistency and stability of the nomenclature is essential.

5.3 & 5.4 With regard to the use of the Landfill Communities Fund to 'offset' **some of the dis-amenity of living near a landfill site** (5.3) and the option for landfill site operators to contribute **a proportion of their tax liability ... to approved projects** (5.4), we recognise the past importance of such significant funding sources to geoconservation and geodiversity through e.g. the Aggregates Levy Sustainability Fund and are committed to seeking similar support in future.

5.4.1 Since the LCF is essentially a geology-based tax it is only right that it should focus on geologically associated products and ventures. Nearly all such grants are wildlife and flora specific and, since this is the only one that specifically involves geodiversity, it needs to grant aid accordingly and publicise geodiversity- particularly to government organisations. For example, organisations engaged in geoconservation and geodiversity- e.g. RIGS and Geoparks - find it difficult to get grants when biodiversity is seen as the only, or senior, partner in government organisations.

5.4.2 In addition conservation is essential in geodiversity since the removal of any geological resource is final and cannot regrow or be reintroduced, whereas biodiversity can recover or be restored through habitat-recreation and species re-introduction.

5.4.3 With regard to access to funding for geoconservation and geodiversity projects and reference to landfill site operators asking **an independent party to make up the remaining amount** (5.4) it should be noted that whilst such projects are largely dependent on schemes such as LCF, the

geoconservation community also has a good record in seeking matched funding from other agencies and organisations.

5.7 5.7.1 With regard to the 6 listed objectives under **Projects looking for support**, geoconservation & geodiversity projects typically relate to:-

5.7.2 **Object A** - especially the conservation of geological exposures as part of the remediation or restoration of land, typically former quarries and mines.

5.7.3 **Object D** - especially the conservation of geological exposures and the provision of relevant public information boards and leaflets, within **parks** formed as part of the restoration in Object A, or at other park sites such as those on land with historic buildings and other associations with a geological context. The creation of parks frequently provides educational value (providing outdoor laboratories for local schools) as well as being public amenities and in many cases preserving the heritage of the local community, with an archaeological / historical economy related to geological resources, including local building stones.

5.7.4 Object DA – especially the conservation of a **specific species** which includes, in the case of geological conservation and geodiversity e.g. a rock type, or rock structure or fossil bed and of a **specific habitat** e.g. the evidence of the exposed rock characteristics from which past environments and processes can be reconstructed and tell of Earth's history. **In this respect, geodiversity also provides key evidence essential to the understanding of Global Climate Change and human adaptive responses.**

5.7.5 It is apparent from the above that the specific identity of **Geoconservation** and **Geodiversity** needs to be included alongside references to the **Biodiversity** and **Bioconservation**. Geology provides the essential underpinning of living species, soils and habitats and thus not

only of virtually all bioconservation projects but also of wider environmental improvements. Unlike biodiversity, geodiversity is non-renewable and its conservation requires special care.

5.8 5.8.1 With regard to how **Projects receive funding**
GeoConservation Cymru – Wales could operate, upon advice from Welsh Government, as either an **Environmental Body** or **Distributive Environmental Body** and in so doing follow the role played elsewhere in the UK by GeoConservation UK which has a record of organising and brokering public funding for its English member groups, counterparts of the Regional Geoconservation groups in Wales.

5.15 5.15.1 We submit as Appendix C a table of **Examples of Projects** which have been supported or wholly created by Geoconservation Cymru – Wales (as its predecessor Association of Welsh RIGS Groups) and the Welsh Regional Geoconservation (formerly RIGS) Groups.

5.17 & Question 27

5.17.1 We support unequivocally that Welsh Government should **allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities**, initially on the Consultation Document's own premise that communities experience substantial dis-amenity which LCF can help to offset.

5.17.2 Further grounds include the fact that landfill sites are frequently sites of former extractive mining and quarrying for geological resources and that the character and history of local physical and human-cultural environments - underpinned by its geology – is largely dependent on such funding for the conservation and enhancement for public access.

5.18 With regard to the Activities that could receive funding, our principal responses relate to your heading **Biodiversity initiatives and wider environmental improvements**, are specifically:-

5.23 5.23.1 It is our case throughout that the terms biodiversity and bioconservation narrowly defined are restricted to the living environment and that - under the important but inconsistent incorporation of geology under 'Nature' – equally important geodiversity and geoconservation are frequently excluded from funding for conservation and wider environmental initiatives.

5.24 5.24.1 We concur strongly with the suggestion that LCF funding is currently likely to be the main source of funding for these objectives, supported by the precedent of funding from the ALSF elsewhere in the UK. Once such funds are available, the voluntary geoconservation community contributes a significant matched funding element through its volunteers' expertise, efforts and time and also seeks other matched funding sources – but LCF funding would be the major component.

5.25 5.25.1 It therefore follows from the above that these objectives would largely go unfunded, to the loss of the specific projects and communities concerned, especially as other funding sources dry up.

5.32 5.32.1 With regard to the general Objective of **Tackling Poverty and Deprivation in communities**, there is a good record of opportunities to develop working and social skills in the local community during the execution of projects of geoconservation environmental improvement, which also help to

relieve environmental and amenity deprivation. There are also good examples of geoconservation and geodiversity projects which enhance local employment and the tourist industry, especially with regard to GeoPark Projects.

Question 28 In terms of enhancing community wellbeing, those activities we strongly believe **should benefit from funding** are **Geo(Bio)diversity initiatives and wider environmental improvements** and **Tackling poverty and deprivation in communities**.

Initial Regulatory Impact Assessment

We consider that it would be appropriate to include Geoconservation Cymru – Wales in the list of Key Stakeholders under **Community Wellbeing** (p. 66).

This response is being submitted for and behalf of Geoconservation Cymru – Wales (formerly the Association of Welsh RIGS Groups) on 18th May 2015.

Yours faithfully,

Dr Ken Addison MA, DPhil, FGS, FR(Met), FRGS

Geoconservation Cymru – Wales (formerly AWRG) Executive Committee and former Chair of AWRG, Inaugural Chair of Gwynedd & Môn RIGS, Inaugural Chair of UK RIGS (now GeoConservation UK)

APPENDIX A

The Title, Aims & Objectives of Geoconservation Cymru - Wales

1. The name of the organisation is Geoconservation Cymru - Wales (hereafter abbreviated as GCW) and formerly known as "The Association of Welsh RIGS Groups" (AWRG).
2. Subject to the matters set out below, GCW and its funds and any property shall be administered and managed in accordance with this constitution by the members of the Executive Committee, constituted by clause 7 of this Constitution.
3. The Aims of GCW shall be to encourage the identification, conservation, appreciation and promotion of what were first collectively known as Regionally Important Geological/Geomorphological Sites (RIGS) and are known currently as Regional Important Geodiversity Sites (RIGS) in Wales, for education and public benefit, through the following Objectives, by:
 - a. acting as the national coordinating organisation for the Geoconservation and Geodiversity movement in Wales, and regional Welsh Geoconservation (RIGS) Groups, hereafter abbreviated as WGG;
 - b. collaborating with the National Assembly of Wales, Statutory conservation and regional Geoconservation organisations in Wales, including Natural

- Resources Wales / Cyfoeth Naturiol Cymru, and the wider UK, towards common objectives;
- c. focusing on common purposes and issues in meeting the needs of geoconservation at every level, including the protection of RIGS;
 - d. promoting and maintaining standards and systems of nomenclature, recording and documentation;
 - e. maintaining access to, and updating, a database of Welsh RIGS
 - f. identifying and working to secure resources to enable GCW and WGG to work effectively;
 - g. developing appropriate structures to enable GCW to promote and support the movement nationally;
 - h. advising and assisting in the implementation of relevant national policies and strategies;
 - i. maintaining a watching brief over the wellbeing and efficacy of WGG and representing the geoconservation interest in areas of Wales which, from time to time, may lack an active WGG;
 - j. working with other organisations, such as geological groups, educational institutions, Wildlife Trusts *etc.* and those caring for the historic environment (e.g. Cadw, the National Trust) to achieve common objectives;
- k. representing the voluntary sector of geoconservation in Wales on the Executive Committee of Geoconservation UK and in the UKGAP;
 - l. implementing a bilingual policy whenever possible with constraints of expertise and finance;
 - m. reviewing these objects from time to time.

The Aims & Objectives of Regional Welsh Geoconservation Groups

4. The Aims and Objectives of each regional WGG in Wales shall be to:
- a. identify, survey and document non-statutory sites of geological, geomorphological and related discipline interest in Wales, in discrete named Regions defined by current national and unitary boundaries, on criteria such as the use of sites for educational fieldwork, scientific study, historical, aesthetic, cultural, wildlife, recreational values and related aspects. These sites will be subject to appropriate scrutiny before proceeding to notification.
 - b. notify and promote the establishment and protection of such geodiversity sites for future generations with local planning/minerals/National Park authorities (including incorporation into Unitary Development Plans) and other relevant non-statutory organizations;
 - c. maintain an active policy with regard to the site assessment, long-term monitoring, protection and management of geoconservation sites.
 - d. promote an interest/awareness in geoconservation amongst the general public by whatever practical means deemed appropriate.

e. In all other respects, the Aims and Objectives of each regional WGG shall be to support and uphold the general Aims and Objectives of Geoconservation Cymru - Wales within its agreed regional boundaries.

APPENDIX B : GEODIVERSITY

Geodiversity is defined as the variety of rocks, minerals, fossils, landforms and soils, together with the natural processes that shape them. Geodiversity is a foundation for life and our society. It provides the fundamental underpinning of the biosphere, through the geochemistry, structure and water/thermal conductivity of rocks and soils and is actively altered by surface geomorphological processes. Geodiversity influences landscape, habitats and species as well as our economy, historical and cultural heritage, education, health and wellbeing ².

² Collated from Scotland's *Geodiversity Charter* [Scottish Geodiversity Forum, 2012, in partnership with the Scottish Government, Scottish Natural Heritage and British Geological Survey; England's *Geodiversity Charter* [English Geodiversity Forum, 2014, in partnership with Natural England and the British Geological Survey]; the Association of Welsh RIGS Groups [supported by the Welsh Assembly Government] and GeoConservation UK [supported by Natural England].

Definition and Significance of Geodiversity

Geodiversity is defined as the variety of rocks, minerals, fossils, landforms and soils, together with the natural processes that shape them. Geodiversity is a foundation for life and our society. It provides the fundamental underpinning of the biosphere, through the geochemistry, structure and water/thermal conductivity of rocks and soils and is actively altered by surface geomorphological processes. Geodiversity influences landscape, habitats and species as well as our economy, historical and cultural heritage, education, health and wellbeing ².

Geodiversity is internationally recognised by the Recommendation of the Committee of Ministers of the Council of Europe (2004) that states: 'geological heritage constitutes a natural heritage of scientific, cultural, aesthetic, landscape, economic and intrinsic values, which needs to be preserved and handed down to future generations'. This is also an essential consideration in the application of the European Landscape Convention (2002). The International Union for Conservation of Nature (IUCN) Resolution 4.040 on 'Conservation of geodiversity and geological heritage' (2008) provides a benchmark statement of the wider role and relevance of geodiversity, recognising that 'the conservation and management of geological heritage need to be integrated by governments into their national goals and programmes'. Geodiversity also provides a wide range of ecosystem and

related services listed in Appendix C, abstracted from the AWRG response to the Living Wales Consultation of 2010.

Biodiversity is underpinned by **geodiversity**. Without the variety of rocks, landforms, soils, water and nutrients that support the locally, nationally and internationally valued habitats, species and ecosystems these could not exist. Unless the geodiversity is robust and conserved then the range of biodiversity will be diminished. **Geodiversity**, like other aspects of the natural environment, is threatened. For example, poorly planned development can destroy geodiversity and irrevocably change natural processes. Similarly, lack of management and co-operation can lead to the progressive decline of geodiversity and loss of access to critical geodiversity sites. Careful management of geodiversity, and an understanding of its environmental value, has wide economic, social, cultural and educational benefits. In particular, integration of geodiversity into the 'ecosystem approach' will better inform robust adaptations to climate change, as well as supporting policy such as that described in the Government paper The Natural Choice. Lack of action will lead to loss of geodiversity and missed opportunities for science, society and education.

APPENDIX C : EXAMPLES OF GCW / AWRG SUPPORTED PROJECTS IN WALES

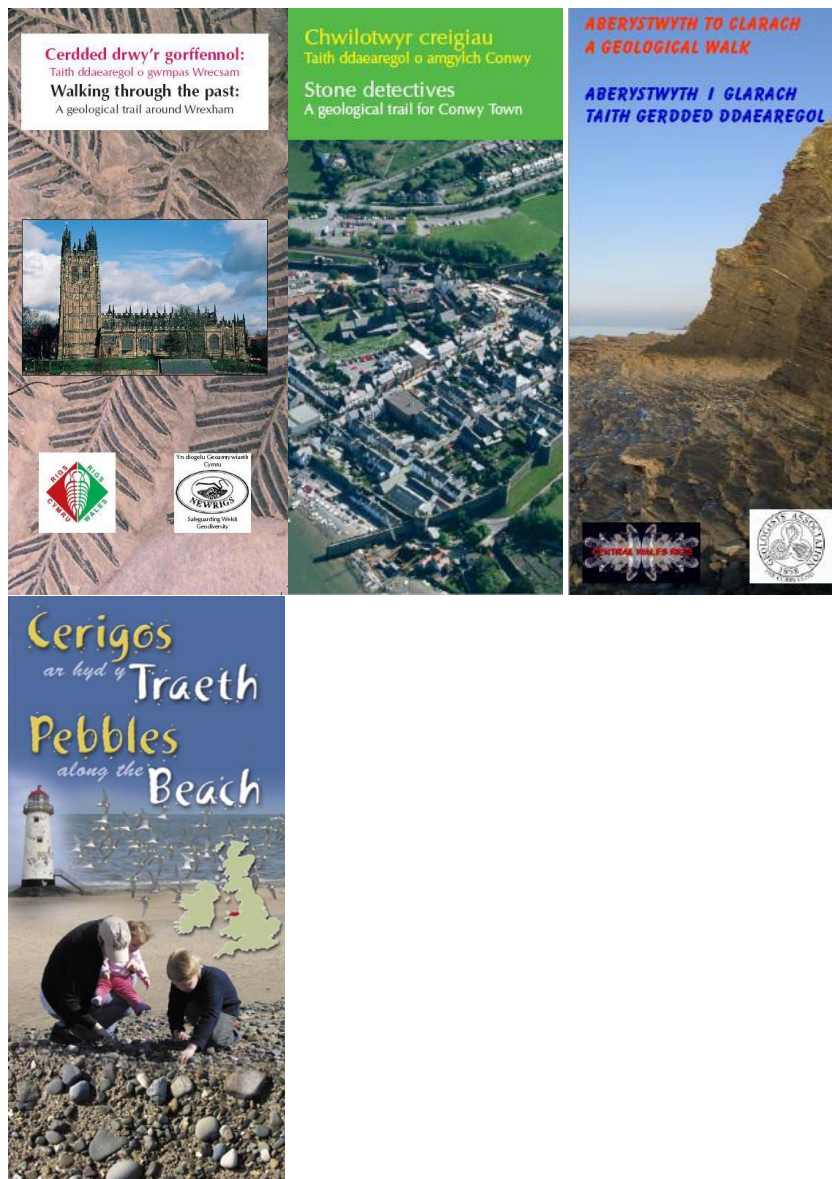
Project Description	Location	Objective
All-Wales audit of Regionally Important Geodiversity Sites (RIGS): Equivalent to Local Nature Reserves, this geological and geomorphological audit resulted in approximately 1000 sites documented and registered with local authorities for their scientific, educational, historic and aesthetic qualities. The Welsh sites complement the UK-wide GeoConservation Review (GCR) sites, which are SSSIs. <i>Funded by Welsh Assembly Government Aggregates Levy Fund (ALF) in partnership with Association of Welsh RIGS Groups</i>	Approximately 1000 sites Across Wales	D, DA
European Geopark <i>Funded in part by CCW, ALF, Mentermon & Ynys Môn AONB</i>	GeoMôn – Anglesey Geopark	A, D, DA
Local Geodiversity Action Plan: To enhance the landscape through its outstanding geological heritage for the social and economic well-being of		

inhabitants and visitors: Objectives included; conservation and management of the Clwydian Range; maximise the use of the geodiversity to increase knowledge and understanding of the importance of the geodiversity; promote and develop the geoheritage for the enhanced enjoyment of residents and visitors; promote and develop the geoheritage to enhance the management of the Clwydian Range <i>Funded by ALF and Denbighshire Countryside Services</i>	Clwydian Range AONB	A, D, DA
Clwydian Range Education project: a. Geodiversity Education Pack for Key Stages 2 & 3 using RIGS b. Geodiversity Education Pack for GCSE Geology using examples of Welsh RIGS & GCR sites. <i>Funded by ALF and Countryside Council for Wales</i>	Clwydian Range AONB	D, DA
Two <i>Pebbles on the Beach</i> leaflets identifying and describing the pebbles of North Wales and Aberystwyth <i>Various funds inc. North East Wales RIGS, CCW, & ALF</i>	Various North Wales sites	D, DA
<i>Walking through the past</i> leaflets. A dozen Geological trails of North Wales towns describing the building stones <i>Various funds including WAAL, Curry Fund, 'Awards for All' and local partners</i>	12 North Wales Towns	DA
Building Stones of Powys Castle	Powis Castle	DA

One of the key objectives of the RIGS movement is the raising awareness of geodiversity and geoconservation. RIGS groups in Wales have worked with a number of partners who promote the understanding of geodiversity through grant aid and specialist support. RIGS groups have been very active in developing interpretation initiatives that encourage the public to look at and appreciate the rocks and landscape around them.

This may be through the development of trails looking at the geology between Aberystwyth and Clarach, or the mineral wealth of Coed y Brenin. But what has been especially successful is the development of geological town trails. These self-guided walks are available for a number of towns and look at the incredible wealth of building stones, obtained locally or from around the world.

Geological town trails offer an insight into the geological wealth of Wales and are an example of how geologists are keen raise awareness.



APPENDIX D : GEODIVERSITY SERVICES

The following provides some examples of Services that Geodiversity provides, abstracted from the AWRG response on 8th December 2010 to the Living Wales Consultation.

Geodiversity in Regulating Services:

Atmospheric and oceanic processes

Dynamic circulation

Global heat regulation

Terrestrial processes

Rock, carbon & water cycles

Geomorphological processes e.g. landslides

Flood control – water infiltration in the landscape, run-off

Water quality, quantity and storage

Geodiversity in Supporting Services:

Bedrock – landscape, resource – stone, sand & gravel

Soil – growing medium, soil profile development, weathering,

Habitat provision – caves, cliffs, limestone pavements, ponds, valleys, moorland, salt marshes etc.

Land as a platform – buildings, airports, sport

Burial and storage – human, animal, waste including nuclear

Protection – coastal & flood defences

Geodiversity in Provisioning Services:

Mineral resources – Superficial and bedrock

Food and drink – soils for food plants, meat (sheep, cattle, pigs) water, beer, wine & whisky

Nutrients – minerals inc. salt, zinc

Fuels – coal, gas, oil, uranium etc.

Construction materials – stone, including limestone and sandstone, slate, shale, sand and gravel, cement, glass, copper

Industrial minerals – quartz, calcite etc

Ornamental – fossils and minerals, e.g. Welsh gold

Geodiversity in Cultural Services

Environment quality – landscape both local and national (Country parks, AONBs, National Parks, Geoparks)

Geotourism and leisure – landscape both local and national (Country parks, AONBs, National Parks, geoparks)

Cultural, spiritual and historical meaning

Folklore, sacred sites, 'sense of place'

Artistic inspiration – art (Turner to Kyffin Williams), sculpture, literature, poetry

Social development – local geological societies, field visits, walks & talks

Geodiversity in Knowledge Services

Earth History – evolution and landform; major Welsh contribution to the understanding of the Earth and natural systems

Physical processes

Geoforensics

History of research – unconformities/geological time/mountain building/evolution

Environment monitoring – glacial retreat, sea-level change, acidification

Education and employment – field skills training, on & offshore exploration through the management of sites, areas and wider landscapes.

ANSWERS TO SPECIFIC APPENDIX 2 QUESTIONS

5.17 & Question 27 5.17.1 We support unequivocally that Welsh Government should **allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities**, initially on the Consultation Document's own premise that communities experience substantial dis-amenity which LCF can help to offset.

5.17.2 Further grounds include the fact that landfill sites are frequently sites of former extractive mining and quarrying for geological resources and that the character and history of local physical and human-cultural environments - underpinned by its geology – is largely dependent on such funding for the conservation and enhancement for public access.

5.18 With regard to the Activities that could receive funding, our principal responses relate to your heading **Biodiversity initiatives and wider environmental improvements**, are specifically:-

5.23 5.23.1 It is our case throughout that the terms biodiversity and bioconservation narrowly defined are restricted to the living environment and that - under the important but inconsistent incorporation of geology under 'Nature' – equally important geodiversity and geoconservation are frequently excluded from funding for conservation and wider environmental initiatives.

5.24 5.24.1 We concur strongly with the suggestion that LCF funding is currently likely to be the main source of funding for these objectives, supported by the precedent of funding from the ALSF elsewhere in the UK. Once such funds are available, the voluntary geoconservation community contributes a significant matched funding element through its volunteers' expertise, efforts and time and also seeks other matched funding sources – but LCF funding would be the major component.

5.25 5.25.1 It therefore follows from the above that these objectives would largely go unfunded, to the loss of the specific projects and communities concerned, especially as other funding sources dry up.

5.32 5.32.1 With regard to the general Objective of **Tackling Poverty and Deprivation in communities**, there is a good record of opportunities to develop working and social skills in the local community during the execution of projects of geoconservation environmental improvement, which also help to relieve environmental and amenity deprivation – and examples of geoconservation and geodiversity projects which enhance local employment and the tourist industry, especially with regard to GeoPark Projects.

Question 28 In terms of enhancing community wellbeing, those activities we strongly believe **should benefit from funding** are **Geo(Bio)diversity initiatives and wider environmental improvements** and **Tackling poverty and deprivation in communities**.

Reference 86

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Reference 87

Name:	Martin Fenn-Smith
Organisation (if applicable):	Monmouthshire Meadows Group
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they	

be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance	Supporting compliance and enforcement and minimising the impact of waste crime.

community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	Supporting waste minimisation and the diversion of waste from landfill. Biodiversity initiatives and wider environmental improvements
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 88



INTRODUCTION

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales. The three fire and rescue authorities and the three national park authorities are associate members.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. The WLGA welcomes the opportunity to comment on the consultation on the tax that will replace Landfill Tax in Wales once this tax is devolved from April 2018 and to contribute to policy development in this area. We will respond to the detailed questions below but it is important that we set out our general position in respect to the new tax environment, and the importance of controlling resources close to communities, where this is best to do so.

WLGA's general position on the new tax environment

4. An essential part of our vision is that local government should have maximum freedom and flexibility to control the resources needed to deliver services locally to communities. The tax raising powers which local government already possesses are a key feature of the resource landscape at the local level and are a key element in our vision for greater local control of resources. The WLGA would argue that in the new tax environment, local democratic responsibility for taxation remains a key feature. Just as there is recognition in the Welsh Government's proposals that the new devolved taxes should be brought together, there must equally be recognition of the link between nationally devolved taxes and their administration with the management and control of local taxation. Gerry Holtham's paper to the Institute of Welsh Affairs¹ recognised the strategic links between locally

collected property taxes, newly devolved taxes and taxes that have the potential to be devolved.

5. The WLGA has welcomed invitations already made to participate in the Tax Advisory Group and our officers are contributing constructively in other fora. We believe that there is a need for Local Government to have a close relationship with the WRA and a means for high level and meaningful interaction with the new body.

Devolution of Landfill Tax

6. Landfill Tax has had a major impact in terms of the downward trend in the amount of waste being taken to landfill sites. As the amount of tax escalated over recent years, so the incentive grew (i) to encourage less waste in the first place and (ii) to find alternative, more sustainable forms of treating waste and extracting valuable resources. The tax has therefore made a significant contribution to the Welsh Government policy of moving Towards Zero Waste. Local authorities have responded positively to this policy and, with Welsh Government support, recycling levels have increased significantly and waste reduction messages (such as Love Food, Hate Waste) have been widely promoted. In addition, alternative treatment facilities are coming on stream including anaerobic digestion for food waste and energy from waste for residual waste.

7. The WLGA supports the Welsh Government's decision to replace Landfill Tax in Wales once it is devolved from April 2018 with the Landfill Disposals Tax (LDT). The absence of such a tax would undermine all the work that has been undertaken to date to introduce more sustainable, resource efficient systems. Also, while there inevitably will be a downward trend in terms of tax yield as landfill tonnages continue to decrease, it never the less still contributes towards the costs of public services. Since the Welsh Government's block grant will be reduced to reflect its devolution, it is important given the continuing impact of austerity measures on public services that resources are not further reduced by having no income from a landfill tax on devolution.

8. We also concur that final decisions on some aspects of the new tax can be made much closer to April 2018, in order to take account of developments in the economic situation within Wales both for taxpayers and for public services. Welsh Government and wider stakeholders within Wales will also be able to benefit by learning from the experiences of Scotland due to the earlier devolution of this tax to the Scottish Government from April 2015.

RESPONSE TO THE CONSULTATION QUESTIONS

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

9. Continuing with the current rates would provide stability for all stakeholders and would mean no cross-border impact of differing tax regimes, which may be desirable at the outset of the devolution of this tax. Even though the battle for greater fiscal devolution has been hard fought, it may be wise to guard against change for change's sake.

10. Should Welsh Government be minded to look at changing tax rates the risks are two-fold. Set them too low and waste will come into Wales, raising revenue but undermining the policy objective of reducing the amount of waste landfilled in Wales to protect the environment. Set them too high and waste will be transported to England and revenue will be lost. Care needs to be taken to ensure that we do not significantly reduce the yield from the tax in Wales. A key consideration for the WLGA is to ensure that the overall level of funding for public services is not reduced significantly.

Question 2: Are the current standard and lower tax rates set at an appropriate level for Wales?

11. Landfill operators use some of the lower rate material to help with the ongoing development of their sites. An increase in the lower rate in Wales could lead to reduced amounts of this material coming on site (e.g. because it is transported to English landfill sites instead and/or incineration becomes a cheaper option and/or because business generating the waste are forced out of business by the higher costs). If landfill operators had to purchase similar materials for their site development works this would increase their costs and could undermine their viability.

12. For this reason, as in paras 9-10 above, there is merit in retaining consistency with rates in England. There can be attempts to pass off higher rate waste at the lower rate because of the significant cost differential. However, this is better dealt with through checks and enforcement than by changing rates.

Question 3: Is there value in Welsh Government having the ability to set different lower rates of tax and why?

13. There may be merit in having the power to set different lower rates of tax for different categories of qualifying material. This would provide a safeguard against any sudden changes of this nature by the UK or Scottish Governments which could otherwise put Wales at a disadvantage.

Question 4: Are there any changes to the list of material qualifying for lower tax rate that should be considered and on what basis?

14. The current list is established and generally understood in the industry (or subject to legal cases). Making changes would introduce unnecessary uncertainty at a time of change and could also lead to unintended consequences in terms of 'waste tourism'. It is better left as it is in the initial period and possibly reviewed once the new arrangements have bedded in.

Question 5: What would be the practical implications of introducing a threshold to define a 'small quantity' of non-qualifying waste in a load of qualifying material?

15. The figure quoted in the consultation document of 10% appears to be an existing 'rule of thumb' that operators already apply successfully. However, it would be worth contacting the (limited number of) operators in Wales to substantiate this position. Typically, a load that appears to infringe this threshold, with non-qualifying waste deliberately concealed, will be impounded by the site operator. The disposer is required either to take the load away or pay the higher rate - or else the instance is reported to NRW. The disposer would also have to demonstrate compliance before they are allowed to tip again.

16. If this existing system is working effectively then there would not appear to be much merit in making a change but it would be worth confirming the position with operators.

Question 6: Would you support the introduction of Weight Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

17. The LoI test is effective for testing fines (e.g. from MRF trommels). However, it is an expensive test that takes time to generate results and would not be suitable for use with much of the material that comes in skips to landfill sites.

18. Therefore we would support selective use but widespread application would not be applicable.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place and, if so, how might these be resolved?

19. There is a need to have a clearly defined area within the overall landfill site within which taxable disposal take place. The site entrance weighbridge tends to be the most sensible location for this and for practical reasons the existing arrangements should not be changed.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and, if so, how might these be addressed?

20. At present there is limited removal of material from landfill sites so this is not a major issue. In the future, it is possible that interest could increase in 'mining' landfill sites to extract resources. However, this is very much subject to market forces. As supply of certain materials declines and their value increases, so the economic case for extracting these resources builds. Any such large scale recovery operations would, however, raise environmental issues that would need to be considered too.

Question 9: What would be the practical implication of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

21. Whilst such an approach has some attractions, the practical implication is likely to be that it will open up a fresh round of legal challenges over what is, and is not, on the exempt list (as opposed the current challenges which are over what is, and is not, on the taxable list). As a result it is felt that it would be better to retain the existing arrangements based on the prescribed list of taxable materials.

Question 10: What activities would you expect to be exempt (not subject to tax) and why? and

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

22. There would be no need to specify exempt activities if the approach in para 21 is taken. It would also ensure consistency with the approach in England. Given the existing legal cases regarding what is, and is not, taxable it may be best to retain existing arrangements until such time as court cases resolve the issues.

Question 12: Do you think that any of the current exemptions should be removed or modified?

23. The current exemptions should remain in place to ensure consistency with England and avoid diverting waste.

Question 13: Is there a case for removing or modifying the water discount relief?

24. Water is used as a transport medium in some cases to move certain types of waste into landfill (e.g. pulverised fuel ash). It is also used, for example, by some street sweeping machines. In such instances it is the most effective and efficient way of dealing with the waste and therefore relief is appropriate. Likewise, rainfall on waste adds to the weight and volume but some allowance for this is sensible.

25. There are issues with leachate though that are recognised and therefore there might be a case for further investigation and clarification on the issue of when water relief should – and possibly should not - be applied.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs?

26. No. Again for reasons of consistency with England there is value in retaining the same exemptions and reliefs (but perhaps undertaking periodic reviews jointly with England).

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

27. On the face of it this seems a sensible and reasonable idea. One potential practical implication could be that some waste carriers will choose to use sites where there is no weighbridge if they believe the possibility of under-declaring is felt to be greater at certain sites. That would undermine the attempt to create level playing field.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

28. The main practical issues associated with this proposal would be in relation to enforcement. Illegal waste disposal is difficult to control by its very nature and obtaining hard evidence to prove who is responsible is not always easy (although some councils have successfully prosecuted offenders, for example using CCTV evidence). The costs of enforcement would need to be weighed against the likely tax income and, crucially, local authorities (and NRW) would need to be resourced to carry out monitoring and enforcement activity.

Question 17: Are there any issues with the current penalty regime and, if so, how might they be addressed?

29. No major issues.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based?

30. Yes – only when there is visible activity is there a deterrent effect. Moreover, ‘on the ground’ work can help to identify causes of recurring problems and suggest preventative measures instead of simply and repeatedly dealing with the consequences after the event.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposal Tax evasion?

31. The measures proposed look sensible. Given their 'on the ground' presence and experience of local tax collection, Welsh Government may want to consider resourcing local authorities to assist with local enforcement.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

32. Yes. Local authorities and NRW frequently have to deal with instances of fly tipping of waste which, if taken to landfill, would have incurred Landfill Tax. Similarly there have been incidences where piles of materials at recycling facilities have caught fire, sometimes in suspicious circumstances. If this material was contaminated and not fit for recycling then it might (in the absence of other options) have had to be sent for landfill, which would have incurred Landfill Tax. Illegal waste sites have also been known to exist (e.g. where unofficial tipping has been allowed by landowners).

Question 21: Would you support aligning the tax return period with the financial year?

33. Alignment with financial year has some obvious attractions in terms of consistency of financial reporting periods. Local authorities are already able to do this by requesting a form from HMRC each year and similar provision should continue to apply. The situation may not be as straightforward, however, for some private sector operators if they work on a January to December financial year.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue Codes are used in completion of the tax return?

34. Operators already report tonnages handled using the Catalogue codes so this should not be an additional burden. However, the codes may not align in a simple way (e.g. with higher and lower rate Landfill Tax rates) in terms of completing tax returns and views of operators need to be taken into consideration. One option to consider would be for returns completed using the European Waste Catalogue Codes (e.g. weighbridge sheets) simply to be attached to tax returns. As a guiding principle, administrative burdens should be kept to a minimum, however.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

35. Introduction of electronic forms would be beneficial but, given the small number of operators and the declining tonnages, the costs of developing an online version would probably outweigh any additional benefit.

Question 24: Should bad debt relief be offered and, if so, in what circumstances is it appropriate?

36. Bad debt relief should be retained. There may be merit in tightening up on the conditions where this applies, though, and the experience of doing this in Scotland should be monitored before making a decision.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

37. WLGA agrees with Welsh Government that taking steps to avoid disputes arising in the first place should be the prime focus. Should a dispute arise, however, only the person who submitted the documentation should be eligible to appeal and this should then be subject to an independent review. Procedures need to be kept as simple as possible.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposal Tax until the conclusion of their appeal?

38. Yes. If the appeal is over payment at the lower rate of tax and this payment is required upfront, the risk that a subsequent decision might force the higher rate to be paid would be too great. Operators would have to charge customers at the higher rate to protect themselves against such a risk. If they continued collecting only the lower rate of tax, such a decision could drive them out of business.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax to enhance the well-being of communities?

39. Whilst the Landfill Communities Fund has supported a range of good projects in communities over the years, the declining revenue expected from the tax over coming years will mean that this will be a dwindling fund. Since each fund requires its own administration, with associated costs, having a multitude of small funds is not a cost effective approach.

40. One option would be for a proportion of the revenue raised to be used to support waste awareness work by local authorities. There is already an established mechanism for supporting local authorities with waste awareness work in the form of Waste Awareness Wales so there would be no need to establish a new body to oversee this.

41. Otherwise, it would seem more sensible for the revenue raised to contribute to strategic funding within Welsh Government to protect public services to communities.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community well-being, which of the following activities should benefit from funding:

- supporting compliance and enforcement and minimising the impact of waste crime
- supporting waste minimisation and the diversion of waste from landfill
- biodiversity initiatives and wider environmental improvements
- tackling poverty and deprivation in communities
- other

42. If the response to question 27 regarding Waste Awareness Wales is accepted then this would fit best under the 'waste minimisation and diversion from landfill' heading (or if the suggestion of revenue being used to support strategic funding is adopted, none of these would apply in a direct sense). The enforcement option would seem worthy of consideration if the claimed return of £3.60 to £5.50 for every £1 spent on enforcement is correct. This would have the potential to increase the amount of revenue raised overall in protection of services.

Question 29: Do you have any thoughts on the possible administrative model?

43. Again, if the response to question 27 is accepted then this would be administered via the existing Waste Awareness Wales operation. (Alternatively, if the funds simply go to support strategic funding of public services within Welsh Government then this would not be an issue).

For further information please contact:

Tim Peppin,
Director of Regeneration and Sustainable Development

Welsh Local Government Association
Local Government House
Drake Walk
Cardiff
CF10 4LG

Reference 89

Name:	Richard Thomas
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	With devolution of financial powers comes a responsibility to determine the priorities of Wales first, and to look to fall in line with other UK governments second.
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	'Credit' for removal of landfill material should be made available for any activity that can demonstrate waste prevention, such as 're-use or repair' of items otherwise destined for disposal.
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions	

for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	Illegal waste deposits, where identified, should be classed as landfill sites and taxed accordingly.
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	Yes - it makes financial administration more efficient in most cases.
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes	

are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes, absolutely. Landfill Disposals Tax should be used in line with the Well-being of Future Generations Act and ensure that activities that offer local skills, jobs and resource efficiency - and which also offer anti-poverty or other community benefits - are actively supported through the new tax. Examples will be community furniture re-use projects that divert waste from landfill, provide volunteering, jobs and skills opportunities and in most cases enable access to affordable household items for people with limited financial means. A minimum of 25% of the revenue from the tax should be protected for waste prevention and re-use/repair activities that also support community well-being.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	Supporting waste minimisation and diversion of waste from landfill - especially re-use and repair activities that capture materials and retain their utility and social and economic value within local communities (25% of tax revenue). Also biodiversity and wider environmental improvements to ensure that reinvestment in the natural capital of Wales is supported - a protected budget could be considered to support the Environment Wales network of community projects in Wales (25% of total tax revenue).
Q29: Do you have any thoughts on the possible administrative model?:	Keep it streamlined and efficient. Link to Waste Data Flow - seek improvements in managing the whole process of data capture and processing for purposes of tax and public sector revenue.

Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	The recycling infrastructure in Wales is now well established. Much greater efforts must be made to invest in the infrastucture higher up the Waste Hierarchy - notably for re-use and repair of usable items otherwise destined for landfill disposal. Where such infrastructure also supports community well-being then these activities should be given priority for investment and future development.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 90

Name:	Gerwyn Phillips
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an	

obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	I want to see the funding continuing to benefit local communities. I support spending on nature conservation and biodiversity.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste	Biodiversity initiatives and wider environmental improvements.

from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify).:	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 91

Name:	Shea Jones
Organisation (if applicable):	Community Housing Cymru Group
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified?	

Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in	

particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	A good opportunity exists to allocate revenue to help ensure tangible community benefits and improved wellbeing. This could fall in line with the intentions and aims of the Future Generations Act.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):.	
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	Community Housing Cymru believes that as recycling infrastructure is largely in place now, any devolved financial powers in Wales such as the landfill tax should include a ring-fenced amount, perhaps 25%, to support better re-use, preparation for re-use and waste prevention thus supporting the Waste Hierarchy and future development of a circular economy in Wales.
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 92

I am emailing as I have only one point to make re. this consultation (questions 27/28) so it is unnecessary to fill out the whole form.

The point is that the Landfill Tax has been a Godsend to various environmental projects up and down Wales that simply would not have been undertaken without it. Examples in my area in Newport are small-scale enhancements to our local park (Woodland Park) undertaken by a community group, making it much more useful to local residents and to wildlife; and various wildlife projects undertaken by Gwent Wildlife Trust.

It is only right that the environmental costs of landfill - which are quite considerable in Newport - are compensated for by undertaking environmental improvement works in the local area. And it is important that this source of funding remains open to small, local organisations who otherwise struggle to find funding for their valuable work. So, whatever else happens to this tax in Wales, please maintain these arrangements which seem to be working well, rather than have all the tax proceeds swallowed-up centrally and used potentially for environmentally-damaging projects such as the M4 relief road around Newport.

yours sincerely

Robert Waller

Reference 93

Name:	Dipti Patel
Organisation (if applicable):	Gwent Wildlife Trust
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your	

response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until	

the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. -
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 94



WELSH LIBERAL DEMOCRATS RESPONSE TO WELSH GOVERNMENT

Commitment to a greener economy

The Welsh Liberal Democrats takes the responsibility of protecting our natural environment very seriously. We want to hand our countryside and green spaces on to the next generation, and in a better condition than when we were children.

Wales needs to move to a 'circular' economy, where waste is minimised, resources are re-used through repair, remanufacturing and recycling, energy is captured from waste that cannot be re-used and landfill is kept to the absolute minimum.

This is not just for the sake of our environment but to ensure the ongoing competitiveness of our economy in a more challenging global environment. We cannot afford to be complacent about competition for resources or the risk of resource shocks in the coming decades. We have a real opportunity to lead the way, generating sustainable prosperity and jobs.

Replacement of UK Landfill Tax by Welsh Landfill Disposals Tax

The Welsh Liberal Democrats submission to the Part I of the Commission on Devolution in Wales was fully supportive of landfill tax being devolved as waste management and recycling is already largely devolved to the National Assembly for Wales.

The objective of the landfill disposals tax to reduce the amount of waste going to landfill is obviously agreed. However, we are fully aware that once the landfill tax is transferred to the Welsh Government, the negotiated sum, which Wales will have had taken off the block grant from Westminster could leave us a budget deficit. It needs to be ensured that Wales does not have a funding shortfall due to the amount of waste going to landfill being reduced.

Reducing pressures on landfill

We believe that the amount of waste sent to landfill should be reduced by using regulation both nationally and in the European Union to promote

sustainable design where repairability, reuse and recyclability are prioritised, and to reduce packaging waste.

There needs to be added education about the cost implications of sending waste to landfill to the general public.

Reduction of fly-tipping

One potential impact of the landfill tax has been an increase in fly-tipping. The number of fly-tipping incidents has consistently fallen since a peak in 2007/08. However, we believe the 32,934 fly-tipping incidents reported by Welsh local authorities during 2013-14 is still too high. The proportion of fly-tipping incidents involving household waste decreased only slightly to 70% in 2013-14, from 71% in 2012-13.

Despite estimated fly-tipping clearance costs falling from a peak of £3 million in 2007-08, the £1.9 million cost in 2013-14 is still excessive. During 2013-14, 24,701 enforcement actions were taken in Wales; an increase on the 22,938 taken in 2012-13. Of those where local authorities carried out prosecutions, 75% resulted in a fine³.

The Welsh Liberal Democrats want action taken to boost the number of organisations prosecuted for illegal dumping. Under the proposal, organisations caught fly-tipping on an industrial scale to deliberately evade tax could face up to £9m in fines. Currently only a small number of prosecutions are successful across the UK, ranging between 171-197 a year. This is despite the large-scale dumping operations conducted by some companies.

There should also be a higher, more consistent level of fines for fly-tippers who damage Britain's environment. As well as causing severe damage to Britain's environment and wildlife, illegal waste sites, fly-tipping and landfill tax evasion costs the UK taxpayer on average £500m a year in lost revenue. The Welsh Liberal Democrats believe there should be increased penalties for waste crimes, aiming to move from an average fine of £50,000 to £75,000 and to an average sentence of 12 to 18 months.

The Welsh Liberal Democrats believe there should be a 'carrot and stick' approach to waste, one which combines a Stern Review style action plan that turns waste into an economic asset but comes down hard on industrial fly tippers through larger penalties and fines.

It needs to be made simpler who accepts responsibility for prosecution. The boundary between Natural Resources Wales and local authorities can make prosecuting a guilty party more difficult because there can be confusion about who is responsible and who has the resources to prosecute.

³ <http://gov.wales/statistics-and-research/local-authority-recorded-flytipping/?lang=en>

Landfill Communities Fund

The Landfill Communities Fund is a crucial benefit from this tax and we believe it must have a continuing role and be refocused to environmental aims. For example the percentage of Landfill tax for funding wildlife projects should be increased - possibly to 10%.

Projects like the Wildlife Trust of South & West Wales at Parc Slip, Bridgend would not have been able to manage and protect scarce habitats for threatened species of Lapwing and Marsh Fritillary butterfly without this specific funding. These areas are crucial to protect for the benefit of wildlife and our environment, but also for the health and well-being of the local community. There is an increasing population of obese children and people with ailments that could be prevented such as heart disease, diabetes and stroke. Connecting with nature and the natural environment helps create a healthier, happier community.

The design of the landfill disposals tax needs to keep in mind that many Welsh communities are suffering because of landfill sites including those near the border, where there's been a tradition of the clay industry. There would be concern in those communities if they don't see any benefit in terms of the tax being spent locally.

Collection of the Landfill Disposals Tax

The Welsh Liberal Democrats support the establishment of the Welsh Revenue Authority (WRA), as a non-Ministerial department, accountable to the Assembly. We also support the majority of the Welsh Government proposals that will enable Wales to have a fully-functioning, efficient and effective regime for the collection and management of Welsh Taxes. It is important that the cost of the administration of the tax that falls on Wales is kept to a minimum.

The WRA should be able to draw down money from the Welsh Consolidated Fund. The Wales Audit Office should be given the job of overseeing this process. The WRA needs to be scrutinised by the Assembly through the Finance Committee.

Conclusion

In addition to the points made above the Welsh Liberal Democrats will continue to develop its policy on landfill tax.

Reference 95

I am concerned that revenue may be lost from biodiversity funding and wish to ask government to ensure that this is not the case.

Thank you

M Pitt

Reference 96



British Heart Foundation (BHF) Cymru is the nation's leading heart charity. We are working to achieve our vision of a world in which people do not die prematurely or suffer from cardiovascular disease. In the fight for every heartbeat we fund ground breaking medical research, provide support and care to people living with cardiovascular disease and advocate for change.

- Our dedicated staff and nearly 1,000 volunteers raised £1.3 million in profit across Wales to fund our life-saving research in Wales last year.
- In Wales we have 25 standard shops and 7 larger-format Furniture and Electrical stores.

We welcome this opportunity to respond on the consultation on the distribution of the Landfill Disposal Tax Communities Fund and this response addresses Q27-29 in the consultation questionnaire.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Yes

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

We agree that a proportion of the tax revenue should be directly assigned to community benefit, but that the balance of this funding between the communities around the sites and others throughout Wales should be

reviewed. Waste disposal creates a local disbenefit in the immediate area, which should be recognised and compensated within reason, and a wider impact in terms of reduced economic opportunities from re-use and recycling. Enforcement action should be given adequate support, but it does itself generate a direct income and should not require additional funding.

As landfill plays a less significant role local impacts are reducing – there will be less and less expansion and development of new sites. Landfill operators are already obliged to contribute to the management of sites when they close. Therefore the key unfunded impacts of disposal for this reducing volume of material will be in terms of economic and social value of wasted items.

Waste minimisation and re-use can play a major role in tackling poverty and deprivation. We would argue that these two objectives could both be met by targeted application of tax revenues to develop the re-use sector.

There are already many charity retailers and others engaged in effective re-use activity, which diverts thousands of tonnes from landfill and provides employment, volunteer opportunities, affordable goods and savings to local authorities' waste budgets. There are structural interventions that could support the sector on a medium term basis as the use of landfill reduces, for instance:

1. Generic communications to encourage residents to choose to re-use, eg Wales wide campaigns, training and support in local website and call centre management for waste enquiries
2. Pilot projects to capture more of the harder to reach items for re-use through kerbside or bulky collections, eg small electricals, bric-a-brac, furniture
3. Infrastructure for re-use at Household Waste Recycling Centres, eg containers, signage, operative training
4. A national re-use line, as already in place in Scotland, as the default route for bulky waste enquiries – this could represent a cheap and convenient option for householders with no call on local authority time or budgets, allowing for inclusion of local, regional and national re-use services as appropriate
5. An accreditation process, as already in place in Scotland (Revolve), which would improve confidence in re-use services for local authorities and create a standard which must be met in order for them to be recognised partners. A formal, documented process would not only increase transparency of end destinations, it would address concerns about unfairness and allow accredited organisations of whatever size to benefit from promotional activity and disposal/recycling of residual donations. At present our experience has been inconsistent across Welsh local authorities.
6. Furniture recycling – a proportion of material collected for re-use is inevitably unfit for sale or donation. A joined up system which incorporates repair, upcycling and removal of parts, as well as

recycling, would open up further opportunities to derive value from discarded furniture and would reduce the cost burden on re-use operators.

All of the above ideas are extensions of existing good practice which could deliver social and economic benefits to a wide variety of organisations and individuals without requiring on-going commitments in the longer term. They mitigate the wasted opportunities represented by landfill disposal as well as taking strategic steps to move away from disposal towards a circular economy.

The existing and future re-use sector includes both small and large charities and businesses. Benefits of re-use will continue to be felt at local level, with warehouses, workshops and retail outlets necessarily spread across many communities. However the organisations involved do not themselves need to be 'small re-use and recycling businesses' (5.29), as larger operators are often able to deliver better value through reduced overheads and efficiencies. It is also worth noting that larger organisations such as national charity retailers direct these savings towards other community benefits, such as healthcare which are delivered at local level.

Question 29: Do you have any thoughts on the possible administrative model?

The current administration of the LTCF is costly, with 14% of revenue going towards administration rather than direct community benefits. It is also biased towards the interests of landfill operators and does not address need or capacity issues, as distribution of funds is decided by individual environmental bodies case by case.

If the Landfill Disposals Tax is to make a strategic difference it should logically be related to strategic priorities, for instance in 'Towards Zero Waste', sector plans, and on-going policy developments by the Welsh Government and local authorities. The Welsh Government or a suitably qualified organisation with relevant experience would be better placed to deliver against agreed objectives than a large number of individual environmental bodies. This would also reduce the proportion of administrative overheads.

If the tax revenues are to achieve a planned result the communities fund needs to be a compulsory element centrally managed. In relation to match funding there is no reason why a landfill operator could not make additional community contributions which are tax deductible.

For more information related to this response, please contact Delyth Lloyd, Policy & Advocacy Manager, British Heart Foundation (BHF) Cymru.

May 2015

Reference 97



Response by Buglife to Developing a Landfill Disposals Tax Consultation by the Welsh Government

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Buglife have found the Landfill Communities Funding (LCF) to have had a positive impact for both biodiversity and communities.

Example: West Glamorgan Stepping Stones (funder WREN) Project

Budget: £101,000

Biodiversity

West Glamorgan Stepping Stones is gathering important survey data for invertebrates, reptiles and plants on five wildlife-rich brownfield sites in South Wales, restoring 48 hectares of brownfield habitat. Project sites include Kilvey Hill and Pluck Lake in Swansea, and Bryn Tip, Cymmer Coal Tip and Tata Steel in Neath Port Talbot.

The survey data gathered is used to inform habitat management for species such as the Brown-banded carder bee (*Bombus humilis*), Shrill carder bee (*Bombus sylvarum*), Dingy skipper (*Erynnis tages*), Common lizard, Slowworm and the wide variety of wildlife that finds refuge on brownfield sites.

Community

Local Communities are involved in work parties, gaining both land management skills and improvements to their health and well-being. Project activities promote the value of brownfield sites for supporting Welsh wildlife, and highlight the wildlife on the doorstep of local communities.

Local Economy

In addition to volunteer work parties, Buglife have used local contractors for heavier tasks such as 'scrub clearance', thus boosting the local economy.

Industrial heritage 'brownfields'

These sites are closely linked to West Glamorgan's industrial heritage of copper, tin and coal mining. Swansea was once known as 'Copperopolis - the copper capital of the world'.

The extent and scale of the industrialisation that took place in this region, at a time when there were no environmental controls in place, created a legacy of contaminated land. However, where these brownfield sites have returned to nature they now form some of the best wildlife habitats in the local area.

The LCF has been the only source of significant funding for brownfield projects run by Buglife. Brownfield sites have particular significance for Buglife as they are known to support a rich and unusual range of invertebrate species, many of which are rare or threatened. Brownfield projects offer a unique opportunity to make substantial improvements for biodiversity and to connect local communities with the wildlife on their doorstep.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why:

- **Supporting compliance and enforcement and minimising the impact of waste crime**
- **Supporting waste minimisation and the diversion of waste from landfill**
- **Biodiversity initiatives and wider environmental improvements**
- **Tackling poverty and deprivation in communities**
- **Other (please specify)**

Buglife supports maintaining Landfill Disposals Tax revenue for **Biodiversity initiatives and wider environmental improvements**.

Recent experience of seeking funding for a Buglife South Wales biodiversity project involved researching a wide number of funding sources. The following funders advised that this type of project was not suitable for them:

- Local Authorities, Neath, Carmarthenshire, Swansea
- Big Lottery
- Heritage Lottery Fund
- Princes Countryside Fund
- The Dulverton Trust
- Community Foundation in Wales

Landfill Disposals Tax Revenue offers the only dedicated funding source for maintaining and improving the biodiversity of Wales for the benefit of all. There are a number of other funding streams for compliance, waste minimisation and tackling poverty but funding for biodiversity is scarce. If funding from landfill tax is diluted, it will make it hard to hit specific environmental Welsh Government commitments such as the halting the loss of biodiversity by 2020 or delivering the Action Plan for Pollinators in Wales.

Question 29: Do you have any thoughts on the possible administrative model?

Buglife support:

1. measures to speed up the flow of money to support biodiversity and community groups making administration of the fund more effective and efficient e.g. grant payment in advance not in arrears
2. having a single body administering grant making
3. keeping the administrative costs of any delivery body to a minimum
4. streamlining processes, with standardised application forms, guidance notes and reporting forms for all applications
5. maintaining the link between the site of the landfill activity and the benefit brought about by a grant within a 25m radius of the landfill site with a review of the distance every two years
6. remove the requirement for independent third party contributions

Yours sincerely,

Clare Dinham
Conservation Officer, Wales

Reference 98



Consultation Response Form

Name: Kim Gutteridge, Grants Manager, High Value Fundraising, UK Headquarters

Organisation (if responding on behalf of that organisation): **RSPB**

Specific responses to consultation questions

For the purposes of this consultation response we restrict our comments to general principles of Tax Rates and Tax Disposals (Chapter 2) and Community Wellbeing (Chapter 5).

Opening Remarks

The way that society deals with waste, and our behaviours relating to resource consumption, can have direct and indirect impacts on wildlife and its habitats. The RSPB therefore supports the intention behind Wales's Towards Zero Waste Strategy (2010) and the drive towards an environmentally sustainable Wales where waste use is minimised and everyone uses only their fair share of resources. Such an approach is consistent with the principles of sustainable development – as set out, and supported by the Welsh Government, in [One Wales: One Planet – the Sustainable Development Scheme for Wales](#) (2009)⁴. These principles include “living within environmental limits”. This scheme for Sustainable Development is consistent with the overarching principles of the UK shared framework.

The UK's shared framework, One Future - different paths states that the goal for sustainable development will be: *“pursued in an integrated way through a sustainable, innovative and productive economy that delivers high levels of employment, and a just society that promotes social inclusion, sustainable communities and personal well-being.*

This will be done in ways that protect and enhance the physical and natural environment, and use resources and energy as efficiently as possible”⁵

⁴ [http://www.wales.nhs.uk/sitesplus/documents/829/One%20Wales-%20One%20Planet%20\(2009\).pdf](http://www.wales.nhs.uk/sitesplus/documents/829/One%20Wales-%20One%20Planet%20(2009).pdf)

² Watson and Albon, 2011, The UK National Ecosystem Assessment: Synthesis of the Key Findings.
UK's shared framework for sustainable development.

Sustainable development and biodiversity conservation as a key indicator of sustainable development, are therefore central underpinning principles to which all Welsh Government policy should adhere. **All policies should therefore contribute to securing the achievement of sustainable development and biodiversity conservation.**

Accordingly, we believe that policies in relation to waste and landfill should be developed so as to secure the maximum possible contribution to the achievement of sustainable development and biodiversity conservation.

A key part of the Towards Zero Waste Strategy is the policy of reducing and ultimately eradicating landfill in Wales. This is clearly consistent with achieving sustainable development and, given the impact of resource use and waste management on wildlife and its habitats, the RSPB fully supports this policy. A key means to secure this objective is the use of landfill tax to apply a real 'cost' to the, otherwise, 'free' activity of disposing of waste to landfill.

Therefore, whilst the practice of landfill is in existence and taxation and other policies are securing its phasing out, we strongly support the existence of a Landfill Communities Fund, or similar such fund, which hypothecates tax raised from an environmentally damaging activity for projects that benefit the environment.

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

If there is no replacement or consistent cost in Welsh Landfill Tax rates this would become the cheapest option for waste disposal and would not result in the behavioural change desired in reducing waste to landfill. A lower rate of tax could result in 'waste tourism' and increased transportation of waste into Wales. This will cause an increase in the disamenity to local communities due to higher levels of noise and pollution and increase of carbon emissions.

The way that society deals with waste, and our behaviours relating to resource consumption, can have direct and indirect impacts on wildlife and its habitats. The RSPB therefore supports the intention behind *Towards Zero Waste Strategy (June 2010)* and the drive towards an environmentally sustainable Wales where waste use is minimised and everyone uses only their fair share of resources.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

The LCF has provided much-needed financial support to communities around Wales since its conception in 1996. It has been one of the few funding streams to support ‘pure’ biodiversity projects. This has allowed important habitats to be restored/enhanced to help safeguard Wales’s rich diversity of plant and wildlife species and provide healthy green spaces for people to enjoy and connect with nature.

We believe a Landfill Community type fund will help support the Well Being Goals in the Well Being of Future Generations Act 2015⁶ especially in creating A Resilient Wales – “A nation which maintains and enhances a **biodiverse** natural environment with **healthy functioning ecosystems** that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change)”.

Value of Nature to Community Wellbeing

The life-enhancing qualities of nature are well documented. What is less appreciated is its importance to local economies and well-being. At a time of fiscal austerity the financial benefits of the natural world must sit at the heart of green economic strategy and the Landfill Communities Fund is a vital addition to help achieve this.

Fantastic places for wildlife can also be fantastic places for people. Enhancing the natural environment is a sound investment. It not only benefits wildlife, it also benefits local economies, our health and education, ensures the provision of valuable goods and services and makes a vital contribution to sustainable communities.

Land is more than just a wide open space; it is the unifying backdrop to community activities. The role of the environment is critical to the long-term sustainable future of our communities and the people in them. People do not exist in isolation from the environment.

The multi-functional benefits of the natural environment often go unnoticed and are consequently under-resourced. Only 3% of UK philanthropy goes to addressing environmental problems and climate change funding, though increasing, still only receives a paltry 0.7% of total giving. Of this biodiversity receives only 20%. Of that “Environmental philanthropy continues to have a strong international element, with nearly half of all grants (48.3%) going for work outside the United Kingdom.”⁷ Actions to save UK biodiversity have been costed at only 0.2% of all public spending⁸ but only around half of that is supplied⁹.

⁶ <http://www.senedd.assembly.wales/documents/s37945/Well-being%20of%20Future%20Generations%20Wales%20Bill%20as%20passed.pdf>

⁷ Where the Green Grants Went 5 report, by Jon Cracknell, Heather Godwin, Nick Perks & Harrier Williams, January 2012, Environmental Funders Network.

⁸ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/228842/8082.pdf

⁹ http://randd.defra.gov.uk/Document.aspx?Document=NE0111_9411_ABS.docx

Nature is good for young people

As well as contributing to community wellbeing, the natural environment enhances us all and can have a profound impact on the next generation.

Getting hands on with nature, whether through an informal visit or formally through education or volunteering has many benefits both individually and for the community. *“First-hand experiences... can help to make subjects more vivid and interesting for pupils and enhance their understanding... [and] could make an important contribution to pupils’ future economic wellbeing and to preparing them for the next stage of their lives.”*¹⁰

Nature is good for community cohesion

It reduces crime and aggression and improves community integration¹¹. Interaction with nature improves children’s concentration and behaviour as well as improving self esteem. Teenagers and adults can learn new skills making them more employable in the long term. Early involvement can spark a life-long interest making communities and sites more sustainable.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Tackling poverty and deprivation in communities
- Other (please specify)

The RSPB recommends that **biodiversity conservation must be the priority area for any future funding from the LCF.**

We strongly support both maintaining a Landfill Communities Fund (LCF) and extending the credit limit for contributions to the fund. We would like to see the fund increase from 5.7% diversion rate currently to being ring-fenced at a minimum of 10%.

Funding for the natural environment is becoming increasingly restricted and competitive. There is a huge gap in funding of around £338 million for UK BAP habitats and species. Halting biodiversity loss by 2010 was largely missed in the UK, although some notable RSPB exceptions were: stone-curlew - 369 pairs in 2010 against a target of 300 pairs and bittern – 47 sites supporting breeding bitterns in 2010 compared to a target of 31.

If funding from the LCF is reduced or removed, Welsh Government will not achieve its biodiversity obligations and targets such as:

¹⁰ Ofsted (2008) Learning Outside the Classroom: how far should you go? Manchester: Office for Standards in Education, Children’s Services and Skills.

¹¹ Bird W, 2004 Natural Fit, the RSPB.

- halting the loss of biodiversity by 2020 and 2050
- having all statutory designated sites (e.g. SSSI and SAC) in favourable condition by 2026

Biodiversity Benefit - Nature is in Trouble and Needs Help

Under Object DA, the LCF is also one of the few remaining funding streams that maintains a direct interest in outcomes for wildlife. Indeed, against the wider backgrounds of austerity and a funding community rarely focussed on nature conservation, this fund is increasingly essential to continue work to halt the continuing, and in some places, devastating, loss of wildlife in Wales. As is widely reported in the groundbreaking State of Nature Report¹², we are in a state of major and continuing decline in wildlife with 60% of the species in the UK having declined over recent decades.

We have quantitative assessments of the population or distribution trends of 3,148 species. Of these:

- 60% of species have declined over the last 50 years
- 31% have declined strongly

more than one in ten of all the species in the UK are under threat of disappearing from our shores altogether

We believe that the Welsh Government should continue to keep money coming into **the biodiversity initiatives and wider environmental improvements** not just for its own sake but for the well documented social, economic and health and well-being benefits that it brings.

Addressing Disadvantage

We believe that the natural environment can help support people achieve a better quality of life in difficult times. For example:

- Improving the local environment and creating new volunteering opportunities = New skills, greater self esteem/health and more employability at little or not cost to the participant
- Influence young people's attitude to nature by increasing their nature based knowledge and skills, and that of their parents and teachers.
- Children getting better life chances (education, health and wellbeing) through early interaction with nature *'Every Child Outdoors' RSPB 2010*¹³
- Increase young people's environmental learning opportunities, improving their knowledge and skills for solving environmental problems, and promoting pro-environmental actions.

Health and Well-being

¹² The State of Nature Report http://www.rspb.org.uk/Images/stateofnature_tcm9-345839.pdf

¹³ http://www.rspb.org.uk/Images/everychildoutdoors_tcm9-259689.pdf

Nature is much more than an economic booster. It has proven health and well-being benefits. Accessible green space can provide a wide range of physical and mental health benefits, increasing our well-being and reducing health care costs. Physical inactivity costs the UK over £8 billion a year and leads directly to chronic disease and lack of independence in the elderly¹⁴. The joy of being outdoors often overcomes any noticeable physical exertion involved. The quality and proximity of nature affects our psychological wellbeing¹⁵. The total cost of mental healthcare in England is £41.8 billion.

'The countryside can be seen as a great outpatient department whose therapeutic value is yet to be fully realised.' (Dr William Bird author of *NATURAL FIT: Can Green Space and Biodiversity Increase Levels of Physical Activity?* (Oct 2004)

Economic Value of Nature

Nature makes a substantial and measurable contribution to the economy. Evidence from two recent reports, The Economics of Ecosystems (TEEB)¹⁶ and National Ecosystems Assessment (NEA)¹⁷ provide compelling evidence that if we properly account for nature's value it makes economic sense to preserve it.

Pavan Sukhdev, who heads up the ongoing TEEB report, suggests¹⁸ that we lose as much natural capital each year, equal to that lost in the recent credit crunch. Whilst we might be cynical about the precise value but one thing is clear, losses are big and have tangible impacts which are only increasing.

RSPB nature reserves are economically diverse tracts of land that provide many local benefits: direct employment; spend by staff and volunteers; direct expenditure on goods and services; grazing through farmers (lets) and visitor spend within local area.

Visitors want to see an attractive coastline and flourishing wildlife. Footpaths, viewing facilities and interpretation all help them enjoy spending time in the UK. Having the chance to understand and value their local wildlife, whether on a nature reserve or at the end of the pier, helps communities take a pride in their natural assets and help conserve them.

Green Tourism and Employment

Nature conservation is big business and green tourism is a growth sector. Visits to RSPB nature reserves grew by a massive 38% from around 1.5

¹⁴ Bird W, 2004 Natural Fit, the RSPB.

¹⁵ Pretty J, Griffin M, Peacock J, Hine R, Sellens M and South N (2005) A countryside for health and wellbeing: the physical and mental health benefits of green exercise. University of Essex, Colchester.

¹⁶ Watson and Albon, 2011, The UK National Ecosystem Assessment: Synthesis of the Key Findings.

UK's shared framework for sustainable development.

¹⁷ Sukhdev et. al., 2010, The Economics of Ecosystems and Biodiversity: A synthesis of the approach, conclusions, and recommendations of TEEB. 1.75 mm.

¹⁸ <http://www.dw.de/loss-of-natural-capital-costs-more-than-bank-crisis-says-expert/a-3718168>

million to almost 2 million between 2005-2009. This is at a time when general UK tourism trips declined by 9.2% during the same period.

Across the UK the natural environment supports 750,000 full time equivalent (FTE) jobs and over £27.5 billion pounds of economic output. The RSPB estimate that our reserve network supports 1,872 jobs in local economies (in 2009) an increase of 87% since 2002.

A study¹⁹ shows RSPB South Stack Cliffs in Anglesey in 2009 supported 3.6 direct jobs, a figure which has since increased to 12 FTE jobs in 2010 following investment at the site, and volunteers completed 307 working days at the site. The reserve spent almost £40,000 on maintenance and developments, and hosted 38 hectares of worked agricultural lets. South Stack Cliffs also received 32,165 visitors, of whom 74% said that the reserve was one or the main reason for them visiting the area. These visitors spent a total of £2.2 million, of which £570,000 was local, additional spend, attributable directly to the reserve.

Nature reserves help extend tourist seasons. Seabird colonies and overwintering wildfowl attract visitors in their thousands throughout the winter months. A healthy natural environment is also an influencing factor in where businesses choose to locate.

Question 29: Do you have any thoughts on the possible administrative model?

We believe that it is important for any LCF-type programme to have an independent regulator.

In Wales there is a variety of sources for LCF funds which includes three Councils licensed as Landfill Operators. Any Welsh Scheme will have to consider the best way to achieve value for money whilst upholding the ethos of the scheme to benefit local communities and biodiversity.

We have no specific recommendation at this point, only to specify that any administrative model must ensure that the amount going to projects is maximised and the administration of the fund is kept simple and cost effective. Distribution of funds must be fair and transparent. Currently applicants can apply to a number of funders at the same time (depending on where their priority projects occur) and we would like to see this principle continued – otherwise it will mean a reduction in funding for biodiversity projects across Wales.

¹⁹ RSPB, 2012 Natural Foundations: Conservation and local employment in the UK

We have a great deal of experience in this Fund and we look forward to being involved further in the development of the administrative model. We have been closely involved in the Scottish Government's approach and applaud their inclusion of a higher credit limit to 10% to increase the funding available for environmentally sound projects.

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

Geographic Vicinity

The current regulation states 'vicinity of a landfill site' yet ENTRUST guidance interprets this as 10miles as the crow flies.

By defining the exact distance, this potentially puts at a disadvantage projects that fall just outside this area and does not allow the funder any degree of flexibility to include worthwhile projects falling just beyond this area. In the long-term, this could mean an exhaustion of good projects in the 10 mile radius with good projects just outside being excluded.

We appreciate that the original intent of LCF was to benefit communities/projects within a suitable distance from the landfill operation.

By restricting funding for biodiversity projects to within 10miles of a specific landfill operator's site means that funding for such projects effectively becomes a postcode lottery. If this fund is – as a contribution to Welsh Biodiversity Strategy objectives - to pay for UK Biodiversity Action Plan priority species and habitats, then it has to be prepared to fund them wherever they occur in the vicinity of any landfill site (however this is eventually defined).

What counts as a landfill site?

There is a discrepancy regarding what is considered an eligible landfill site. The HMRC list of licensed operators is mainly based on those still paying tax. However, there are some sites which remain licensed as they still have to be managed. Some funders will only accept those on the HMRC list which potentially means projects will be turned down even though they are within the required distance from an eligible landfill site.

If the 10mile 'rule' is scrapped but projects still have to be 'within the vicinity of a landfill site', we would welcome a definitive list in Wales of eligible sites. In addition, given that populations are more sparse and spread out in many areas of Wales, we would also welcome any broadening of the eligibility criteria. Any list produced would have to be kept up-to-date and amended when sites change owner, or if they are no longer licensed or owned by a person/organisation registered to pay landfill tax.

Rate of spend

It must be recognised that funds committed through a contract are not easy to spend within short timescales (e.g. Welsh Government's Nature Fund). Indeed, it is vital for the success of conservation projects to have funders who can commit to funding long term projects (3-5 years). Therefore RSPB recommends that the fund must continue to allow multiyear projects. It is also be recognised that this fund helps to unlock significant match funding (independent funding organisations and volunteer hours).

It's vital to recognise that there is a big difference between 'unspent' funds and funds retained by a DEB but already allocated for multiple-year projects, released on a yearly basis.

Summary

The RSPB strongly supports the principles of the Welsh Government's Towards Zero Waste Strategy.

A tax on landfill disposals is a welcome and positive contribution to achieving the aims of this strategy, and we support the continuation of such a measure when the power is devolved in 2018.

As a general concept, so-called 'green taxes' are welcome. The Welsh Government could make greater use of fiscal measures to achieve environmental policy objectives.

While landfill still exists, and the tax is 'driving down' quantities, the continued existence of a Landfill Communities Fund (or similar scheme) to give operators credits for dispersing funds to environmental projects is important.

The LCF (object DA) is one of the few funding streams for 'pure' biodiversity projects. It has supported a wide range of good projects, and has the potential to continue and expand this delivery. Without this funding stream, the Welsh Government's biodiversity targets will not be met.

All public finances must be transparent and well-regulated. However, with many recipients of these funds being charities, it should be possible to use existing regulatory/auditing functions, and ensure that the use of the funds is appropriately monitored and reported on.

It is right that the use of taxes on an environmental 'bad' should be used to deliver benefits, in the form of an environmental 'good', "in the vicinity of" the 'bad'. However, given Wales's geography and the distribution of its biodiversity, there is a need to be flexible about how "in the vicinity of" is defined.

The LCF fund must continue to allow multiyear projects. Reducing the length of projects means increased administration costs for both applicants and the Distributive Environmental Body plus most environmental projects need several seasons to be implemented and to carry on effective monitoring.

Please see appendix one for a case study demonstrating the value of the LCF to biodiversity and its ability to provide a strategic multi year framework to the recovery of priority habitats across the UK, including at the Newport Wetland and the Gwent Levels.

Publication of responses

Responses to consultations may be made public - on the internet or in a report.

Normally the name and address (or part of the address) of its author are published along with the response, as this helps to show the consultation exercise was carried out properly.

Appendix 1 – UK Case Study

RSPB/Biffa Award

National Coastal and Floodplain Grazing Marsh Programme 2008-2011 (£1.8m)

Overview of Organisation

The RSPB is the country's largest nature conservation charity, inspiring everyone to give nature a home. Together with their partners, they protect threatened birds and wildlife so our towns, coast and countryside will teem with life once again. They also play a leading role in a worldwide partnership of nature conservation organisations. The RSPB manage over 200 nature reserves across the UK and these support a diverse range of wildlife and habitats. They are supported by more than 17,000 volunteers and more than 1 million members. The RSPB has been successful in securing Biffa Award grants for a number of projects and sites across the country including this national coastal and floodplain grazing marsh project.

Project Background

Over the past 60 years, there have been substantial losses in the size and quality of this important UK BAP habitat. Losses of grazing marsh from the early 1930s to the mid-1980s are estimated as having decreased site area by around 40%. The exact current extent of grazing marsh in the UK is not known, but it is possible that there may be a total of 300,000 ha. England holds the largest proportion with an estimate in 1994 of 200,000 ha with smaller but equally important concentrations in Wales, Scotland and Northern Ireland.

The RSPB was approached by the Biffa Award grants team to identify opportunities to improve the natural environment. As a result a number of options were developed in outline and presented to the Biffa Awards team, who subsequently determined that an application should be developed based on maintaining, achieving favourable condition and restoring coastal and

floodplain grazing marsh across the country in areas eligible for Biff Award funding.

Project Delivery

The project approved included 3 years of funding focussed on 14 sites across the UK. A summary of the range of activity across some of the sites is detailed below:

- Vane Farm (RSPB Loch Leven in Scotland) – Approximately 50,000m³ of soil was moved to create five wader terraces and two main 250m earth bunds. 1500m of ditches were excavated, three scrapes created and seven sluices installed. There is now direct hydrological control over a 20 ha area of floodplain grazing marsh.
- **Newport Wetlands (South Wales) – Removal of hedges and restoration of ancient features to restore SSSI ditch habitat within 54 ha of grazing marsh (to favourable condition) and provide a more attractive habitat for foraging lapwing and a home for more aquatic species including otters.**
- Lough Beg (Northern Ireland) – Funding was used to recruit a member of staff to develop a conservation management plan to identify practical solutions to problems affecting 300 hectares prior to any physical implementation.
- Marshside (Merseyside) – Maintained 110 ha by de-silting ditches and adjusting the grazing regime by using native cattle. Trialling of anti-predator measures including llamas to act as - guards for ground nesting birds.
- West Canvey Marches (Essex) – Water controls and a new 3 ha reservoir are providing improved breeding and overwintering conditions across 131 ha for many priority species. This site is close to many people who can enjoy spectacular views of the wildlife.
- Otmoor (Oxfordshire) – Burying power cables and the erection of a predator fence has increased the breeding wader population. For example, the number of breeding lapwing pairs has increased alongside lapwing chick productivity.
- Lapwing Landscapes (Upper Thames Tributaries) worked on the catchments of the Upper Thames, including the Thames, Cherwell, Ray and Windrush. Across these areas, RSPB provided advice to farms and nature reserves covering more than 680 hectares. This has provided habitat for breeding waders and other associated grazing marsh birds including skylark, yellow wagtail, reed bunting and tree sparrow.

Habitat restoration does not happen quickly. It needs sustained funding over more than one year to achieve maximum benefits. The fact that funding was available over 3 years was critical to this project. The flexibility to move funding between projects during each year was also important in managing unforeseen challenges, such as unexploded artillery found at more than one site or adverse weather conditions

The flexibility to fund existing staff and not just contractors was important in managing the projects in a flexible and responsive way. Being able to purchase land with the Biffa Award grant was also a key benefit, enabling critical pieces of land to be joined or brought into conservation management. A key benefit was the flexibility of the Biffa Award team in inviting the RSPB to put forward a bespoke biodiversity proposal that was not constrained by any criteria other than the need to deliver significant results for UK wildlife and habitats within the framework of LCF funding.

Project Impacts and Legacy

This programme had a national impact both in terms of meeting biodiversity targets and in demonstrating the value of targeted partnership funding.

At the commencement of the project targets were agreed against three UK Biodiversity Action Plan (BAP) 2010 measures alongside further interlinked outcomes. The coastal and floodplain grazing marsh habitat targets below were met and in some places exceeded, as detailed below:

1. Maintained the extent of 1,443ha of existing habitat contributing to 0.67% of UK BAP target by 2011 was achieved;
2. Achieved the favourable condition of 1,049ha of existing habitat contributing to 1.94% of the UK BAP target by 2011 (35.5ha over original target);
3. Restored and improved 904.6 ha of land under inappropriate management contributing to 14.71% of the UK BAP target by 2011 (additional 195 ha over target);
4. Maintained populations of 50 UK BAP priority species that are dependent on this habitat; and
5. Maintained and improved naturally functioning floodplains and water quality to benefit the local community.

The project funding has left a clear legacy in terms of physical improvements that continue to deliver benefits to wildlife and local communities.

Reference 99

I'm an ecologist and conservationist in West Wales. I support the Landfill communities fund as an essential source of funding for wildlife and conservation projects. Please don't scrap it because:

The Landfill Communities Fund is one of the few funding streams for 'pure' wildlife projects.

- It produces direct environmental benefits for communities living in close proximity to landfill sites
- Funding wildlife projects through the Landfill Communities Fund will help Wales to meet its key wildlife targets and legal obligations.
- I support the use of Landfill Tax to fund charities such as the Wildlife Trust to undertake amazing projects to protect and enhance important habitats and species. This will help ensure that our woodlands are alive with birdsong, our rivers are bubbling with life and our meadows are bursting with butterflies.
- Funding wildlife projects helps inspires individuals and communities to connect with nature.
- Welsh Government should increase the percentage of Landfill Tax that goes to funding wildlife projects to 10%

Best wishes
C Griffiths

Reference 100



The voice of the energy industry

Energy UK, Charles House, 5-11 Regent Street, London, SW1Y 4LR
www.energy-uk.org.uk

Welsh Government Consultation on Landfill Disposals Tax 19 May 2015

Introduction

Energy UK is the trade association for the energy industry. We represent over 80 members comprising generators and gas and electricity suppliers of all kinds and sizes as well as other businesses operating in the energy industry. Together our members generate more than 90 per cent of the UK's total electricity output, supplying more than 26 million homes and investing more than £13 billion in the British economy in 2013. Our response below is structured around the questions set out in the consultation document issued on 24 February 2015.

Response to consultation questions

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

Energy UK considers that it is imperative that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates. A failure to do so could lead to cross-border 'waste tourism', with its associated impacts on the environment, human health and community wellbeing. These impacts would be likely to include loss of amenity experienced by communities along the haul routes due to increased traffic.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

Energy UK is of the opinion that the current standard and lower tax rates are set at an appropriate level for Wales. For the reasons discussed in the answer to Question 1 above, both the standard and lower tax rates should continue to reflect those applicable in the rest of the UK. Therefore, in line with the 2014 UK Budget Statement which announced that future Landfill Tax rates will be maintained in real terms until at least 2019-20, it would appear appropriate

that future Landfill Tax rates set by the Welsh Government should follow this trajectory.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

Energy UK is of the opinion that there would be value in the Welsh Government having the ability to set different lower rates of tax (as explained in paragraph 2.10 - 2.11). However, for the aforementioned reasons of preserving equity of taxation rates across the UK, it would appear inadvisable for this power to be exercised, other than where changing circumstances demand an appropriate deviation from this policy in order to avoid negative impacts.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

Energy UK assumes that it is the intention of the Welsh Government to use the Landfill Tax (Qualifying Material) Order 2011 as the basis for determining which materials qualify for the lower rate of taxation.

Therefore, Energy UK believes it is important to draw attention to the fact that the notes shown for the Group 5 materials (Ash) shown in Appendix 1:

“SUMMARY OF THE LANDFILL TAX (QUALIFYING MATERIAL) ORDER 2011” of the consultation document actually reflect the text of SI 2012 No. 940 The Landfill Tax (Qualifying Material) (Amendment) Order 2012.

Following industry representations to HMRC in 2012, and the Department of Environment, Food and Rural Affairs (Defra) advising HMRC that it saw no environmental rationale to prevent the co-disposal of ash from coal and from biomass, the UK Government decided that SI 2012 No. 940 would not be approved by the House of Commons and was allowed to lapse on 22 May 2012 and the landfill tax liability of ash reverted to the original terms set out in Notes (7) and (8) of SI 2011 No. 1017 The Landfill Tax (Qualifying Material) Order 2011:

‘(7) Group 5 comprises only—

(i) bottom ash and fly ash from wood or waste combustion; and

(ii) bottom ash and fly ash from coal or petroleum coke combustion (including when

burnt together with biomass).

(8) Group 5 does not include fly ash from sewage sludge, municipal, clinical and hazardous waste incinerators.’

The above definition of Group 5 materials is also shown in in Section 19.1 of Excise Notice LFT1: a general guide to Landfill Tax (as updated by HMRC on 27 March 2015). Additionally, this definition of Group 5 materials is given in the Scottish Landfill Tax (Qualifying Material) Order 2015, which came into force on 1 April 2015.

Energy UK is aware that HMRC is currently in the process of reviewing the wording of the notes associated with Group 5 of the qualifying materials and

has been engaged in dialogue with industry on the subject over recent months.

Energy UK is of the opinion that the approach to the taxation of ashes arising from the combustion of biomass, whether as a result of co-firing with coal or petroleum coke, or from 100% biomass combustion, needs to be carefully considered. It is important that the industry's attempts to reduce CO₂ emissions by the use of renewable energy sources should not be hindered by the unintended consequences of the application of taxation.

For example, given the wide range of biomass materials available, it is considered that the use of the term 'wood' in relation to Group 5 of the qualifying materials is too restrictive, as this could potentially lead to ashes arising from the combustion of non-wood biomass being excluded from the list of materials qualifying for the lower rate of Landfill Tax. Also, it is important that the wording of any mono-filling requirements is carefully considered, in order that any intended environmental benefits can be achieved without imposing any unintended, and potentially prohibitive, restrictions.

Energy UK would encourage the Welsh Government to engage with HMRC and industry stakeholders on this subject and update the relevant text where appropriate to provide greater clarity for the sector and for the Welsh Revenue Authority.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

Energy UK has no comments to make on the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Energy UK would support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved, provided that this was to be for materials within the scope of SI 2015 No. 845 The Landfill Tax (Qualifying Fines) Order 2015. Also, it would be appropriate that any qualifying LoI threshold should reflect that set by HMRC. Once again, this would help to ensure the maintenance of cross-border consistency, and so avoid potential drivers for 'waste tourism'.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

Energy UK has no comments to make on the existing arrangements for defining the area in which a taxable disposal takes place.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Energy UK has no issues with the current arrangements for credit for landfill material permanently removed from a landfill site.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

Energy UK has no comments to make on the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

Energy UK would expect qualifying materials which are used for the purposes of filling existing or former quarries in accordance with the conditions listed in Section 5.4.1 of Excise Notice LFT1: a general guide to Landfill Tax (as updated by HMRC on 27 March 2015) to be exempt from landfill tax.

Again, maintenance of consistency with the HMRC position will avoid potential drivers for 'waste tourism'.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Energy UK has no other suggestions for how the taxable and non-taxable activities on a landfill site might be clarified.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

Energy UK is of the opinion that none of the current exemptions should be removed or modified. In particular, we take the view that qualifying materials which are used for the purposes of filling existing or former quarries in accordance with the conditions listed in Section 5.4.1 of 'Excise Notice LFT1: a general guide to Landfill Tax' should remain exempt from landfill tax.

This exemption encourages the restoration of quarries, which has the potential over the longer term to improve landscapes and offer benefits such as increased biodiversity, improved amenity for local communities and the opportunity to return land to agricultural use.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

Energy UK considers that there is no case for removing or modifying the water discount relief from the weighing process when determining liability for Landfill Tax.

Historically, the water content of Group 5 materials (Ash) as designated under the Landfill Tax (Qualifying Material) Order 2011 has been exempted from the weighing process i.e. the water is discounted when determining Landfill Tax liability.

Water is added to Group 5 materials (Ash) for the purpose of enabling the material to be transported for disposal. This is in accordance with condition (a) (i) under Paragraph (5) of Regulation 44 of SI 1996 No. 1527 The Landfill Tax Regulations 1996.

Energy UK is of the firm opinion that the handling and transport of Group 5 materials (Ash) in a dry state has the potential to create significant dust and environmental nuisance impacts at both production facilities and landfill disposal areas. Therefore, it would be inappropriate to remove the water discount relief where water is added for the purpose of mitigating the potential environmental impacts associated with handling ash in its dry state. Also, in certain cases water may be used as the transporting medium for ash, with the ash being dewatered at the landfill location. This is the case for settlement lagoon type Pulverised Fuel Ash (PFA) landfills, where ultimately, the carrier water does not form part of the material deposited within the landfill, but is discharged as supernatant water, post ash settlement. As a result of this, it is not possible to physically weigh the ash disposed to landfills of this type. Instead, the quantity of ash (dry weight) being disposed to landfill is calculated based on the ash content of fuel burned using a method that has been accepted by both SEPA and HMRC.

The 'conditioning' of PFA by mixing with water within controlled proportions, also has longer term benefits when material is either disposed of in landfills or used as a bulk fill material. This is because, when mixed with water, pozzolanic reactions take place within the ash, meaning that when correctly emplaced it forms a fill material with enhanced properties of physical stability. This can often make it an ideal material for land restoration projects, such as the filling of disused quarries.

Energy UK strongly recommends that for Group 5 materials (Ash) the water content continues to be discounted when determining Landfill Tax liability. Adopting this approach will also ensure consistency across England, Scotland, and Wales.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Energy UK is of the opinion that there is no case for introducing any new exemptions or reliefs.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is

functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

Energy UK would support the placing of an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site. As stated in the consultation document, this should help create a level playing field between operators and help deter the under-declaring of waste.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

Energy UK supports the concept that extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax would provide an additional financial deterrent to illegal disposals of waste and would help support the Welsh Government's Fly-tipping Strategy.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

Energy UK fully supports the concept that it should not be cheaper to offend than to take the appropriate precautions with regard to environmental offences.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Energy UK has no comment to make with regard to whether or not there is a need for increased compliance activity on the ground.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

Energy UK has no suggestions for any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

Energy UK is not aware of any evidence of tax avoidance within the existing Landfill Tax.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Energy UK would support aligning the tax return period with the financial year. Aligning the quarterly invoice period with the landfill site operators' waste

returns to Natural Resources Wales would appear a logical step to support compliance activity.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

Energy UK is of the opinion that making it a requirement that European Waste Catalogue codes are used in completion of the tax return would impose only minimal extra burden whilst simplifying the process of cross-checking tax and waste returns.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Energy UK recognises the fact that the small and diminishing number of landfill site operators in Wales makes a complete move to an online platform for Landfill Tax unlikely to be cost-effective. However, changing the format of the tax return to enable electronic returns to be submitted via email and encouraging electronic payments would be seen as a step in the right direction.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Energy UK is of the opinion that the circumstances in which landfill site operators can claim bad debt relief should be narrowed, using a similar approach to that recently adopted in Scotland.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

Energy UK has no comment to make on the operation of the current internal reviews and appeals provisions in a Landfill Tax context.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

Energy UK has no comment to make on whether there are any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Energy UK is of the opinion that the Welsh Government should allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

Energy UK has no comment to make with regard to which activities should benefit from funding.

Question 29: Do you have any thoughts on the possible administrative model?

Energy UK has no comments to make on the possible administrative model.

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

Energy UK would like to draw attention to the fact that since the electricity supply industry operates through the National Grid system, the vast majority of operators supply into a market which spans the national boundaries within Great Britain. Therefore, for generators of electricity, it is of particular importance that all elements of the industry, including costs associated with landfill disposals, are allowed to operate on a level playing field which acts across these same national boundaries.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

Energy UK has no comments to make on the initial Regulatory Impact Assessment.

For further information contact:

Andy Limbrick

Environment Consultant

Energy UK

www.energy-uk.org.uk

Reference 101



QUESTION 27: SHOULD WELSH GOVERNMENT ALLOCATE A PROPORTION OF LANDFILL DISPOSALS TAX REVENUE TO ENHANCE THE WELLBEING OF COMMUNITIES?

The Landfill Communities Fund (LCF) has been a great success and has left its mark on community life and the natural environment. **We strongly support the use of taxes raised from environmentally damaging activities to support wildlife and community projects as a form of environmental and social justice.**

PLANTLIFE strongly supports the continuation and enhancement of the LCF.

Under Object DA, the LCF is also one of the few remaining funding streams that maintains a direct interest in outcomes for wildlife. Indeed, against the wider backgrounds of austerity and a funding community rarely focussed on nature conservation, this fund is increasingly essential to continue work to halt the continuing, and in some places, devastating, loss of wildlife in Wales. As is widely reported in the groundbreaking State of Nature Report¹, we are in a state of major and continuing decline in wildlife with 60% of the species in the UK having declined over recent decades. We have quantitative assessments of the population or distribution trends of 3,148 species:

- 60% of species have declined over the last 50 years
- 31% have declined strongly
- more than one in ten of all the species in the UK are under threat of disappearing from our shores altogether.
- 1 in 5 of our native plants species in Wales is threatened with extinction

The LCF has:

- allowed important habitats to be restored to help safeguard Wales's rich, but drastically declining, biodiversity
- provided healthy green spaces for people to enjoy and connect with nature
- supported volunteering and skills development opportunities for local communities

LCF-funded wildlife projects also help Wales to meet its key environmental objectives and legal obligations:

- halting and reversing the loss of wildlife/biodiversity by 2050 (with interim targets for 2020) – the Aichi Biodiversity Targets
- ensuring all statutory designated sites (such as Sites of Special Scientific Interest (SSSIs) and Special Areas for Conservation (SACs)) are in favourable condition by 2026 – with interim targets for 2015.

This fund helps charities to contribute to these governmental obligations. For example, Plantlife have undertaken work to conserve nationally and internationally important lichen communities on the Gower peninsular through the control of invasive species.

It also helps **Natural Resources Wales** (NRW) to fulfil **Welsh Government's statutory duties** to restore sites of national and international importance such as the Carmarthenshire Dunes SAC where Plantlife has secured LCF funding for dune restoration work. Withdrawing this fund would mean that Welsh Government will lose a much-needed mechanism to reach its biodiversity targets and **will cause further loss of biodiversity in Wales**.

It also supports the Well Being Goals in the Well Being of Future Generations Act 2015² especially in creating A Resilient Wales – *“A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change)”*.

Finally the LCF is one way that the Finance Ministry can discharge their statutory duties to conserve and enhance biodiversity under the Natural Environment and Rural Communities Act 2006, especially in meeting the responsibility to take account of biodiversity and more particularly to conserve species and habitats listed under section 42 of that Act.

The LCF also contributes to a number of other Welsh Government duties and obligations, including **poverty alleviation**, improving **health and wellbeing**, creating **jobs**, developing and teaching **skills**, and adapting to **climate change**.

QUESTION 28: IF THE WELSH GOVERNMENT ALLOCATES A PROPORTION OF LANDFILL DISPOSALS TAX REVENUE TO ENHANCE COMMUNITY WELLBEING, WHICH OF THE FOLLOWING ACTIVITIES SHOULD BENEFIT FROM FUNDING, AND WHY?

Plantlife recommend that **biodiversity conservation must be a priority area for any future funding from the LCF**.

The LCF is one of the few funding streams for 'pure' biodiversity projects. It has supported, and should continue and expand, this delivery. If funding from the LCF is reduced or removed, Welsh Government will not achieve its biodiversity obligations and targets.

Biodiversity funding as a whole is significantly underfunded and was a key factor in Wales failing to hit the 2010 target to halt the loss of biodiversity³. However, as the fund is likely to decrease in Wales, we would like to see the fund increase from 5.7% diversion rate currently to being ring-fenced at a minimum of 10%. However, given the social and environmental justice, perhaps significantly more of the tax should be diverted towards biodiversity conservation in order to meet the Welsh Government biodiversity objectives. Plantlife supports Welsh Governments strategic wider environmental objectives (including climate change mitigation and resilience) as well as compliance, waste minimisation and tackling poverty. However, Plantlife believes that these objectives can and should be delivered through mainstream government policy and public spending. This will ensure that more funds within this scheme remain available to empower communities and deliver biodiversity projects.

As mentioned above, biodiversity-centred projects still help and contribute to tackling poverty and deprivation in communities, public health and climate change mitigation.

QUESTION 29:DO YOU HAVE ANY THOUGHTS ON THE POSSIBLE ADMINISTRATIVE MODEL?

Considering the number of landfill sites in Wales is reducing to 10, Plantlife recommends that there is one Distributive Environmental Body (DEB) in Wales – this will help cut down administration and therefore more money should be directed at good causes.

It is worth noting that all regulation builds in costs. However, DEBs and charities demonstrate correct procedure by being registered companies and/or charities and are thus subject to regular audits. Setting up a duplicate process would add complexity and administration burden to charities which would mean less money for good causes.

Current regulation for project funding eligibility states that projects must be ‘in the vicinity of a landfill site’. In practice, however, this has often been interpreted as 10 miles. This inflexibility disadvantages projects that just fall outside this area and, in the long-term, could mean an exhaustion of good projects in the 10mile radius. For many habitats and species the reliance on a distance from a decreasing number of Landfill Sites, even if related operations were added, means that it is not possible to take action for their conservation and management. Plantlife recommends that sites within an approximate 20 mile radius of any new or disused landfill site (e.g. have a fuzzy boundary) should be eligible initially, but asks that consideration also be given to removing the vicinity test altogether in order to allow LCF funds to be spent where there is the greatest conservation need and therefore likelihood of success. We would also like to see a widening of the definition from landfill sites to ‘landfill sites and related activities (such as depots and waste transfer stations)’.

It must be recognised that funds committed through a contract are not easy to spend within short timescales (e.g. Welsh Government's Nature Fund). Indeed, it is vital for the success of conservation projects to have funders who can commit to funding long term projects (3-5 years). Therefore Plantlife recommends that the fund must continue to allow multiyear projects. It is also been recognised that this fund helps to unlock significant match funding (independent funding organisations and volunteer hours). It is therefore important that the fund continues to fund projects by 90% - this could be increased to 100% funding.

It's vital to recognise that there is a big difference between 'unspent' funds and funds retained by a DEB but already allocated for multiple-year projects, released on a yearly basis.

We would encourage Welsh Government to take the opportunity to look at other avenues for '**green taxation**' and how these might be used to fund Welsh Government's statutory nature conservation obligations.

PLANTLIFE Recommendations

- Biodiversity conservation must be a priority area for any future funding from the LCF.
- The LCF should be increased to 10% of the Landfill Disposal Tax
- There is one Distributive Environmental Body (DEB) in Wales.
- There should be no duplicate process set up that would add complexity and administration burden to DEBs and charities which would mean less money for good causes.
- Because of the likely contraction of the number of Landfill Sites (and related activities – see below) then Plantlife would ultimately like to see the removal of the location criteria.
- Biodiversity projects should be judged against meeting the Aichi targets, contributing to the Wales Biodiversity Action Plan and species and habitats that are listed under section 42 of the NERC Act 2006.
- A widening of the definition from landfill sites to 'landfill sites and related activities (such as depots and waste transfer stations).
- The LCF continues to fund projects by 90% or possibly increased to 100%.
- The LCF fund must continue to allow multiyear projects. Reducing the length of projects means increased administration costs for both applicants and the Distributive Environmental Body plus most environmental projects need several seasons to be implemented and to carry out effective monitoring.
- Welsh Government to take the opportunity to look at other avenues for '**green taxation**' and how these might be used to fund Welsh Government's statutory nature conservation obligations.

Plantlife Cymru is part of Plantlife International, a wild plant conservation charity that speaks up for wild flowers, plants and fungi. Wild Plants play a fundamental role for their wildlife, their colour and character lighting up our landscapes and providing us with many of the ecosystem services for our

future survival. We carry out practical conservation work on our own reserves but also with our many partners throughout Wales, the UK and the world.

Yours sincerely
Colin Cheesman
Plantlife Cymru Programme Manager

Reference 102

Our wildlife is under increasing threat, from climate change, environmental destruction, pollution etc. The use of the Landfall Disposal Tax to support projects that can help slow or reverse this decline is extremely important. The loss of it would be detrimental to both the wildlife concerned and the local communities so affected.

K Simmonds, Tregaron

Reference 103



RSPB Cymru response to the Welsh Government consultation on Landfill Disposals Tax (Number WG24170)

Name: Michele Hunt, Head of Marketing, RSPB Cymru

Organisation – RSPB Cymru

For the purposes of this response, we have restricted our comments to the Community Wellbeing section (Section 5).

Opening remarks

The way that society deals with waste, and our behaviours relating to resource consumption can have direct and indirect impacts on wildlife and its habitats. RSPB Cymru therefore supports the intention behind *Wales' Towards Zero Waste Strategy (2010)* and the drive towards an environmentally sustainable Wales where waste use is minimised and everyone only uses their fair share of resources. A key part of the *Towards Zero Waste Strategy* is the policy of reducing and ultimately eradicating landfill in Wales. This is clearly consistent with achieving sustainable development and, given the impact of resource use and waste management on wildlife and its habitats, RSPB Cymru fully supports this policy. A key means to secure this objective is the use of landfill tax to apply a real 'cost' to the, otherwise, 'free' activity of disposing of waste to landfill.

Therefore, whilst the practice of landfill is in existence and taxation and other policies are securing its phasing out, we strongly support the existence of a Landfill Communities Fund, which hypothecates tax raised from an environmentally damaging activity for projects that benefit the environment.

Question 27: SHOULD WELSH GOVERNMENT ALLOCATE A PROPORTION OF LANDFILL DISPOSALS TAX REVENUE TO ENHANCE THE WELLBEING OF COMMUNITIES?

Since its conception in 1996, the Landfill Communities Fund (LCF) has been a great success and a lever for community regeneration and enhancement of the natural environment. We strongly support the use of taxes raised from environmentally damaging activities to support wildlife and community projects as a form of environmental and community justice.

RSPB Cymru strongly supports the continuation and enhancement of the LCF.

This is because the LCF has:

- allowed important habitats to be restored to help safeguard Wales' rich, but drastically declining, biodiversity
- provided healthy green spaces for people to enjoy and connect with nature
- supported volunteering and skills development opportunities for local communities

Value of Nature to Community Wellbeing

The life-enhancing qualities of nature are well documented. What is less appreciated is its importance to local economies and well-being. At a time of fiscal austerity the financial benefits of the natural world must sit at the heart of green economic strategy and the Landfill Communities Fund is a vital addition to help achieve this.

Fantastic places for wildlife can also be fantastic places for people. Enhancing the natural environment is a sound investment. It not only benefits wildlife, it also benefits local economies, our health and education, ensures the provision of valuable goods and services and makes a vital contribution to sustainable communities. An example of this is RSPB Conwy nature reserve in North Wales. Here the LCF has enabled green jobs growth within the Welsh economy through projects such as the creation of the indoor learning and events space (see attachment). In 2005/06, the LCF provided £39,874 of funding for the creation of a new facility at RSPB Conwy. This funding not only safeguarded two full time and six part time posts, but in addition helped to unlock funding for the creation of a further two full time and three part time posts, as well as a wealth of new volunteer opportunities due to the expansion in activities and events on offer at the reserve. Visitor numbers to the site almost doubled within 2 years, encouraging indirect spend within the Welsh economy too.

The role of the environment is critical to the long-term sustainable future of our communities and the people in them. People do not exist in isolation from the environment. The multi-functional benefits of the natural environment often go unnoticed and are consequently under-resourced. Our special sites are the crown jewels in Wales' natural environment and are the cornerstone of a logical approach to ecosystem management. A recent report by the RSPB, '*Special Sites: Resilient Ecosystems*'²⁰ states that Every £1 spent on maintaining special sites (SSSI's) delivers benefits to society worth over £8. Only 3% of UK philanthropy goes to addressing environmental problems and climate change funding, though increasing, still only receives a paltry 0.7% of total giving. Of this biodiversity receives only 20%. Of that "Environmental philanthropy continues to have a strong international element, with nearly half of all grants (48.3%) going for work outside the United Kingdom."²¹

²⁰ RSPB (2015) *Special Sites: Resilient Ecosystems*

²¹ Cracknell, Jon; Godwin, Heather; Perks, Nick & Williams, Harrier (2012), '*Where Green Grants Went*'; Environmental Funders Network

Nature is good for young people

As well as contributing to community wellbeing, the natural environment enhances us all and can have a profound impact on the next generation. Getting hands on with nature, whether through an informal visit or formally through education or volunteering has many benefits both individually and for the community. *“First-hand experiences... can help to make subjects more vivid and interesting for pupils and enhance their understanding... [and] could make an important contribution to pupils’ future economic wellbeing and to preparing them for the next stage of their lives.”*²²

Nature is good for community cohesion

It reduces crime and aggression and improves community integration²³. Interaction with nature improves children’s concentration and behaviour as well as improving self esteem. Teenagers and adults can learn new skills making them more employable in the long term. Early involvement can spark a life-long interest making communities and sites more sustainable. If children understand and enjoy the environment nature, they are also more likely to respect it and therefore reduce waste and other rural crime such as grass fires in the future.

LCF-funded wildlife projects also contributes towards Wales’ key environmental objectives and legal obligations. The *Well-being of Future generations (Wales) Act 2015* demonstrates the importance of biodiversity within our society in the following well being goal; *‘A nation which maintains and enhances a biodiverse natural environment and healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change)’*²⁴ And moreover in the Environment Strategy Wales (2006)

- halting and reversing the loss of wildlife/biodiversity by 2050 (with interim targets for 2020)
- ensuring all statutory designated sites (such as Sites of Special Scientific Interest (SSSI’s) and Special Areas for Conservation (SAC’s) are in favourable condition by 2026, with interim targets for 2015

Question 28: IF THE WELSH GOVERNMENT ALLOCATES A PROPORTION OF LANDFILL DISPOSAL TAX REVENUE TO ENHANCE COMMUNITY WELLBEING, WHICH OF THE FOLLOWING ACTIVITIES SHOULD BENEFIT FROM FUNDING, AND WHY?

²² **Ofsted (2008)** *‘Learning Outside the Classroom: how far should you go?’*, Manchester : Office for Standards in Education, Children’s Services and Skills.

²³ **Bird, Williams (2004)** *‘Natural Fit’*, RSPB. Available here: http://www.rspb.org.uk/Images/Natural_fit_tcm9-133056.pdf

²⁴ **Well –Being of Future Generations (Wales) Act 2015**. Available here : www.assembly.wales/laid%20documents/pri-ld9831%20-%20well-being%20of%20future%20generations%20%28wales%29%20bill/pri-ld9831-e.pdf

RSPB Cymru recommends that biodiversity conservation and enhancement must be the priority area for any future funding from the LCF.

The Well-being of Future Generations (Wales) Act 2015 clarified that restoring biodiversity is fundamental to achieving sustainable development, through inclusion of the following wellbeing goal: A resilient Wales; A nation which maintains and enhances a biodiverse natural environment and healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change). Object DA of the LCF is one of the few funding streams still currently available for 'pure' biodiversity projects. If funding from the LCF is reduced or removed, Welsh Government will be even less likely to achieve those biodiversity obligations and targets.

The LCF has supported practical conservation delivery on the ground through projects such as 'Magical Malltraeth', an RSPB Cymru initiative funded through WREN (Waste Recycling Environmental Ltd) to create the largest reedbed in North Wales, improving habitat for a range of species such as bittern and rare plants. Such funding not only supports nature, but helps to build resilient ecosystems, which in turn provide numerous socio-economic benefits.

Nature needs funding

Under Object DA, the LCF is also one of the few remaining funding streams that maintains a direct interest in outcomes for wildlife. Indeed, against the wider backgrounds of austerity and a funding community rarely focussed on nature conservation, this fund is increasingly essential to continue work to halt the continuing, and in some places, devastating, loss of wildlife in Wales. As is widely reported in the groundbreaking *State of Nature Report*²⁵, we are in a state of major and continuing decline in wildlife with 60% of the species in the UK having declined over recent decades. We have quantitative assessments of the population or distribution trends of 3,148 species.

Of these:

- 60% of species have declined over the last 50 years
- 31% have declined strongly
- more than one in ten of all the species in the UK are under threat of disappearing from our shores altogether

Funding mechanisms to deliver Welsh Government obligations on biodiversity have been woefully inadequate and a key factor in Wales failing to hit the 2010 target to halt biodiversity loss. Moreover funds for biodiversity are becoming increasingly squeezed, restricted and competitive. Key examples of this include the level of demand for the Nature Fund in 2014, the reduction in grant funding from Natural Resources Wales (NRW) and the call on funding

²⁵ The State of Nature Report 2013. Available here: http://www.rspb.org.uk/Images/stateofnature_tcm9-345839.pdf

through the HLF UK Landscape partnerships scheme (£19 m against a pot of £66.3 m)²⁶

It is because of such a demand and that over time this fund is likely to decrease, **that we suggest that increasing the percentage of LCF spent on biodiversity actions from 5.7% diversion rate to at least 10% would be a positive step towards resourcing the desperate need in this area.**

This coupled with a ring fencing of single use plastic bag levy proceeds to environmental projects could be a medium term solution to leveraging appropriate funding required to deliver actions.

RSPB Cymru therefore suggests on-going support and increase in the percentage of funding going to biodiversity to 10%.

RSPB Cymru supports Welsh Governments strategic wider environmental objectives (including climate change mitigation and resilience) as well as compliance, waste minimisation and tackling poverty. However, RSPB believes that these objectives can and should be delivered through mainstream government policy and public spending. This will ensure that more funds within this scheme remain available to empower communities and deliver biodiversity projects.

As mentioned above, the biodiversity –centred projects still help tackle poverty and deprivation in communities, public health and climate change mitigation.

QUESTION 29: DO YOU HAVE ANY THOUGHTS ON THE POSSIBLE ADMINISTRATIVE MODEL?

RSPB Cymru is supportive of the idea of a single Distributive Environmental Body (DEB) in Wales – helping to reduce the administrative burden and maximise money directed at good causes.

Whilst we would not want to dictate who the DEB should be, it is clear that the administering body should be totally transparent and offer value for money.

RSPB Cymru does not support setting up a duplicate or layered process that would add complexity and administration burden to charities.

Geographical vicinity

Current regulation for project funding eligibility states that projects must be ‘in the vicinity of a landfill site’. In practice, however, this has often been interpreted as 10 miles as the crow flies. This inflexibility disadvantages projects that just fall outside this area and, in the long-term, could mean an exhaustion of good projects in the 10 mile radius. For many habitats and species the reliance on a distance from a decreasing number of Landfill Sites, even if related operations were added, means that it is not possible to take action for their conservation and management. With a reduction in number of landfill sites,

RSPB Cymru recommends either :

²⁶ University of London (2011) ‘Evaluation of the Heritage Lottery Fund Landscape Partnership Programme 2011’

- widening of the definition from landfill sites to 'landfill sites and related depots and activities (such as depots and transfer stations)' with clear information about the whereabouts of these provided.
- scrapping the vicinity test in order to allow LCF funds to be spent where there is greatest conservation need and benefit and therefore likelihood of success and best value for money.

If going to a single DEB model, it is worth noting that applications for funding should be available several times a year (4+) and take into consideration geographical spread and need, This will therefore enable multiple applications from organisations in each round or across the year as appropriate. This will enable third sector organisations to ensure smart timescales for projects as well as maximizing biodiversity outcomes from range of projects running at any one time across Wales and increasing the rate of spend.

Rate of spend

It is vital to recognise that there is a big difference between unspent funds and funds retained by a DEB but already allocated for multiple-year projects, released on a yearly basis.

It must also be recognised that funds committed through a contract are not easy to spend within short timescales (e.g. Welsh Government's Nature Fund). Indeed, it is vital for the success of conservation projects to have funders who can commit to funding long term projects (3 - 5 years). Therefore RSPB Cymru recommends that the fund must continue to allow multi-year projects. It is also to be recognised that this fund helps to unlock significant match funding (independent funding organisations and volunteer hours). It is therefore important that the fund continues to fund projects by at least 90% - this could be increased to 100% funding.

Summary of recommendations

- The Welsh Government should sustain the Landfill Communities Fund (LCF) for the benefit of the environment and wellbeing of communities.
- Increasing the funding from the LCF for biodiversity conservation and enhancement projects (from 5.7% to a minimum of 10%) as a positive step towards addressing Welsh biodiversity obligations
- The development of a simple, cost effective and transparent administrative Distributive Environmental Body in principle
- The broadening of definition and eligibility criteria to ensure biodiversity priorities can be resourced and benefits maximised across Wales.
- Multi-year funding sustained to maximise sustainability and ability to meet long term outcomes
- The ability for charities to recoup the true costs of projects through the full cost recovery principle.
-

Reference 104

Dear Welsh Government,

I hear you are thinking of removing the landfill tax which provides a substantial source of income for welsh conservation charities.

I urge you to reconsider this in the light of the fact that sustainability and conservation are not just patches in the agricultural landscape, but they are the landscape. Wales' problems with declining biodiversity, flooding, water quality, erosion, carbon sequestration and such are not a matter of aesthetic taste but rather a vital link in Wales' future. The preservation of biodiversity offers increased resilience in the face of invasive pests; potentially agriculturally and in forestry, and a substantial tourism trait.

What do you want Wales to be know as, a land savaged by humans for the production of un-economic lamb, a land with a falling biodiversity and environmental health problems? Any civilized nation should consider cultural and environmental sustainability as part of long term economic progress. Under-investment here may save you money in the short term but it's not sustainable for all that Wales is.

Thank you

D Traynor

Reference 105



Please accept this letter as Lafarge Tarmac's formal response to the above mentioned consultation document.

Lafarge Tarmac (LT) have over 50 operations located in Wales, including 11 quarries, 1 rail head, 2 wharfs, 8 asphalt and 5 concrete plants, 3 contracting depots and 4 aggregate recycling operations.

Our largest operation in Wales is Aberthaw Cement Works which has been producing cement for over 100 years and directly employs over 100 people. The plant is capable of producing 500,000 tonnes of cement per annum.

We also operate a number of inert and non-hazardous landfills across the UK.

We welcome the opportunity to comment on the proposal to develop a Landfill Disposals Tax post the cessation of the Landfill Tax in Wales. We have also contributed to and support the consultation response made by the Mineral Products Association (MPA).

To save repeating the general points that I believe will be covered in the MPA's response I would just like to comment on three areas of the consultation, namely; the exemption and reliefs, extension of the definition of a landfill site and the community wellbeing sections.

Exemptions and Reliefs – Question 12

The exemptions from Landfill Tax attributed to mining and quarry waste and waste used for the filling of quarries are essential in order to maintain the sustainable operation of a high proportion of such operations and should therefore be retained.

If the exemptions were removed the increased operational cost and inability to attract material for quarry restoration would render some operations unviable and lead to security of supply issues for the local and national construction industry.

Furthermore, the use of waste material in quarry restoration is essential to support the benefits that these projects provide to local communities in the form of increased biodiversity and / or amenity value. The benefits of these schemes to nature conservation alone has been confirmed by the RSPB who identified that the restoration of mineral sites could meet 100% of the targets for 9 out of 11 priority habitats included in the UK Biodiversity Action Plan.

We believe that the use of inert waste material in quarry restoration is a beneficial use of waste in line with the principles of the waste hierarchy and should therefore be regulated as recovery rather than disposal operations.

Extending the definition of a landfill site – Question 16

We support the principle of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax because it appears to be a way of properly penalising waste crime. However, we would like to see further details of how it would be enforced before being able to comment more fully.

Community Wellbeing

Question 27;

We support the retention of a Landfill Communities Fund (LCF), or alike, within the arrangements for a Landfill Disposals Tax because of the benefits that can be derived from the investment of such funds within the communities affected by such operations, as illustrated by the examples of projects provided within the consultation document.

Question 28;

We have not been convinced by the proposals within the consultation to amend the scope of activities that should benefit from funding such as waste crime, waste minimisation or tackling poverty because they are largely already covered by other instruments, including the proposed Landfill Disposals Tax itself – particularly in the case of waste minimisation and with the extension of the definition of landfill sites, for waste crime also.

We believe that the justification provided at 5.19 of the consultation document to support the proposed reduction of the focus of any schemes funds toward local communities to such operations is flawed. The reducing number of landfill sites will not directly reduce the “dis-amenity” impact on local communities to those operations, it will only reduce the number of communities affected but with the corresponding reduction in the amount of waste going to landfill the level of the fund will equally be reduced and thus not capable of supporting an extension in the scope of the scheme whilst maintaining the same level of support for local communities.

We do believe that the point raised in 5.20 of the consultation document about wider communities affected by waste crime is valid, but consider that were some additional thought to be given to the proposed extension of the definition of a landfill site that this could be a means of remedying such issues. For example, and as stated elsewhere in the consultation document, were this proposal to be adopted it would act as a greater deterrent thus reducing the instances of waste crime in the first place. Secondly, if areas affected by waste crime were included within the definition of being eligible for funding through an LCF, due to their proximity to a “landfill site” for example, then they could benefit from direct funding from the scheme as local communities do at present.

I trust that the above comments are of use and interest when it comes to further developing the proposal for a Landfill Disposals Tax in Wales. However, if you have any questions regarding any of the points made, or would like to discuss our response in more detail, then please do not hesitate to contact me.

David McCabe

Regulatory Affairs Manager

Reference 106

I hear the Govnmt in Wales is reviewing Landfill Tax as a charitable stream, which has benefited wildlife conservation in our country. Please do not reduce funding for conservation.

Remember wildlife benefits tourism and reduces tress. It also is a valuable resource for food, especially the sea.

With best wishes, for I know there are many demands on funding.

A Agnew

Reference 107

tenovuscancercare.org.uk

Registered Charity No. 1054015



Tenovus Cancer Care's response to Welsh Government's consultation on 'Developing a Landfill Disposals Tax'

Tenovus Cancer Care welcomes the opportunity to respond to the Welsh Government's consultation on 'Developing a Landfill Disposals Tax'.

At Tenovus Cancer Care our aims are simple. We want to help prevent, treat and find a cure for cancer. We do this by offering support, advice and treatment to cancer patients and their loved ones. We also promote healthy lifestyles and fund cancer research to find new ways to prevent it, diagnose it, and treat it. We do this where it is needed most - right at the heart of communities across Wales.

Our vision is for a Wales where fewer people get cancer and everyone with cancer will have equal access to excellent treatment and support. To support this vision we will work in partnership to deliver innovative research-led cancer prevention, treatment and support in the community to people with the greatest need, initially in Wales.

It is important to note that charities play a key role in improving the environmental landscape in the UK by reducing the amount of goods sent to landfill. In Wales and the UK, charity shops remove 250,000 tonnes of textiles from the waste stream each year (data from Association of Charity Shops surveys and Charity Finance). Over the last year, Tenovus Cancer Care collected 321,525 bags of textile and bric-a-brac from donors; this is a significant contribution in reducing landfill waste.

For the purpose of this consultation, we will reserve our comments to Chapter 5 'Community Wellbeing' and the objectives for allocating a proportion of the Landfill Disposal Tax revenue.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Tenovus Cancer Care believes that it would be a positive step to allow for a proportion of Landfill Disposals Tax revenue to be allocated to enhance the wellbeing of communities.

Flourishing communities are those where everyone has someone to talk to, neighbours look out for each other, people have pride and satisfaction with where they live and feel able to influence decisions about their area.

Residents are able to access green and open space, feel safe going out and there are places and opportunities that bring people together. (Dr Ruth Hussey, 2010)

It is now widely acknowledged that there is more to health than simply the absence of illness. In recent years there has been a greater emphasis placed on the importance of wellbeing, moving away from a constricted meaning of health and towards one which encompasses social and emotional factors. In *A glass half-full: how an asset approach can improve community health and well-being*, Dr Ruth Hussey has emphasised the importance of health in the context of community wellbeing:

Assessing and building the strengths of individuals and the assets of a community opens the door to new ways of thinking about and improving health and of responding to ill-health. (R. Hussey, 2010)

Under the current objectives for funding projects under the Landfill Communities Fund (5.7), some community wellbeing benefit and community recycling projects cannot be accommodated. This should be corrected by the addition or the inclusion of criteria that would allow the funding of projects that:

- a. address health issues and promote healthy living in the community, irrespective of whether or not the proposed project is explicitly linked to 'Tackling poverty and deprivation in communities';
- b. promote re-use / recycling and facilitate charitable community schemes to facilitate its achievement on a community level.

Tenovus Cancer Care believes that Welsh Government has an opportunity to enhance the wellbeing of communities across Wales by appropriately allocating funds from the Landfill Disposal Tax.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

Welsh Government has clearly recognised the impact that poor health and deprivation has on communities across Wales. With the recent introduction of the Wellbeing of Future Generations (Wales) Act and positive interventions in public health, there is a clear drive towards creating greater community wellbeing by reducing preventable illnesses and alleviating poverty.

Tenovus Cancer Care would welcome the inclusion of 'Tackling poverty and deprivation in communities' in activities funded from a proportion of the Landfill Disposals Tax revenue. As identified in the consultation document, projects based in Wales have received £4m from the UK Landfill Communities Fund in 2013/14. If a similar scheme was to be taken forward following the devolution of Landfill Disposals Tax, it would provide an important source of project money for supporting communities in a more targeted way.

As highlighted through our response to Question 27, we would stress that it is important to recognise the inextricable link that poverty and deprivation has with poor health outcomes in communities across Wales. Tenovus Cancer Care would encourage the Welsh Government to extend the activities to include projects that enhance health, promote healthy lifestyles and help to alleviate ill-health in a community.

Tenovus Cancer Care would recommend the inclusion of additional objectives for the improvement of health and community re-use/ recycling projects.

As highlighted, the role of charities in reducing the amount of waste sent to landfill is considerable. We would welcome a greater level of future recognition that charity shops are part of the solution to improving our environment in Wales.

Should you wish to discuss our comments further, please do not hesitate to contact the Research & Policy Team (Jon.Antoniazzi@tenovuscancercare.org.uk / 029 2076 8898).

Yours sincerely,

Jon Antoniazzi

Policy Officer

Reference 108

Dear Sir or Madam,

I am writing to express my very strong desire that the Landfill Community Fund is allowed to continue (ideally increased) funding for wildlife conservation projects.

I feel wildlife conservation is a fundamental moral duty and also will help the Welsh Government meet it's own policy objectives for sustainability.

Please can my views be added to the consultation process.

With thanks.

Yours faithfully,

A G Walker (Dr)

Reference 109

As a member of Gwent Wildlife Trust and an active volunteer recorder of biodiversity in my county I am concerned about any change to the current use of landfill tax to promote biodiversity in Wales. The use of landfill tax in this way is of enormous value in financing projects which improve habitats for specific species or for biodiversity generally and I would wish for no change in the current arrangement.

Yours faithfully

Dr. R. E. Roome

Reference 110



RESPONSE BY THE BEVAN FOUNDATION

The Bevan Foundation develops ideas to make Wales a better place and improve people's lives. It is independent of government and politically neutral, and is a registered charity. We welcome the opportunity to respond to the consultation on the proposed Landfill Disposals Tax.

Preamble

The Wales Act brings a unique opportunity to reform and strengthen a tax on landfill disposals.

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

It is important that the Welsh Government maintains a tax on waste disposed to landfill. However we do not have sufficient expertise to comment on the implications of the Welsh Government adopting a different regime to that in England and Scotland.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

We do not have sufficient expertise to comment on this question.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

As a matter of principle the Welsh Government should have the ability to set different rates of tax.

Questions 4 - 26:

We do not have the expertise to respond to these questions.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

We support the principle that the communities directly and adversely affected by the nuisance of a landfill site should receive some benefit as 'compensation' for the detriment they suffer. We consider that such a scheme should:

- be based on boundaries that are closely aligned with the area directly and adversely affected by a landfill site (and not the very broad areas currently eligible – it is hard to see a connection between the dis-amenity of a landfill site and some of the projects cited as examples);
- be simple to access with the minimum of administrative requirements and costs;
- be responsive to the needs of the community, whatever those might be, and not based on narrow criteria.

We strongly recommend that the experience of existing distributors of small grants (e.g. Big Lottery, Community Foundation in Wales, WCVA, County Voluntary Councils) be drawn upon to design an appropriate scheme.

In addition, we support the principle of a proportion of Landfill Disposals Tax being allocated to assist in reducing the amount of waste sent to landfill and waste crime. This is a separate objective and should apply across the whole of Wales.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime?

We would support a proportion of revenue being allocated to this purpose but on an all-Wales basis, not only for communities near landfill sites.

- Supporting waste minimisation and the diversion of waste from landfill?

We would support a proportion of revenue being allocated to this purpose but on an all-Wales basis, not only for communities near landfill sites.

- Biodiversity initiatives and wider environmental improvements

We do not consider these to be an appropriate use of revenue as they are not necessarily reducing the amount of waste sent to landfill or ameliorating the harm caused by landfill sites.

- Tackling poverty and deprivation in communities

We do not consider these to be an appropriate use of revenue as they are not necessarily reducing the amount of waste sent to landfill or ameliorating the harm caused by landfill sites. The solutions to poverty

and deprivation do not lie in small-scale, local initiatives.

- Other (please specify)

We would support locally-determined schemes of most types that are based in communities directly and adversely affected by landfill sites. The current list of types of schemes – e.g. funding for places of worship – is not rational and should be scrapped.

Question 29: Do you have any thoughts on the possible administrative model?

The existing administrative arrangements should be scrapped in total. A new scheme should be easily accessible, have a light administrative burden and a quick turn around. As already mentioned several organisations have considerable expertise administering small, community grants and their experience should inform any new scheme. We suggest that if possible the Welsh Government should delegate the administration of any revenues to appropriate third parties rather than doing so itself.

While we welcome landfill operators (and the wider waste industry) demonstrating their corporate social responsibility, we do not consider that they need to do so through a Landfill Credit scheme. There are many other ways that they can be socially responsible.

Victoria Winckler
Director
Bevan Foundation
www.bevanfoundation.org

Reference 111

CONSULTATION RESPONSE FORM, INCLUDING SUMMARY OF CONSULTATION QUESTIONS

Welsh Government

Consultation on: Landfill Disposals Tax (Number: WG24170)

Consultation Response Form

Name:

Clifford Parish

Organisation (if responding on behalf of that organisation):

Vale of Glamorgan Council

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

I believe that it is of significant importance that Welsh Government (WG) maintains consistency with the UK Government and Scottish Government on Landfill Tax rates to ensure that there is a level playing field for the waste management industry within the UK and to ensure that differential devolved landfill Tax rates between Westminster and the devolved administration does not create a cross border distortion of waste movement/disposal between the various administrations resulting in beaches of WG and EU Waste policies specifically relation to the 'Proximity Principle' and 'Regional Self Sufficiency.'

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

The current levels of Landfill tax at a minimum should be indexed linked and increase at the rate of inflation. Given the extremely high recycling rates for construction waste reported it is likely that the majority of inert waste at landfills is likely to be SME building contractors where the waste is not homogeneous and can contain mixed material including potentially active or polluting elements.

Excepting that the LOI test will be considered later, irrespective of this, there is still a strong argument that where the inert materials are either re-unsalable or recyclable that such hard-core, river dredging, top-soil or incinerator bottom ash (IBA) that they should be taxed above the lower tax rates to encourage their use in the construction industry in a more sustainable way than simply landfilling them.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

While landfill exists in the Wales, landfill tax has a role to play, in achieving WG's environmental goals and WG need to consider their objectives very carefully if it is to continue to promote good behaviour by landfill operators while utilising the tax as an additional lever to support its policies. Clearly having the ability to set different lower or even higher rates of tax would assist it in achievement of this

Having the ability to create more rate bands to reflect better the relative impact of different types of waste would also be of value to WG. As there is presently a huge differential between the two existing it in itself creates problems and the introduction of a banding tax charge may address these matter together with realigning Landfill tax rates to the polluter pays principle

Landfill tax is due to rise with inflation from £80 per tonne to £82.60, Her Majesty's Revenue & Customs (HMRC) confirmed. On 1 April 2015 landfill tax increased in England, Wales and Northern Ireland from £80 to £82.60 per tonne as a result of a change in Finance Act 2014. This will again increase to £84.40 per tonne for disposals made, or treated as made, in England, Wales and Northern Ireland on or after 1 April 2016, according to a HMRC briefing note.

The lower rate of tax, which applies to less-polluting wastes listed in the Landfill Tax (Qualifying Material) Order 2011, is currently £2.50 per tonne, having increased from £2 per tonne on 1 April 2008. This will increase to £2.60 per tonne in England, Wales and Northern Ireland from 1 April 2015 as a result of a change in Finance Act 2014. This will increase again to £2.65 per tonne for disposals of waste made, or treated as made, in England, Wales and Northern Ireland on or after 1 April 2016.

If WG is committed to reducing landfill and moving waste higher up the waste hierarchy then there must be merit in it setting a higher rate for re-unsalable or recyclable waste sent to landfill. I would therefore support WG having the ability to set different lower rates of tax.

I feel WG needs to ensure that landfill waste disposal is properly priced in order to promote greater efficiency in the waste management market and the economy as a whole; and to apply the 'polluter pays' principle to promote a more sustainable approach to waste management reducing waste production and recycling or recovering more from it. To do so there needs to be some consistency between administrations

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

The existing list would appear to be appropriate.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

If Threshold are to specified then they need to be quantifiable and measurable. If this can't be achieved then there is little point in WG considering setting a threshold level to define 'small quantity' for non-qualifying waste in a given load of inputted waste. There is an old adage "if you can't measure it you can't manage it" and it is my belief that without knowing what is within a mass of material the safest option would be not to specify any threshold to try to define what a small quantity' of non-qualifying waste in a load would be.

This is specifically a concern when dealing with active waste or demolition waste where hazardous material such as asbestos, lead etc. can exist in fairly small quantities,

Non-homogeneous waste will be very difficult to sample and define whether the threshold has been exceeded or not. Introducing such a definition as 'a small quantity' will add costs to landfill operators and a further regulatory burden on both the operator and regulator.

I would therefore question whether setting thresholds to define 'a small quantity' of non-qualifying waste would be either practical or cost efficient

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Loss on ignition is a well-established laboratory test used in inorganic analytical chemistry, particularly in the analysis of minerals has already been implemented, from the 1st April 2015. It would be therefore be my opinion that WG would be best served monitoring the outcome from this and subsequently deciding whether it should introduce a similar proposal within its Landfill tax policies

So whilst Scotland may have decided not to introduce the LoI test given that this has raises concerns that Scottish (ESA in Scotland) waste producers may travel south of the border to use English landfills. WG has the opportunity to consider the value of introduction or not given the difference in policies between UK and Scottish landfill tax policies and make a more valid decision whether or not to introduce it based on the experiences from the two separate administrations.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

I believe that there are existing problem with defining the area in which a taxable disposal takes place and that there are difficulties in distinguish between those activities on a landfill site which constitute a taxable disposal and those which are non-taxable uses of waste.

In order resolve this and to have as much clarity as possible on tax liability, there is a need for landfill operators to be obligated to inform landfill tax regulators about non-taxable uses of waste and setting up an information area. It will also be necessary to contact their environmental regulators (NRW) to ensure that any changes they propose to make to your site, or the running of it as a result of the introduction of an information area, are acceptable under the terms of the permit. To address these landfill operators should be required to designate more than one information area (to allow storage of different types of waste or different activities such as sorting and recycling). In these situations they should also be required to identify clearly the quantities and type of material which relate to the different uses.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

I am not aware that there is a particular problem with the current arrangements for credit for landfill material permanently removed from. However the procedure for landfill operators claiming such credit would appear to be open to possible abuse i.e.:

If a landfill waste temporarily with the intention of later recycling, incinerating or removing it for re-use (but not on a landfill site, except when re-using it as restoration material - see below in this paragraph), when you remove the waste you will be able to claim a credit of the tax you accounted for and paid on the original disposal at your site, if you meet both of the following conditions:

This should be addressed by effective regulation by the regulatory body and mass balance of waste input against export.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

Dependant of the actual legislation there shouldn't be any practical implications in specifying all waste material entering a landfill site (other than that which is specifically exempt) is subject to landfill taxation, other than the monitoring and regulation of any proposed legal requirements.

It is not possible to fully answer this question without seeing draft legislation

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

Dredging materials is an activity essential to navigation, maintaining the ecology and biodiversity of waterways and adjacent land, the management of flood risk and drainage activity. The consequences of not dredging, or carrying out limited dredging can be significant.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Provision of clear guidance documentation for landfill operators and regular inspection by regulatory body, should clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of non-taxable activities on a landfill sites.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

I would propose that the following list, while not exhaustive, would include material that should be exempt given that they can be used in more sustainable ways than simply being landfilled:

Bricks and Blocks

- Bricks can be reclaimed and reused in new brickwork
- Bricks and blocks can be crushed and used as a construction material
- Bricks and blocks can contain recycled material such as wastes in their manufacture

Roofing Tiles

- roofing materials can be made from a wide range of materials including concrete, clay and slate
- old tiles (present in demolition rubble) can be recycled via crushing and reused during construction
- old tiles can be reclaimed and utilised in new construction and maintenance projects (such as conservation work)
- roofing tiles are now produced incorporating recycled plastic and slate waste

Topsoil

- can be reclaimed and reused in construction for landscaping²¹
- can be used as a medium for compost

Green Waste

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

Given the possible complexity and possible abuse of accounting for the taxable element it is my belief that there would be a case for removing the water discount reliefs.

If there is a discount water relief I would support the existing conditions where no relief exists:

- if is present naturally in the waste (although you may agree a scheme to discount water up to, but not beyond, the amount present naturally)
- it is present because of rain or snow
- it was added to waste to damp it down to prevent it blowing away and the added water is less than 25% of the waste, by weight
- any of the water is capable of escaping from the landfill site by leaching. to water which is present naturally cannot be discounted

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

As the existing UK landfill tax provisions are well understood and operates well within its intended scope, the WG should not intend to pursue significant changes to the form or structure of the existing tax regime for the introduction of its landfill tax policies. This will ensure that the stable market conditions needed to support long-term investment are maintained. For this reason it may therefore be more appropriate for WG to start with the existing exemptions and consider any changes following an initial period of stability prior to examining and pursue refinements or enhancements that will support its continued smooth operation in Wales.

While accepting that WG are interested at this early juncture to receive views on longer-term changes it may prove prudent to wait to assess the Scottish Government introduction may wish to consider of the tax in 2015 before finally deciding on introducing new exemptions or other changes to the existing landfill regime.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

The most significant practical implications would be that such a requirement would penalise the smaller operator, increasing operational and administrative costs of their operations. This may distort the market place and result in additional and premature closure of this existing type of landfill operation.

There may also be issues with some operators where their site is physical restricted and it is simply not possible to locate a weighbridge and without a public weighbridges within the vicinity also result in the financial scenario stated above. Where waste is weighed away from a landfill site, I would maintain there must be a clear audit trail including a record of weights for each vehicle, container, wagon, and that that waste must go directly to the site and record all waste brought onto site(s), showing where the waste was weighed, the identifying number and type of vehicle/container, a description of the waste, and the date disposed with retention of the weighbridge tickets.

However, it also needs to be noted that Controlled Waste entering a landfill site may need to firstly place in an area where processing, recovery, sorting etc. can be carried out. In these circumstances, there is a time lag between the waste entering the site and it entering the tipping area, if it was a requirement that such waste be weighed and characterised immediately prior to tipping (the tax point). Then this proposal could replace the current burdens associated with tax-free areas such as separate weighing and characterisation and the requirement to keep a separate disposal account i.e. the operator would have ensured that the waste disposed is clearly and separately identified from all other wastes entering a mixed treatment site.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

This definition will be central to the integrity of the tax in Wales, and the WG need to consider all views on this question carefully, particularly those from landfill operators, on any steps that the WG should take to ensure that taxable and non-taxable activities and materials are set out in a clear, consistent manner that will avoid dispute about what is and is not taxable.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

It is my understanding that Landfill site operators, who deliberately fail to correct an under-declaration of Landfill Tax, may be liable to a civil penalty for dishonest evasion, a civil penalty for deliberate inaccuracy or criminal prosecution. These are very serious penalties and assuming that there are sufficient enforcement resources and Court time available shouldn't result in any issues when implementing the current penalty regime.

If there are, then WG needs to ensure that the regulator bodies and the courts are made properly resources and competent to fulfil the requirement of the regime.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

I feel that while carrying out desk-based checks into returns or other documents to make sure that customers pay the right amount of tax at the right time are important. On site 'compliance checks' are critical in determining that the correct information is being assessed. This will however, require additional regulatory duties by the Regulation body and WG must ensure that sufficient resources are available to for this increased compliance activity on the ground to be undertaken.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

WG should consider the actions within its 'Fly-tipping Free Wales Our strategy for tackling fly-tipping'. As landfill tax powers will increase regulation controls and additional burdens on regulatory bodies it will need to ensure that effective resources and powers are available to those bodies to improve compliance enforcement and communication.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

While unable to say that there is clear evidence it is likely that where there is a possibility for shroud accounting that tax avoidance does occur under the existing Landfill tax system.
It is likely that these would result from the tonnages reported, they composition and water content although Natural Resource Wales would, as regulator, be far better placed to confirm whether there is evidence of such tax avoidance within the existing Landfill Site Returns information, and what if at all is the nature of this of tax avoidance

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

I would support support aligning the tax return where businesses it will impact on when they pay tax on profits. Aligning their accounting date with the tax year would be the simplest option, but there are implications for a growing business that WG will need to consider in considering this matter;

- For incorporated companies, an accounting date will determine the payment date of tax. The business should have sufficient cash to pay the tax liability when it becomes due.
- For an unincorporated business, profits for a tax year are decided at the accounting date in that tax year.
- The earlier in the tax year you select as your accounting year-end, the longer you will have to pay tax on your profits.
- Although there is a cash-flow advantage to having an earlier year-end, you should make a provision for the higher liability when the business ceases.
- Using an accounting year-end of 5 April or 31 March is the simplest way to apply the current year basis of assessment.
- The later in the tax year the accounting date falls, the shorter the period in which to make the related tax payment, and therefore the greater the risk of incurring a penalty for late payment.
- Over the life of a business, they can only be taxed once on your profits. But some of your profits will have been taxed twice during the life of your business, unless your accounting date is 31 March or 5 April. Tax relief ("overlap relief") for these profits when you cease business or change your accounting date.
- Where profits are seasonal, selecting a date before a peak in your profitability will delay the payment of tax.
- Finalising year-end accounts can be a time-consuming process and so it is better to choose a time of year when you are less busy. .
- When you eventually terminate your business, the earlier in the tax year of the date of your final accounting year-end, the lower the profits that will be assessed in the final tax year. An accounting year-end is not set in stone when first chosen. The factors above may influence your decision to change an accounting date at any time.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

The European Waste Catalogue (EWC) codes should be well known and used when dealing with Site Returns and Waste Transfer Notes to larger landfill operators and there should therefore be very little practical implications making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

Thence given that the waste received into the landfill will have contained EWC codes there should be very little impact on any requirement requiring them to be used in completing their landfill tax return.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

WG may wish to consider the Courts Service and the Revenue Commissioners proposal to delivering fast and efficient public service where they are removing many of the current certification and clearances required and by moving to a fixed filing date Revenue aims to simplify and streamline the process and bring it more into line with other self-assessment taxes while also reducing compliance costs and the administrative burden for taxpayers.

Part of this modernisation and simplification of procedures is the enhancement of e-filing for CAT through Revenue's online service (ROS). Revenue is recognised as a leader in using information and communications technologies to deliver fast and efficient public services and ROS.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

WG should offer bad debt relief based on the existing model for VAT bad debt relief in accordance with the following legislation:

The VAT Act 1994	Section 36 and Section 26A which covers the repayment of input tax when a customer fails to pay for supplies received within six months of the relevant date.
The VAT Regulations 1995	Parts XIX, XIXA and XIXB

Bad debt relief should be at least six months from the later of when payment was due and payable. The due date for payment may be determined by normal credit terms, or by any longer period for payment if agreed with landfill operator's customers. It should not be claim on a return for an accounting period earlier than the one in which operators become entitled to any proposed relief.

Landfill Operators will need to supply all necessary documentation required by WG e.g.

- a copy of all invoices for which you are claiming a relief under. And
- a separate bad debt account showing the:
 - (a) amount you have written off as a bad debt
 - (b) amount to claim as bad debt relief
 - (c) the period in which is claimed a refund
 - (e) the period in which you originally accounted for;
 - (f) payment received;
 - (g) name of your customer, and
 - (h) date and number of the invoice to which the bad debt relates. (If no invoice, sufficient information to allow the time and type of the supply to be readily identified)

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

I would share the view expressed by others that this gives tax evaders an unfair advantage over those law-abiding businesses and individuals who pay their fair share. This is unacceptable and we will consider all the available tools to deter and take action against those who are seeking to avoid or evade tax.

The review of appealable decisions in the following regimes: aggregates levy, capital gains tax, child trust fund (tax appeals), climate change levy, the construction industry scheme, corporation tax, customs duties, excise duties, income tax, inheritance tax, insurance premium tax, landfill tax, decisions associated with money laundering provisions, National Insurance Contributions, PAYE, petroleum revenue tax, certain stamp duty penalties, stamp duty reserve tax, stamp duty land tax, statutory payments, student loans, and VAT appears to be fair and protects the appeal process and natural justice.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

WG should consider the proposals being considered in Scotland which would allow in exceptional circumstances in which taxpayers might be able to postpone payment of tax when drafting its own legislation. Not only will this address the Landfill tax issues but would be valuable for any future tax raising powers devolved to WG.

In Scotland I believe that their government is proposing that Revenue Scotland should be able to consider an application for agree to a postponement of tax, interest or penalties pending a review or appeal, but only in exceptional circumstances and only in relation to LBTT decisions. Where Revenue Scotland do not agree to postpone tax, interest or penalties the taxpayer may appeal to the Scottish Tax Tribunals.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

I would strong support and encourage WG in allocating a proportion of Landfill Disposals tax revenue to enhance the wellbeing of communities Landfill tax revenue should be explicitly linked to WG's environmental objectives and encourages environmentally positive behavioural change. WG needs to establish a clear vision of how they want to enhance wellbeing of communities which contains a clear set of commitments with an emphasis on delivering results that everyone can see in their daily lives.

WG's aim in doing so should be to use Landfill tax revenue to build a shared and better future for all. The vast majority of people Wales want WG to succeed in delivering on wellbeing commitments and improving the opportunities available to this generation and the next. This additional resource would be another measure intended not let them down.

The challenge in using it to enhance community wellbeing is how WG will measure outcomes effectively? Landfill tax is structured in relation to environmental outcomes so that the more polluting the behaviour, the greater the tax levied.

Although this objective (the 'polluter pays' principle) appears fair and reasonable, the imposition of environmental taxes can have an uneven environmental impact (for example, standard-rated LFT is charged on the weight of waste irrespective of its potential environmental effect). Additionally, in order to reduce the impact on national competitiveness of burdensome carbon taxes, government has specifically legislated to relieve the burden for some businesses of these taxes through exemption or agreement, thus diluting the impact of the tax.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

Yes. I would strongly support this proposal.

While I accept that the existing Landfill Tax regime does seek to incentivise landfill site operators to support local community and environmental projects through a Landfill Communities Fund. I strongly believe it very important that WG use a significant proportion of the Landfill Disposals Tax to enhance and deliver benefits to communities.

The difficulty would be identifying ant priority between them and there are excellent reasons for each.

Utilising the new revenue to enhance Wellbeing should fulfil the basic communities needs are met, that individuals have a sense of purpose, and that they feel able to achieve important personal goals and participate in society. Wellbeing is enhanced by conditions that include supportive personal relationships, strong and inclusive communities, good health, financial and personal security, rewarding employment and a healthy and attractive environment.

All of the activities stated with question 28 should help in securing the economic, social and environmental wellbeing whether that is environmental, socially or economically.

I fully supports maintaining the Landfill Communities Fund in Wales but and extending the credit limit for contributions to the fund. I see it as an important source of funding for the third sector in particular, who may find it difficult to apply for and manage larger funds or find the appropriate match funding required. It also acts as a valuable community funding source where other more complex funding stream is difficult to access.

There have been the Contributory Third Party for many projects and have therefore seen some of the successes since the Fund started. Any increase into the funds will be greatly welcomed as many more very worthwhile community projects can be achieved.

Question 29: Do you have any thoughts on the possible administrative model?

It would appear that the existing Landfill tax Community Fund administrative spend is higher than would be expected on admin/running costs. It is suggested that about 5p in every pound or 5% of the money allocated to the administration. It is clear that WG needs to ensure that the administrative model should be accountable for how the money is spend it is taxpayers' money.

Administration costs are often the focus of attention - with the implication that they are somehow 'bad'. Therefore it seems to follow that a 'good' charity spends as little money as possible on its running costs.

While accepting that focusing purely on running costs isn't perhaps the key indicator. I would bring the following to WG's attention:

For example, is a charity that spends 1% on admin and 99% directly on its beneficiaries providing excellent value for money? What if it doesn't know how many people it is serving, or what impact it is actually making on their lives, or evaluating and learning from its projects to see if they can be improved?

Although the aim is not, and shouldn't be, to spend as little % of Taxpayers money as possible on running costs. There between does need to be a careful balance between delivering the best possible support to the community with properly monitoring and evaluating projects to measure their impact and to share what's learned with other NGOs. WG needs to make sure all money is being spent properly and put to the best long-term use.

It should also be noted that the reported Community Fund distribution costs of 11.4 is high compared to that of the Big Lottery Fund at 6%. The reported large accumulations of funding for community projects unspent (25% of £1.2 billion total funds within the existing administrative model must also be a concern and a matter that WG needs to ensure can't be repeated in Wale and keeping the proposed administrative model simple as possible would appear to be the best way to achieve this.

However, I believe that an independent regulator would help ensure consistency, transparency and accountability though their role depends considerably on the chosen delivery model.

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

No Comment.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

While the initial Regulatory Impact Assessment appears to be appropriate. I would question whether the significant regulatory, monitoring and report aspect of managing the landfill tax in Wales have been fully considered.

Publication of responses

Responses to consultations may be made public - on the internet or in a report. Normally the name and address (or part of the address) of its author are published along with the response, as this helps to show the consultation exercise was carried out properly.

If you would prefer your name and address not to be published, please tick here:

☐

Returning this form

The closing date for replies is **19 May 2015**.

Reference 112

Name:	
Organisation (if applicable):	
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	
Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they	

be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community	Biodiversity initiatives and wider environmental improvements because

wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	this is of vital importance and it benefits both wildlife and people.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Checked)

Reference 113



Landfill Disposals Tax

FSB Wales

FSB Wales welcomes the opportunity to present its views to the Welsh Government's Consultation on the Landfill Disposals Tax. FSB Wales is the authoritative voice of businesses in Wales. With 10,000 members, a Welsh Policy Unit, two regional committees and twelve branch committees; FSB Wales is in constant contact with business at a grassroots level. It undertakes regular online surveys of its members as well as a biennial membership survey on a wide range of issues and concerns facing small business.

Tax Rates and Taxable Disposals

In the current circumstances, it seems sensible that consistency is maintained between England and Wales in terms of Landfill Tax rates, for the reasons identified by Welsh Government this is necessary to avoid 'waste tourism'. The Welsh Government should, however, have the flexibility to vary the rates of tax to take account of any change in circumstances. It should be noted, of course, that tax on waste produced in Wales and exported to England would go to England. It is also important that there remains a constructive dialogue between UK and Welsh Governments over taxation levels, rather than either Government arbitrarily increasing tax levels only for the other to potentially need to rapidly respond to any changes being made by the other. Therefore we believe that each Government should ensure there are procedures established to facilitate such a dialogue.

Caution should be exercised with regard to the point at which tax becomes payable. Waste at landfill sites should, ideally, be clearly separated at the point of entry, and tax charged only on waste entering the tipping area for waste destined for landfill. There should be a full study of the impacts of such a change on each of the landfill sites in Wales before such a change was introduced, to ensure that any difficulties and implications were resolvable. We also believe that a study would need to be undertaken prior to agreeing any tax credits for waste removed from sites, so as to consider the environmental impact of any waste removed and whether it justifies the tax

credit. It would seem to make good legislative sense to include all materials entering the tipping area of a landfill site as subject to tax unless otherwise identified. This would help ensure the legislation is properly enforceable and would limit the areas where landfill site operators may launch appeals and legal action.

In general we believe the most effective legislation is simple legislation and subsequent regulation should be framed in terms of 'Better Regulation'.¹ The exemptions outlined in this consultation add a level of complexity. With regard to the water discount, the implication would seem to be that tax should not be charged to the water content of waste as it has little negative environmental impact. We are concerned that a discount may be being applied to contaminated water, which might lead to a disincentive to purify water, particularly when used for industrial purposes. We recommend the Welsh Government undertake a full evaluation of the impact of removing the water discount. Any additional discounts should be introduced with caution as these may further complicate the implementation and enforceability of the legislation.

Compliance and Enforcement

Whereas we fully support efforts to combat the problem of illegal waste tipping, and can understand the possible additional deterrent of tax being applied to illegal waste, this is clearly a highly complicated area of law. There is existing legislation in place, such as the Environmental Protection Act 1990, which gives local authorities powers to tackle illegal fly tipping, and we believe that local authorities should make better use of these powers to investigate and prosecute those responsible.

We support the approach of increasing practical enforcement action to tackling illegal waste recognising that failure to tackle illegal tipping places a disproportionate burden on those small businesses that act in good faith and comply with current legislation. The approach taken in England, to use funding from the Landfill Communities Fund to increase enforcement activities, would appear to be sensible if it leads to both a reduction of the incidents of illegal waste disposal and subsequently in increased revenue for the Landfill Disposals Tax. The higher revenues should be used to 'repay' the Landfill Communities Fund, but consideration should also be given to increasing the Fund as a proportion of any resulting increases in revenue.

As a general principal, FSB Wales argues that good regulatory enforcement rests on taking an approach to regulation that prioritises education as the first response to non-compliance. This is also true for tax compliance. The Welsh Revenue Authority should prioritise assisting small businesses to comply with regulations prior to resorting to any enforcement action. This requires clear guidance from the Authority, as well as officers that are able to support SMEs where complications arise.

Likewise, it is our contention that the vast majority of small firms are tax compliant and would not seek to avoid tax. Tax avoidance allows firms to illegally gain a competitive advantage. We believe the Welsh Government should seek to ensure all firms are operating on a level playing field. Often larger, multinational firms are amongst the most significant avoiders of tax. FSB Wales is therefore supportive of the principle of a General Anti-Avoidance Rule as set out in Scotland.

Administration

There are only a small number of sites that qualify for paying the Landfill Disposals Tax and this number is likely to decrease. Aligning the tax return period with the financial year will have a limited impact beyond this small number of operators. As a general principle, however, we fully support the simplification of the tax regime to enable businesses to better manage their tax reporting requirements.

Whereas we believe the cost of administering the new tax should be proportionate, the move to a simpler online reporting procedure in line with the Welsh Government's Digital Wales ambition is encouraged. The Welsh Government's proposed new Welsh Revenue Authority should apply the principle of digital first, which could reduce the costs of designing an online reporting facility if it is commissioned at the same time as those required for other devolved taxes. As it is the intent to see recycling increase, the Landfill Tax collected in Wales will diminish year on year, it is therefore imperative that the cost of tax collection is kept as low as possible.

We believe there should be a general principle that tax is not payable if its payment is subject to an appeal, unless the appeal is unsuccessful. As a deterrent to spurious appeals, which might be used to delay payment of the tax due, the Welsh Government may wish to consider placing an interest charge on tax due for the period of the appeal should the appeal be unsuccessful. The Welsh Government should, however, issue regulations regarding the timescales within which the Welsh Revenue Authority should deal with appeals, so that the amount of interest paid can be calculated in advance of any appeal. Businesses would then be able to predict the degree of financial risk associated with an appeal. The Welsh Revenue Authority on this and other matters should have a statutory duty placed upon it to report annually on the timescales in which it responds to complaints and appeals.

Community Well-Being

We believe the Welsh Government should allocate a specific proportion of the Landfill Disposals Tax to the well-being of communities. We believe the Welsh Government should be able to use an element of the ring-fenced Well-Being of Communities Fund to undertake additional enforcement action. As indicated above, however, we believe this should be repaid to the Fund from the additional tax receipts. This should result in larger sums being allocated to the Fund as the total revenues increase.

We also believe that tackling poverty and deprivation in communities should be the key driver for the Fund. Local economies offer the greatest source of tackling poverty and where local businesses can demonstrate sustainable business growth, particularly leading to job creation or protection, they should be eligible to bid for funding. It is our belief that this activity should take precedence over other desirable but less efficient ways of tackling poverty or promoting sustainable economic development. The administration of the fund itself should be done in the most economical way that promotes the take up of the Fund. We note that this fund is currently under spent, with £140m of unspent funds being accumulated by Environmental and Distributive Environmental Bodies, and believe that urgent actions should be taken to widen the possible definition of economic beneficiaries and also to make the application process as accessible as possible.

Federation of Small Businesses Wales

Web: www.fsb.org.uk/wales

The Federation of Small Businesses Wales

The FSB Wales is non-profit making and non-party political. The Federation of Small Businesses is the UK's largest campaigning pressure group promoting and protecting the interests of the self-employed and owners of small firms. Formed in 1974, it now has 200,000 members across 33 regions and 194 branches. FSB Wales currently has around 10,000 members, a Welsh Policy Unit, two regional committees and twelve branch committees meaning FSB Wales is in constant contact with small businesses at a grassroots level in Wales.

Lobbying

From the Press and Parliamentary Affairs Office in Cardiff, FSB Wales campaigns with AMs, MPs and MEPs in Cardiff Bay, Westminster and Brussels in order to promote our members' interests. FSB Wales also works closely with local, regional and national media outlets to highlight our members' concerns. Development Managers work alongside members in our regions to further FSB Wales influence at a regional level. More widely, the FSB has Press and Parliamentary Offices in Westminster, Glasgow, Belfast and Brussels to lobby the respective Governments.

Member Benefits

In addition, Member Services is committed to delivering a wide range of high quality, good value business services to members of the FSB. These services will be subject to continuing review and will represent a positive enhancement to the benefit of membership of the Leading Business organisation in the UK.

Vision

A community that recognises, values and adequately rewards the endeavours of those who are self employed and small business owners within the UK. The Federation of Small Businesses is the trading name of the National Federation of Self Employed and Small Businesses Limited. Our registered

office is Sir Frank Whittle Way, Blackpool Business Park, Blackpool, Lancashire, FY4 2FE. Our company number is 1263540 and our Data Protection Act registration number is Z7356876. We are a non-profit making organisation and we have registered with the Information Commissioner on a voluntary basis.

Associate Companies

We have three active subsidiary companies, FSB (Member Services) Limited (company number 02875304 and Data Protection Act registration number Z7356601), FSB Publications Limited (company number 01222258 and Data Protection Act registration number Z7315310)

Reference 114

Welsh Landfill Disposals Tax

May 2015

Response of the Welsh Environmental Services Association

1. The Welsh Environmental Services Association (“WESA”) is an arm of Environmental Services Association (ESA): the trade association representing the UK’s waste and secondary resource industry, a sector with an annual British turnover of around £11 billion. Driven by EU environmental law, WESA is a leading partner in Wales’s transformation from a disposal to a zero waste society. Our Members recover both value and energy from the Wales’s waste whilst protecting the environment and human health.
2. The landfill tax has proved one of the principal policy drivers for effecting change in the waste and recycling sector. By increasing the costs of landfill in a uniform and predictable way, the landfill tax has made alternative treatment infrastructure more economically viable, thereby encouraging the industry to invest in a range of facilities designed to recycle and recover the value embedded in waste.

Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

3. Very important. We welcome the assurances received thus far from the Welsh Government that the new Wales Disposal Tax regime will be broadly aligned with that operating across the rest of the UK. Price disparity might otherwise be exploited, leading to “waste tourism”, where waste is transported to or from Wales to take advantage of the cheapest waste disposal option. Such an outcome would be contrary to the proximity principle. The industry requires as much certainty as possible to invest in waste management and recycling infrastructure, and to this extent the uniform and relatively predictable increases to landfill tax via the escalator have been helpful. It would not, however, be helpful to introduce uncertainty in to the market place, with either proposals for different tax rates or for variation throughout the UK.

Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

4. Yes. Again, we would advocate that there are no disparities between Wales and the rest of the UK. See answer to Q1 above.

Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

5. WESA does not see any value in this approach. Changing the lower rate would have significant implications for investment and the way waste material is managed. If the lower rate of tax is increased in Wales it is likely to lead to such waste streams simply being transported across the border to England.

Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

6. The list of materials under the existing Qualifying Materials Order remains fit for purpose and, subject to our comments in Q5 and 6 below, we do not advocate change to the materials that are subject to the lower tax rate. Instead, the new Wales Landfill Disposals Tax regime would benefit from greater clarity on the *application* of the lower rate of tax to prevent the widespread and deliberate misclassification of waste for the purposes of benefitting from the lower tax rate. See response to Q6 below.

Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material? :

7. It is worth noting that in effect a 10% limit has already been introduced in the England and Wales in relation to transfer station 'fines'. The practical issues that would arise would include how to actually assess material going to landfill against a specific limit? A visual inspection would be open to interpretation whereas a requirement to sample and undertake some form of scientific test would pose the following questions for consideration:
 - How to take a representative sample?
 - Which test to use?
 - How often should the test be taken?
 - How to ensure consistency of results between different operators?
8. At the very least it would be helpful for the Welsh Government to produce practical guidance to assist operators in the assessment of small or incidental amounts of standard rated materials within loads of mainly qualifying materials.

Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons. :

9. Yes. The ESAET Report 'Waste Crime – Britain's Dirty Secret' calculated that at least £168m was being lost to the public purse in the UK, due to waste materials arising out of waste transfer stations and delivered to landfill sites being, deliberately or otherwise, misdescribed as 'low rated' in terms of landfill tax.
10. Landfill operators were previously put in an unenviable position, whereby the onus was on them to determine whether material was low rated, based solely on visual inspection and information provided to them by the waste producer/carrier. Yet, it is the landfill operator, not

the waste producer, who is accountable if HMRC disagrees with the decision. Of particular concern was 'fines' from trommelled wastes arising out of waste transfer stations and delivered to landfill sites. Due to the nature of this material it is impossible for landfill operators to detect from a visual inspection alone whether the material has been misdescribed by the producer or waste carrier.

11. The differential between low rate (£2.60) standard rate (£82.60) landfill tax is now so significant that it is really no surprise that problems arose. ESA therefore urged the Government in England for many years to develop a more objective approach and we were therefore pleased when the Loss on Ignition testing regime was implemented in England and Wales in April 2015. We think that it will provide an objective testing regime for waste fines arising from mechanical treatment facilities which we believe will go a long way to prevent the misclassification of waste which has been so costly to responsible operators and to the UK's economy. The new LOI regime in England and Wales should also provide a level playing field for all operators – both those producing and those disposing of waste fines – and to prevent misclassification of waste fines either deliberately or otherwise.
12. It is also worth noting that the main purpose of landfill tax is to divert material away from landfill. Continuing with LOI regime will help to differentiate between wastes and therefore facilitate the beneficial reuse of essentially inert materials in, for example, construction projects and quarry restoration, rather than them ending up in landfill.
13. The new testing regime is a much more objective approach and applies to all 'fines' destined for landfill that have arisen from a 'waste treatment process that involves an element of mechanical treatment'. In the main, it will apply to 'fines' which arise after material has been processed via trommelling equipment designed to remove recyclable material. In order to qualify for the lower tax rate the 'fines' must consist predominantly of 'Qualifying material' with no more than an 'incidental amount' of any other 'non qualifying material'.
14. The testing regime itself is fairly straightforward and low cost. It will involve both a pre acceptance check by the landfill operator on the process producing the waste fines as well as a sampling and testing aspect to effectively measure the level of 'contamination' in the waste 'fines'.
15. Under the new regime, a representative waste sample must be taken from the waste 'fines' as they arrive at the landfill site. The frequency of the LOI test will depend on a number of 'risk factors' that the landfill operator must consider with default minimum being one LOI test for every 1,000 tonnes of waste received from an individual processor. Importantly, the landfill operator will also have to keep a sample in reserve should HMRC decide to retest a sample itself.
16. The key aspect is that every load that exceeds the 10% LOI (15% for the first 12 months) limit will be liable to the standard rate of landfill tax. So for a typical twenty tonne truck the difference between low and standard rate tax will be significant i.e. Approximately £1600.

17. Whilst WESA recognises that the new regime will take some time to 'bed in' we are also urging HMRC to be both consistent and robust in its enforcement to ensure that the new requirements are properly implemented by all parties. We will continue to engage closely with HMRC to help ensure the implementation of the regime is as smooth as possible. We hope that the new regime will provide more confidence, certainty and consistency to our sector.

Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved? :

18. WESA is not aware of any problems.

Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed? :

19. Leachate Removed from site incurs significant costs to the landfill operator for transport and treatment. As this forms part of taxable inputs should leachate outputs attract a credit against landfill tax?

Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

20. Modern landfill facilities are significant civil engineering projects and require a range of materials including virgin clay, stone, plastic membranes and pipework. These construction materials should not be subject to landfill tax. The tax should only be applied to waste materials entering the site and not to other materials used in the construction or management control of the site.

Q10: What activities would you expect to be exempt (not subject to tax) and why? :

21. Engineering materials including clay, stone (already subject to aggregates levy), pumps, pipework and road building material should all be exempt. These materials are all products essential to the running of the facility and not waste being disposed of. Materials used in the capping and restoration of a site should also remain exempt. All other exempt activities should be retained.

Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these? :

22. If a material is being used on site as a product and an essential item in order for the landfill to be operated and not for the purpose of permanent disposal, then it should be tax free. The definitions of what an essential item in order to operate the landfill needs to be agreed and we suspect that this may cause further interpretation and challenge issues to those that have gone by under the current regulations.

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response. :

23.No

Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.

24. No: WESA strongly opposes the proposal to remove the existing provision which enables water to be discounted from taxable disposal and urges the Welsh Government to carefully consider the economic impact of this proposal on Welsh businesses.
25. While the number of affected businesses is relatively small, the financial implications on such companies would be severe: in some cases a 6 figure increase (per annum) in disposal costs. Clearly, this will place affected Welsh businesses at a competitive disadvantage to their UK counterparts, who would continue to benefit from cost savings through the existing provision within the UK landfill tax regime.
26. The likely consequence of this proposal would simply be to encourage “waste tourism” to other parts of the UK. Even accounting for transport costs, arranging for landfill disposal in other parts of the UK would be a cheaper and entirely viable option for affected companies. This would of course reduce potential tax revenues for the Welsh Government; result in a loss of business for Welsh waste management operators; while increasing the distance waste travels for disposal.
27. The level of water within the discounted tonnage spread across the various landfills in Wales would have little impact on a further pollution risk. In addition, the resources used to treat this extra water are already part of the infrastructure of responsible landfills.

Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

28.No.

Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

- 29.WESA would support this proposal which would help ensure a level playing field for all operators.

Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

30. We are not aware of any specific practical difficulties. We support proposals in the consultation to allow recovery of avoided tax from illegal dump sites. Illegal waste management activity is a national problem requiring strong leadership and resources sufficient to create a climate where the fear of being caught is high. With the introduction of

new, higher environmental standards and the increase in the landfill tax this has never been so important.

31. We believe that more resources should be invested in tackling illegal waste management activity to provide a high level of protection for communities and responsible waste management companies across the country.

Q17: Are there any issues with the current penalty regime and if so, how might they be addressed? :

32. WESA is not aware of any issues with the current penalty regime for landfill tax offences.

33. However, the current regime imposes the financial penalties on the landfill operator only because LFT is applied at the point of disposal at the landfill site. Some waste delivery operators attempt to take advantage of this and should be penalised alongside the landfill company. This may encourage more responsible behaviour.

Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

34. Yes. The regulator must be both consistent and robust in its enforcement and we consider that this must include an increase on compliance activity on the ground.

Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

35. We are not currently aware of any additional actions.

Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this? :

36. WESA is only aware of anecdotal evidence of tax avoidance and would encourage HMRC to take robust enforcement action to ensure that there is a level playing field.

Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

37. Landfill operators should be given the option of aligning reporting with the financial year. However, we are aware that some operators see advantages in being allowed to continue using non standard periods. Not allowing this will lead to a relatively small amount of additional time required to produce the return, but may cause significant work internally in terms of budgeting/reporting and managing cash flows.

Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

38. Weighbridges should use EWC numbers when booking in wastes to their facilities. This should be a requirement on every site. It will add a relatively small amount of time in producing the return, especially if electronic formats are utilised.

Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

39. Why not include tax returns as an extension to Natural Resources Wales Return, all of the information is already recorded. This would ensure accuracy, save administration time and double handling of information. The ability to file electronically would also be helpful.

Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate? :

40. Debt relief is appropriate on all bad debt for the landfill operator. With standard rate LFT at £82.60/t, and the gate fee for the landfill operator between £10-20/t so the LFT element is between four and eight times more than the gate fee the operator can earn from the waste. The landfill industry cannot cover this bad debt risk.

Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal? :

41. ESA has no comment

Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal? :

42. ESA has no comment

Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities? :

43. Yes. The landfill communities fund delivers significant benefit to the communities around the landfill sites operated in Wales, despite dwindling funds due to decreased inputs to landfill.

Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime.
- Supporting waste minimisation and the diversion of waste from landfill.
- Biodiversity initiatives and wider environmental improvements.
- Tackling poverty and deprivation in communities.
- Other (please specify). :

43. WESA considers that funding should be allocated to supporting compliance and minimising the impacts of waste crime. Waste crime blights communities

and undercuts legitimate operators and supporting compliance ensures a level playing field for all operators.

Q29: Do you have any thoughts on the possible administrative model?

44.No.

Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make? :

45.No

Q31: Do you have any comments on the initial Regulatory Impact Assessment? :

46. Whilst we understand the financial reasons for implementing the tax in Wales we do question some of the assumptions made in terms of revenue that will be generated. It is also worth noting that the Welsh Landfill disposal tax is proposed to be implemented in 2018, yet the Welsh Waste Strategy aspires to zero waste to landfill just seven years later in 2025.

47. On Page 11 the report suggests that the figures for landfill tax income will increase from 2013/14 figures to 2019/20. In fact WESA is aware that the OBR has published revised figures for landfill tax receipts in March 2015 which actually project a fall in landfill tax receipts over the next 5 years rather than the marginal increase referenced in the consultation paper.

48. This lower projection reflects lower-than-expected receipts in 2014-15 and a lower projection for the proportion of local authority waste sent to landfill. This is based on updated DEFRA projections that suggest a steeper fall in landfill waste in the near term.

Reference 115

Response from Conwy Town Council:

Question 27: Should WG allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities? (or should it be taken into the WG budget to be allocated across WG priorities & public services?)
Yes

Question 28: If the WG allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the above activities should benefit, & why?

All activities are important and also include to "Prevent social isolation of communities/ and enhance and promote community development"

Question 29: Do you have any thoughts on the possible administrative model?
Broaden the geographical focus of funding (increase the 10 mile radius) and have an administrative office in Wales.

H Barritt
Town Clerk and Responsible Financial Officer
Cyngor Tref Conwy Town Council
Website: www.conwytowncouncil.gov.uk

Reference 116



Response to the Consultation on Landfill Disposals tax (Number: WG24170) We have received a copy of the above draft for comment as part of your consultation process.

The Chartered Institution of Wastes Management (CIWM) is the professional body which represents over 6,300 waste and resources management professionals, predominantly in the UK but also overseas. The CIWM sets the professional standards for individuals working in the waste and resources management industry and has various grades of membership determined by education, qualification and experience.

CIWM is recognised as the foremost professional body representing the complete spectrum of the waste and resources management industry. This gives the Institution the widest possible view and, perhaps more pertinently, an objective rather than partial view, given that our goal is for improvement in the management of all wastes and resources.

The Cymru Wales Centre Council of the Chartered Institution of Wastes Management welcomes the opportunity of contributing to the Consultation on proposals for Landfill Disposals Tax.

In relation to the current Consultation document, our points are provided as responses to the specific questions raised, in relation to the information received, as follows below and in the next pages.

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

It is of significant importance that Welsh Government (WG) maintains consistency with the UK Government and Scottish Government on Landfill Tax rates to ensure that there is a level playing field for the waste management industry within the UK. It is important to ensure that differential devolved landfill tax rates between Westminster and the devolved administration does not create a cross border distortion of waste movement/disposal between the various administrations resulting in 'beaches of WG and EU Waste policies specifically relation to the Proximity Principle' and 'Regional Self Sufficiency'. However, WG could explore increasing the tax level for certain waste types to increase the incentive to reduce, recover or

recycle these waste types, this could be done using European Waste Catalogue (EWC) codes for these waste types and CIWM Wales would recommend that WG reviews the EWC list to identify the waste types which they consider would be best managed further up the waste hierarchy.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

The current levels of landfill tax at a minimum should be indexed linked and increase at the rate of inflation. Given the extremely high recycling rates for construction waste reported it is likely that the majority of inert waste at landfills is likely to be SME building contractors where the waste is not homogeneous and can contain mixed material including potentially active or polluting elements. It may be beneficial to set a tax rate for mixed construction wastes at a higher level than is currently the case to encourage the separation of the materials through a treatment facility rather than just landfilling the mixed construction wastes this would apply to the following EWC codes; 17 01 07 mixtures of concrete, bricks, tiles and ceramics other than those mentioned in 17 01 06 17 09 04 mixed construction and demolition wastes other than those mentioned in 17 09 01, 17 09 02 and 17 09 03.

Excepting that the LOI test will be considered later, irrespective of this there is still a strong argument that where the inert materials are either re-unsalable or recyclable that such hard-core, river dredging, top-soil or incinerator bottom ash (IBA) that they should be taxed above the lower tax rates to encourage their use in the construction industry in a more sustainable way than simply landfilling them.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

While landfill exists in the Wales, landfill tax has a role to play, in achieving WG's environmental goals and WG need to consider their objectives very carefully if it is to continue to promote good behaviour of landfill operators while utilising the tax as an additional lever to support its policies. Clearly having the ability to set different lower or higher rates of tax would assist it in achievement of this. Having the ability to create more rate bands to reflect better the relative impact of different types of waste would also be of value to WG. As there is presently a huge differential between the two existing it in itself creates problems and the introduction of a banding tax charge may address these matter together with realigning landfill tax rates to the polluter pays principle

Landfill tax is due to rise with inflation from £80 per tonne to £82.60, Her Majesty's Revenue & Customs (HMRC) confirmed. On 1 April 2015 landfill tax increased in England, Wales and Northern Ireland from £80 to £82.60 per tonne as a result of a change in Finance Act 2014. This will again increase to

£84.40 per tonne for disposals made, or treated as made, in England, Wales and Northern Ireland on or after 1 April 2016, according to a HMRC briefing note.

The lower rate of tax, which applies to less-polluting wastes listed in the Landfill Tax (Qualifying Material) Order 2011, is currently £2.50 per tonne, having increased from £2 per tonne on 1 April 2008. This will increase to £2.60 per tonne in England, Wales and Northern Ireland from 1 April 2015 as a result of a change in Finance Act 2014. This will increase again to £2.65 per tonne for disposals of waste made, or treated as made, in England, Wales and Northern Ireland on or after 1 April 2016.

If WG is committed to reducing landfill and moving waste higher up the waste hierarchy then there must be merit in it setting a higher rate for re-unsalable or recyclable waste sent to landfill. CIWM Wales would therefore support WG having the ability to set different lower rates of tax.

CIWM Wales feels WG needs to ensure that landfill waste disposal is properly priced in order to promote greater efficiency in the waste management market and the economy as a whole; and to apply the 'polluter pays' principle to promote a more sustainable approach to waste management reducing waste production and recycling or recovering more from it. However, if WG were to do this it must be mindful of the need to have some consistency between administrations.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

There are a number of materials in the list given in appendix 1 for which there are potentially uses for these higher up the hierarchy and the availability of the lower rate of landfill tax does not provide sufficient disincentive to landfill. If WG wants to achieve a higher level of recycling or recovery of these materials either the lower rate needs to be significantly increased or some of the materials should be removed from the list.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

If thresholds are to be specified then they need to be quantifiable and measurable. If this can't be achieved then there is little point in considering setting a threshold to define any level for 'small quantity' of non-qualifying waste in a load of qualifying material.

Non-homogeneous waste will be very difficult to sample and define whether the threshold has been exceeded or not. Introducing such a definition as 'a small quantity' will add costs to landfill operators and a further regulatory burden on both the operator and regulator. Therefore, any non-qualifying material in a load of material accepted for the lower rate should not be

allowed and the higher rate apply, this would increase the incentive to properly sort wastes prior to disposal.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons. Loss on ignition is a well-established laboratory test used in inorganic analytical chemistry, particularly in the analysis of minerals has already been implemented, from the 1st April 2015. It would be an easy test for producers of fines from waste treatment processes to conduct and to supply the necessary test results to enable such materials to be disposed of at the lower rate if applicable. It is unlikely that many of the fines materials produced from waste processing would then qualify for the lower rate and would close the door to abuses of the current system.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

Where there is a separate area within the site for sorting materials to remove items for recycling or recovery from the wastes delivered into a landfill the current arrangements would appear to be workable through separate recoding of wastes deposited in these areas. It would be sensible to ensure that the permits for these sites include this arrangement and that the sites provide separate returns to the regulator for materials entering and leaving this part of the facility and that it is designated as a sorting and transfer activity within the permit. This might require the regulator (Natural Resources Wales) to review the permit in order to do so. The benefit of this would be that the landfill tax records would be comparable with the permit records and could provide an audit mechanism.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

CIWM Wales is not aware of any issue with the current arrangements. There is merit in having a degree of flexibility, for example extend the time period to allow for removal of materials if an innovative process is developed which can use material previously hard to recycle, to make new products.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

Subject to the response to question 7 above all waste materials entering the landfill site other than that which is specifically exempt should be subject to tax. This would be workable provided that the exemptions are fully specified.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

The receipt of suitable inert waste materials for lining the landfill, construction of drainage layers, constructing site roads, daily cover and site capping and suitable material for restoration layers including compost should be exempt, but no other material. The material for landfill site lining and drainage layers has to be of specific engineering characteristics.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Restricting the non-taxable activities to those listed above would clarify the position significantly.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

The listed exemptions as listed need further clarification in respect of filling of quarries, there now is a category of facilities referred to as deposit for recovery which defines the activity of stabilising of quarry walls for stabilisation where the original planning permission for the mineral extraction requires this. However, there may be quarries where the original planning application for mineral extraction requires the quarry to be reinstated to original levels and this should be regarded as a landfill and not deposit for recovery. For avoidance of doubt this should be defined within the landfill tax legislation for Wales.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

There are cases where sludge may be deposited in a landfill in terms of definitions within the landfill regulations and the removal of the water discount relief would remove an area where argument may be the case, it would also encourage producers of such material to remove more water from their wastes within their treatment process and produce a dryer filter cake, thus saving the environmental costs of transporting more waste than is necessary. There should be flexibility built into this to look at how the Scottish approach is working and to allow for different techniques that maybe developed in the future.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

CIWM Wales has no suggestions to make here.

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and

available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

This proposal would have significant benefits for record keeping at landfill sites, most large landfill sites have their own weighbridge but smaller inert landfill sites tend not to have such a facility, imposing a requirement for the wastes to be weighed at a weighbridge where there is one within close proximity would be beneficial but the definition of close proximity needs to be drawn by reference to the locations of public weighbridges in the environs of all landfill sites where they do not have their own weighbridge facility. This would enable small landfill sites that do not have their own facility to comply with this requirement. This move would need to be advertised to the relevant audience.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

Where the perpetrators of illegal deposit of waste can be identified the landfill tax should be payable by them under the court justice provisions, in cases where the waste producer is identifiable but not the person that deposited the waste the landfill tax should also be recoverable through the courts. The potential ability to recover landfill tax prior to the court process would also be advantageous, observation of how this is working in practice in Scotland would be useful. This may be difficult where several deposits have been made in the same location and care would be needed to ensure that the correct wastes are identified in the investigatory processes.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

CIWM Wales is not aware of any issues.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

CIWM Wales feels that while carrying out desk-based checks into returns or other documents to make sure that customers pay the right amount of tax at the right time are important. On site 'compliance checks' are critical in determining that the correct information is being assessed. Where there appear to be issues then a full site audit of records relating to waste transfer notes would be appropriate to do. Provision of funding to Natural Resources Wales by diversion of moneys from the Landfill Tax Communities fund to ensure effective compliance and enforcement of waste law, in particular waste misclassification, illegal waste sites and illegal exports would be beneficial.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

WG should consider the actions within its 'Fly-tipping Free Wales Our strategy for tackling fly-tipping'

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

While unable to say that there is clear evidence it is likely that tax avoidance does occur under the existing landfill tax system

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Aligning the tax returns to the quarterly returns made to Natural Resources Wales permit returns would have benefits in terms of identifying the quantities and types of wastes accepted at landfill sites subject to the comments made in response to question 7 above and 22 below. This does not quite align to the financial year given that the returns are from the first day of the quarter and the financial tax year starts on the 6th April.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

The European Waste Catalogue (EWC) codes should be well known and used when dealing with Site Returns and Waste Transfer Notes to larger landfill operators and there should therefore be very little practical implications making it a requirement that EWC codes are used in completion of the tax return?

Thence given that the waste received into the landfill will have contained EWC codes and the landfill operators are required to use these codes in their returns to Natural Resources Wales (NRW) under their environmental permits there should be no practical difficulty in a requirement for them to be used in completing their landfill tax return. In fact because the EWC codes are used throughout the waste receipt system from waste transfer notes accompanying the waste in the delivery of the waste it would make auditing the quantities and types of wastes received relatively easy if that was required.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Returns made to Natural Resources Wales for permit returns on quantities of wastes accepted under permits are commonly made through the e-mail of completed spreadsheets provided on the Natural Resources Wales' website,

Natural Resources Wales are also going to provide an electronic portal for such returns in the near future. It would be relatively simple for WG to introduce a similar system to the existing spreadsheets e-mailing system that Natural Resources Wales currently provides.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

WG should look at the Scottish proposals and possibly implement something similar, again a degree of flexibility would be advantageous.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

CIWM Wales has no comments to provide.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

CIWM Wales has no comments to provide.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

As the tax should be explicitly linked to WG's environmental objectives revenue should encourage environmentally positive behavioural change. The challenge in using it to enhance community wellbeing is how WG will measure outcomes effectively? Landfill tax is structured in relation to environmental outcomes so that the more polluting the behaviour, the greater the tax levied. Although this objective (the 'polluter pays' principle) appears fair and reasonable, the imposition of environmental taxes can have an uneven environmental impact (for example, standard-rated LFT is charged on the weight of waste irrespective of its potential environmental effect). Additionally, in order to reduce the impact on national competitiveness of burdensome carbon taxes, government has specifically legislated to relieve the burden for some businesses of these taxes through exemption or agreement, thus diluting the impact of the tax.

There are additional areas where landfill tax revenues could benefit communities through alleviating the issues associated with abandoned and orphaned waste management facilities. It would be beneficial to all parties if a fund to deal with these types of facilities could be established by Welsh Government utilising funds from landfill tax. Establishing a fund or scheme to cover the full costs of clearing and remediating abandoned or orphaned sites should be a function of government and could be a sensible use of the tax receipts from landfill tax and any other similar taxes levied by governments on

waste management operations. The proportion of tax receipts from landfill tax and any other taxes levied on waste management that may be required to establish such a fund need to be proportionate to the level of costs anticipated to cover the necessary works at known orphaned sites and sites at risk of falling into this category.

These taxes were introduced to affect the decisions of waste producers and waste managers to drive wastes away from environmentally undesirable waste management options and have been effective in reducing the reliance on landfill in the UK. The use of a proportion of the receipts from these taxes to support a scheme to ensure the clean-up and remediation of orphaned or abandoned waste management facilities would in effect be scheme co-funded by governments and the waste industry and would be a suitable use for such tax receipts.

Decisions to draw on the scheme would need to be made through government or a government appointed body to manage such a scheme. Application to the scheme for funding remediation of abandoned or orphaned waste management facilities could be made by the landowner, local authority or regulator, but would need to be accompanied by a statement of the financial costs of the remediation, the environmental benefits that would accrue from such works and the reasons why the body or person is not in a position to fund the works themselves.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

Supporting compliance and enforcement and minimising waste crime should be fundable through moneys from landfill tax as noted in response to question 18 above as should remediation of abandoned or orphaned waste facilities, this funding should not be limited to locations in the environs of landfill sites. Supporting waste minimisation and diversion of wastes from landfill should also be fundable from landfill tax moneys, this funding should not be limited to locations in the environs of landfill sites.

Biodiversity initiatives in the environs of landfill sites should be fundable from landfill tax moneys as should initiatives to tackle poverty and deprivation in communities in the environs of landfill sites.

Question 29: Do you have any thoughts on the possible administrative model?

The landfill tax moneys in its entirety should be used to support sustainable development and green growth in Wales through the Wales wide initiatives of supporting compliance and enforcement and minimising waste crime, remediation of abandoned or orphaned waste facilities, and supporting waste minimisation and diversion of wastes from landfill. A proportion should be allocated to a distributive fund managed by the WG to support community initiatives in the environs of landfill sites in Wales as outlined in the response to question 28 above.

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

CIWM Wales has no comments to provide.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

CIWM Wales has no comments to provide.

Should you have any query with regards to our response, please do not hesitate to contact us.

Kind regards
Celine Anouilh
CIWM Regional Development Officer for Wales

Reference 117



Response to Welsh Government consultation on Landfill Disposal Tax

This paper sets out ENTRUST's response to Chapter 5 of the Welsh Government's consultation on Landfill Disposals Tax, which relates to Community Wellbeing and how landfill sites affect communities.

Question 27

Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

2.1 As the regulator of the LCF, we consider that a proportion of Landfill Disposals Tax should be allocated to enhance the wellbeing of community's since 1996 over £62m has been distributed from the LCF to fund projects, which benefit communities across Wales.

2.2 These projects include the creation of parks and play-parks, maintenance of village halls and churches (including the addition of disabled access), improvements to other community facilities such as theatres, sports facilities and nature reserves and projects for the protection and conservation of species and habitats.

Question 28 If the Welsh Government allocates a proportion of landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

3.1 We consider that the current objects of the LCF should be those which continue to benefit from this funding in Wales. These activities have already demonstrated their value to Welsh communities through the projects that have been delivered since 1996. Details of all LCF projects which have been undertaken in Wales can be found on our website www.entrust.org.uk - but we have highlighted some recent projects, and how they have benefitted communities, in Appendix A to this response.

Question 29 Do you have any thoughts on the possible administrative model?

4.1 We believe any Fund in Wales should minimise the administration costs and so maximise the funding available to local communities and the environment. In determining a model to deliver this objective, we have borne in mind the likely amount of funding available from a Welsh Landfill Disposals Tax. We have also taken into consideration that the Office for National Statistics has classified the LCF as a private scheme. As a direct consequence of this status, project deliverers are able to secure public funding to support their projects. If the current status of the Fund changed to a public scheme, project applicants may not be able to secure other public funding to support their projects.

4.2 We therefore consider that given the potential size of the Fund in Wales, we recommend that a single body is established to regulate the Fund and distribute funding to local communities and environmental organisations. We believe that this arrangement could provide some of the following benefits:

Minimise the administration costs and maximise the funding available to projects through economies of scale of only having one funding and regulatory body;

Minimise the administration burden on project applicants through the implementation of one standardised application form and project criteria;

Ensure a fully transparent and accountable system is in operation for all of the Welsh Government's stakeholders;

Ensure that individual Landfill Operators (LOs) would still be able to attain the current level of Corporate Social Responsibility (CSR) benefits that they gain from contributing to the current LCF scheme; and

Ensure that the Welsh Government is provided with assurance that any funding diverted from general taxation delivers Value for Money and is fully accounted for, including the provision of regular management information on the operation of the Fund

Appendix A

Project LCF contribution Project details including the benefit to Welsh communities Maerdy Gateway Mining Memorial £100,000

The Trustees of Maerdy Archive Group in the Rhondda Fach Valley South Wales applied for funding in relation to 'Erecting the Winding Wheel', which was used at the pithead of Maerdy colliery which was the last mine to be closed down in December 1990.

When people talk about the South Wales coalfields they almost invariably think of The Rhondda Valley the most intensively mined area in the world.

The project serves as a memorial to all those who were killed in explosions and accidents and restores a piece of Welsh mining heritage.

Thompson Street Estate Sensory Garden (also known as Belvedere Park, Barry)

£40,000

Thompson Street Estate is a designated Communities First area. The estate suffers from high levels of deprivation and associated problems. As a result, individual and collective self esteem is low and residents are often unable to look beyond their immediate situation towards a more positive future.

The Sensory Garden Project hopes to alleviate some of these problems through engagement with residents on both the design and creation of a public garden that will provide an opportunity for residents to learn skills, improve their potential for employment and increase the collective capacity of the community.

Cwm Colhuw Nature Reserve (The Wildlife Trust of South and West Wales) £50,000 Cwm Colhuw is a 12 hectare nature reserve, near Llantwit Major. A good example of coastal calcareous grassland, which has suffered in recent years through neglect and therefore diminished in biodiversity value.

The project aims to undertake specific management for chough, reptiles and invertebrates, which will benefit the habitats of the reserve and all the other species using it.

The project will also engage with academic institutions so that opportunities to undertake scientific research can be made more readily available.

Reference 118

The proposal to use landfill tax for general purposes is ridiculous. Wales is a beautiful country and gains socially, economically and culturally from the scenery and the historic landscape. Wild life and other local groups need this money for the benefit of us all

R Jinkinson

Reference 119

Welsh Government Consultation on: Landfill Disposals Tax (Number: WG24170)

Name: Pamela Parr

Organisation (if responding on behalf of that organisation):

Fly Tipping Action Wales

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

No response

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

No response

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

No response

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

No response

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

No response

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

No response

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

No response

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

No response

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

No response

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

No response

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

No response

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

No response

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

No response

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

No response

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

There is clarity over the tonnages of waste that is brought to site and the tax payable. It is an enhanced level of scrutiny and will help to cut down on the amount of tax evasion.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

This will act as a further deterrent and will hopefully lead to a decrease in the amount of fly tipping and illegal waste deposits. Household recycling sites operate free of charge for householders so I'm not sure what implications this would have for waste found tipped by a member of public (as opposed to a business).

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

No response

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

There is a need for increased compliance activity on the ground, as the paperwork/electronic records can be falsified or not submitted and without physical checks made on the ground, it could be difficult to prove non-compliance. Whilst staff are on the ground, they also pick up far more intelligence about illegal activity as they are the eyes and ears talking to people and seeing what is going on first hand. Having that visible presence shows potential offenders that checks are being carried out and can help act as a deterrent.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

No response

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

No response

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

No response

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

No response

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

No response

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

No response

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

No response

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

No response

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Yes

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill

- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities - Other (please specify)

The funding should go towards supporting compliance and enforcement of waste activities. Fly Tipping costs the tax payer in Wales around 2million pounds annually in clean-up costs but this is just on public land, the true cost of Fly Tipping in Wales is currently unknown. As the investigation of fly tipping is not a statutory duty, some of the Local Authorities responsible for tackling fly tipping do not take any enforcement action against offenders and will just clean up the fly tipping. The amount of prosecutions taken in Wales is very low equating to only 0.2% of incidents and with increased budget cuts in the Authorities, the amount of enforcement work carried out is unlikely to increase. This goes back to - The Eunomia Report on waste crime which states "Whatever the level of penalties...they will not act as a deterrent unless offenders believe it is likely that they will be caught and prosecuted." Therefore as very few offenders are caught and prosecuted there is little deterrent and also there is no way of recovering the landfill tax that has been evaded. If a proportion of Landfill Disposals Tax Revenue is intended to go towards enhancing community wellbeing, putting more money towards tackling fly tipping would be beneficial for the community as there are proven links between poor local environmental quality and crime (research paper produced by Keep Wales Tidy).

We are getting increasing requests for assistance with funding clean up's of waste tipped on common land but can't assist because we are not funded to issue grants to pay for these clean ups. As common land is classed as private Local Authorities don't clean up the fly tipping and as there is often no known land owner, fly tipping tends to get left attracting more tipping. If some of the Landfill Disposals Tax revenue could also be used for clean ups of this type it would be beneficial for the public and farmers that use this land.

Question 29: Do you have any thoughts on the possible administrative model?

No response

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

No response

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

No response

Publication of responses

Responses to consultations may be made public - on the internet or in a report. Normally the name and address (or part of the address) of its author are published along with the response, as this helps to show the consultation exercise was carried out properly.

If you would prefer your name and address not to be published, please tick here:

Returning this form

The closing date for replies is 19 May 2015.

Reference 120



South and West Wales
De a Gorllewin Cymru

Dear Welsh Government

Re: Welsh Government's Landfill Disposals Tax consultation

Thank you for providing the Wildlife Trust of South and West Wales (WTSWW) with an opportunity to respond to this consultation. For the purposes of this response, we have restricted our comments to Chapter 5 (Community wellbeing) of the consultation document.

WTSWW is a local nature conservation charity dedicated to the conservation of Wales' wildlife and natural habitats. WTSWW has a vision of an environment rich in wildlife for everyone and aims to rebuild biodiversity in Wales by engaging people with their natural world. To help achieve this vision, WTSWW owns and manages over 80 nature reserves in South and West Wales, including the internationally significant offshore islands of Skomer and Skokholm as well as many U.K. designated Sites of Special Scientific Interest (SSSI). Our work is supported by over 500 regular volunteers from the local community and over 9,000 members across Wales. Through the support of funds such as the Landfill Communities Fund (LCF), in 2014 alone, WTSWW was able to achieve the following for the environment and local communities:

- Lead 148 guided educational walks, attended by 1342 people
- Gave 58 talks, attended by 1300 people
- Organised 80 community events, attended by 2243 people
- Ran 32 training courses, training 300 people
- Supported 5864 volunteer person days
- Organised 791 volunteer conservation workparties on reserves

WTSWW strongly supports the continuation and enhancement of the LCF and believes that the funds have been a great success for both people and wildlife in Wales. WTSWW supports the use of taxes raised from environmentally

damaging activities to support biodiversity projects in communities that live with the adverse effects of those activities.

It must be acknowledged that the LCF is one of the few funding streams in Wales that maintain a direct interest in outcomes for biodiversity and the environment. The fund has become increasingly essential to meet Welsh and European targets for biodiversity and to halt the continuing, and in some places, devastating loss of wildlife in Wales. Biodiversity should be the primary activity to benefit from the fund in Wales, not least because benefitting biodiversity also benefits all the other activities cited in the consultation. Without the LCF, Welsh Government will lose one of the few mechanisms it has to reach its biodiversity targets and engage local communities with their environment. Therefore, I urge the Welsh Government to maintain this funding and also to increase the percentage of landfill tax that goes to funding wildlife projects to 10%.

Yours faithfully
Robert Jones Parry
Conservation Manager
Wildlife Trust of South and West Wales

The Landfill Communities Fund (LCF) to fund charities such as the Wildlife Trust of South and West Wales (WTSWW) to undertake essential projects to protect and enhance Wales' most important habitats and species (biodiversity initiatives and wider environmental improvements). This fund is needed to try to reverse the terrible loss of wildlife including 60% of UK species being in decline and more than 1 in 10 species in the UK being under threat of extinction. The wildlife projects funded by LCF will help Welsh Government to meet its key environment objectives and legal obligations including:

- halting and reversing the loss of wildlife by 2020
- ensuring all of our most important, and protected, sites in Wales are in favourable condition by 2026

With financial support from the LCF, in the last four years alone, WTSWW has restored habitats on eight sites important for wildlife, from the Teifi Marshes nature reserve in Cardigan to Parc Slip nature reserve near Bridgend. LCF funds have directly supported WTSWW's work to save threatened species such as the lapwing and marsh fritillary butterfly, protect scarce habitats such as limestone grassland and create new habitats such as the wildlife-rich arable crops and wetlands. Carmel National Nature Reserve

In 2012, The Grasslands Trust sadly went into liquidation, putting the future of their amazing Carmel National Nature Reserve into jeopardy. However, the then Countryside Council for Wales (CCW) quickly stepped in, and with substantial funding from GrantScape and CWM Environmental Ltd (who had previously funded much conservation work on the site through the Grasslands Trust), was able to purchase the land from the owners, Tarmac.

In 2013, WTSWW took on a long term lease of the site from Natural Resources Wales (previously CCW). WTSWW also received a Landfill Communities Fund (LCF) grant of £33,454 from CWM Environmental to restore and enhance the important habitats on this large (50 hectares) nature reserve including a number of scarce species such as Lily of the Valley and Herb Paris, and a mixture of habitats including limestone grassland, ancient woodland and marshy grassland. Two kilometres of hedgerow was laid using traditional techniques as part of the project. Weekly volunteer workparties were supported by Wildlife Trust Officer Rebecca Killa, and amongst other skills, volunteers learned new techniques such as scything to help manage the woodland clearings and protect their wildflowers.

The LCF funds at Carmel have saved this site for wildlife and for the local community, securing its future management, allowing us to work with many local volunteers, and ensuring it remains the popular recreational resource for dog walkers and wildlife enthusiasts that it has been for many years.

Case Study 1: Management of Carmel National Nature Reserve (NNR)

Poverty and Deprivation in Communities

As well as helping to achieve Welsh Government's environmental objectives, WTSWW's work also demonstrates that these projects also produce direct benefits for communities who live with the adverse environmental impact caused by landfill sites. They help to inspire individuals and communities to connect with nature. They also provide opportunities for people to volunteer enabling them to learn new skills whilst improving their health and wellbeing.

The LCF has supported WTSWW to work with local communities at our LCF supported sites and engage with approximately two hundred community volunteers and engage with many more at community sessions such as guided walks and wildlife events. By Gwarchod Natur ar Gyfer y Dyfodol Protecting Wildlife for the Future supporting the voluntary sector, significant added value is achieved for every pound of grant funding awarded.

Volunteering for nature conservation is an ideal and proven way to improve people's health and wellbeing as it encourages local people of all backgrounds and abilities to work together outdoors for a common cause – their environment. This not only brings about a sense of achievement but also a greater understanding and appreciation for the environment and wildlife in their area. Conservation volunteering is a healthy form of exercise and outdoor recreation as well as playing a vital role in combatting loneliness and social exclusion. Many of the volunteers that have participated in LCF funded projects with WTSWW have gone on to form bonds of friendships outside of volunteering. Additionally, volunteers trained through the project have joined other interest groups, continued with their local volunteering and in several cases have found employment in the environmental sector.

Parc Slip Nature Reserve

In 2014, WTSWW received a Landfill Communities Fund (LCF) grant of £26,060 from SITA Trust to manage and create habitats for our breeding Lapwing population at Parc Slip Nature Reserve. The Lapwing is an iconic farmland bird which has undergone drastic declines across the UK as a result of loss of breeding habitat. Today the lapwing is a U.K. and Wales priority species requiring urgent action. Through the LCF, WTSWW was able to undertake a series of habitat creation and management projects, ranging from pool and scrape creation, scrub clearance, cattle grazing, predator fencing and the installation of cryptic nest sites such as shingle islands. In order to complete the work that was required to improve the habitat for Lapwing, WTSWW worked in partnership with local farmers and volunteers who helped with scrub clearance and scrape creation that was taking place on site. These volunteers have come from all sorts of backgrounds, including students, retirees and those who just want to help out in their spare time.

In total, 40 volunteers have donated their time and effort to the project, amounting to over 220 volunteer hours, which has been an invaluable contribution to the project. Without the help of the volunteers, WTSWW would have been unable to complete as much of the fantastic habitat management works that have taken place this winter for Lapwing.

Case Study 2: Volunteering for Nature Conservation at Parc Slip Nature Reserve

In 2012, WTSWW received a Landfill Communities Fund (LCF) grant from Biffa Award to help restore the Cwm Colhuw Nature Reserve for people and wildlife. The project has enabled WTSWW to create a longterm management plan for the nature reserve and implement the management to improve the condition of the calcareous grassland, coastal scrub and woodland habitats. The grassland has been brought into favourable management by the installation of grazing animals and also by mowing and the regular removal of ragwort. Scrub has been cleared back from the meadows, exposing the Scheduled Ancient Monument for the first time in a number of years and invasive species have been removed from the woodland. Amphibian hibernacula have been created on the reserve and a series of new bird boxes and bat roosts put up to benefit some of the species present. As well as restoring important wildlife habitat, the local community has also benefitted. Paths have been improved and new stiles and gates installed with regular litter-picks carried out on site.

Local volunteers have been crucial to the project's success and will help WTSWW manage the reserve sustainably into the future. A regular series of bird surveys and community bat walks and moth trap events along with numerous talks and interactions with local groups has greatly increased people's awareness of the reserve and the wildlife that is present. A local councillor was selected to be a Volunteer Warden for the reserve and he has been an excellent link between the Wildlife Trust and the local community.

Case Study 3: Community Engagement at Cwm Colhuw Nature Reserve

Combatting Waste Crime

Biodiversity projects supported by the LCF are designed to benefit wildlife and natural habitats, but to also work with communities, businesses and other local partners. WTSWW believes that engaging in local partnerships to undertake biodiversity enhancement projects leads to longer more sustainable gains for the environment. Whilst working and volunteering with WTSWW on LCF supported projects, all stakeholders are given the opportunity to learn about their local environment and are encouraged to be part of the solution to help protect and enhance it for future generations. Educating local communities through engagement and participation is an essential tool in helping to minimise waste crime as it has the ability to act as a means of prevention to the problem as well as a community cure.

Brynna Woods and Llanharan Marsh Nature Reserve

LCF funding was granted from Biffa Award to help increase the nature reserve's biodiversity and to encourage the local community to get more actively involved in the reserve's management. Prior to funding the nature reserve suffered from a number of anti-social activities and waste crimes, including, littering, dog fouling, offroad vehicles, vandalism and fly tipping from nearby allotments. The LCF project recognised this and a concerted effort was made to engage with as many sectors as possible within the community to combat the various issues. Large community litter picks were organised for the nature reserve involving local people, community councillors, allotmenters and local schools. As well as helping to clean up the nature reserve it was a good opportunity for WTSWW to work with the community to show them the reserve and to educate them on why the reserve is so important for wildlife and the area's cultural and natural heritage and how damaging litter can be to it. Workshops were organised so that teenagers previously known to be vandalising the reserve could take part in activities such as wood carving, carpentry, building and habitat management. Key to this approach was the creation of an outdoor classroom on the nature reserve built by previously offending teenagers for the use of younger pupils at the local school. Since its creation the outdoor classroom has been used every week of school term by the pupils and has received no vandalism. In addition, fly-tipping from the allotments has declined dramatically and many of the allotmenters are now volunteers for WTSWW at the reserve. The project has been a shining example of how involving local communities can lead to better and longer lasting enhancements to the environment.

Case Study 4: Combatting and Preventing Waste Crime at Brynna Woods & Llanharan Marsh Nature Reserve

Reference 121

A response to the Welsh Government's consultation on developing a Landfills Disposal Tax

Written evidence submitted by FCC Environment

FCC Environment:

- Is one of the UK's leading waste and resource management companies helping thousands of businesses and communities waste less and recycle more and as a result is uniquely positioned to respond to this call for evidence.
- Is part of the FCC group, one of the world's largest environmental services companies. This multi-national expertise and experience, working in markets with different legislation and policies further adds to its ability to provide a response.
- Operates from more than 200 locations across the UK including landfills, EfW plants, household waste recycling centres, materials recycling facilities, and compost plants, all operated to ISO 14001 environment standards.
- Provides waste processing services for residual and contaminated waste. Its infrastructure includes industrial waste treatment plants, asbestos disposal sites and a dedicated hazardous waste landfill site. Offers municipal and business waste solutions including local collections and skip hire.
- Believes every waste collection is an opportunity to reclaim valuable resources and improve the environment we all share. The company employs the latest recycling and green energy technology to ensure we recover as much resource as possible, minimise the use of landfill and drive the circular economy.

Reason for submitting evidence:

FCC Environment welcomes the opportunity to offer its perspective to the Welsh Government on its consultation to developing a Landfills Disposal Tax.

As a result of its extensive experience in waste management in England the company is acutely aware of the opportunities and challenges the sector faces and is able to offer unique insight into the issue.

FCC Environment is at the 'coal-face' of waste management in England and as such, is witness to the economic drivers of waste management and the impact of policy.

For this reason, FCC Environment feels it is able to provide the Welsh Government with evidence and comment that can help inform future work and Government policy to ensure a robust and efficient waste management industry.

Question 1: How important is it that the Welsh Government maintains consistency

with the UK Government and Scottish Government on Landfill Tax rates and why?

As the consultation document comments, given an economic incentive waste will travel significant distances if a waste operator thinks there is a cost benefit to do so. All of the Welsh sites are within a commutable distance for waste to move either in to or out of Wales if the tax regimes are different.

Question 2: Are the current standard and lower tax rates (explained in paragraph

2.2) set at an appropriate level for Wales? Please explain your response.

Yes. The tax is doing what it was intended to do and is moving waste away from landfill. At £82.60/t this is already more expensive than many treatment options and the recent experience in the movement of waste as RDF to the continent demonstrates clearly that the tax is working and that if the infrastructure is available, the waste will move. It is up to local authorities and business to now deliver a network of alternatives treatments to deal with the waste that is falling out of landfill and avoid it's export as RDF.

Question 3: Is there value in the Welsh Government having the ability to set

different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

No. For the reasons set out in question 1, although lower rate material will not move as far, there is enough competition along the England/Wales border to suggest that it will if the financial incentives are big enough. If there are different rates of tax for different qualifying materials this will lead to further confusion and challenge of the applied rate and more bureaucracy and administration.

Question 4: Are there any changes to the list of materials qualifying for the lower tax

rate (Appendix 1) that should be considered, and on what basis?

No

Question 5: What would be the practical implications of introducing a threshold to

define 'a small quantity' of non-qualifying waste in a load of qualifying material?

There have been a number of attempts to clarify this but so far nothing has come forward that has worked. However, if the threshold is based on a tonnage percentage or by volume still leaves a lot of interpretation and how can you measure this practically on the tipping face of a landfill? Some clarification that sets a common threshold would be welcomed.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Yes. The introduction of the LOI test in management of waste fines is a welcome change and has delivered some consistency in the way all legitimate landfill companies apply the tax giving both the landfill operators and waste processors some certainty about the likely costs of disposal. We would not like to see fines travelling in to Wales because there is a financial incentive to do so.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

None, as far as we are aware.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

No comment to give.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

Modern landfill facilities are significant civil engineering projects and require a range of materials including virgin clay and stone to plastic membranes and pipework. As such, our belief is that tax should only be applied to waste materials entering the site and not to other materials used in the construction or management control of the site. And it is our belief also that all waste should be taxed at the same rate as a means of deterring waste crime which is of concern to our sector (see recent DEFRA consultation.)

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

Engineering materials in landfill cell builds including clay, stone (already subject to an aggregate tax levy), pumps, pipework and road building material should all be exempt. These materials are all products essential to the running of the facility and not actually wastes being disposed of. Materials used in the capping and restoration of a site should also remain exempt. All other exempt activities should be retained.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

If a material is being used on site as a product and an essential item in order for the landfill to be operated and not for the purpose of permanent disposal, then it should be tax free. The definitions of what an essential

item in order to operate the landfill needs to be agreed and we suspect that this will cause further interpretation and challenge issues to those that have gone by under the current regulations.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

No

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

No. Some industrial waste materials have no alternative but to be treated with a water solution to wash them or dilute them before disposal. If the tax is applied to water added to the waste, this cost will be passed back to the manufacturing industry. At a time when we are trying to support our manufacturing base in the higher tech chemical industries, this would be a blow for these businesses.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

No

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

All responsible landfill operators should use a weighbridge if not for the LFT implications but for their management control. We do not see this as being a problem for the industry. However, we would expect any instances where it is impractical or impossible for the landfill operator to use a weighbridge to be notified to the Welsh Government in advance, and exceptional agreement obtained prior to disposal. We would also expect some flexibility in the event of weighbridge breakdown etc.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

FCC supports the principle of placing the tax burden on operators who deliberately avoid the tax by waste stockpiling or fly tipping. These operators distort the economics and make it difficult for legitimate businesses to compete against. Perhaps the tax could be levied against those companies who knowingly give their waste to these companies as well. So that if a load is fly tipped or illegally stockpiled, the tax is levied on both the operator and the company that gave them the waste. This

would require the right level of resource and collaboration with the EA to locate and then bring cases against these companies.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

The current regime imposes the financial penalties on the landfill operator only because LFT is applied at the point of disposal on the landfill. Some waste delivery operators attempt to take advantage of this and whilst putting as many controls in place to capture any mis-coded waste streams, the waste delivery operators should be penalised alongside the landfill company. This may encourage more responsible behaviour if they believe that some of the fines may come back to them

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

There is a need for more EA or HMRC activity on all landfill operators not just the largest companies to make sure that the rules of the LFT are being applied in the same way on every site.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

We have no comment on this point.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

Yes, we are aware of some sites and we have provided evidence to this effect.

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

From a purely administrative viewpoint, it would be advantageous for businesses to be allowed to continue using non standard periods. Not allowing this will lead to a relatively small amount of additional time required to produce the return, but may cause significant work internally in terms of budgeting/reporting and managing cash flows.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

All FCC weighbridges use the EWC numbers when booking in wastes to their facilities. This should be a requirement on every site. It will add a relatively small amount of time in producing the return.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

We have no comment on this point.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Debt relief is appropriate on all bad debt for the landfill operator. Whilst we take all care in the customers that attend the site, bad debts do occasional occur. The LFT currently stands at £82.60/t, the gate fee for the landfill operator is between £10-20/t so the LFT element is between four and eight times more than the gate fee the operator can earn from the waste. The landfill industry cannot cover this debt risk on the small element of gate fee it is receiving.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

No view on this.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

No view on this.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Yes. The landfill communities fund has delivered significant benefit to the communities around the landfill sites that FCC operate in Wales.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities

- Other (please specify)

Through the Wren fund, FCC would like to see the continuation of biodiversity and environmental improvements alongside investment in local community clubs, playgrounds, heritage sites, village halls etc.

Question 29: Do you have any thoughts on the possible administrative model?

We have no comment on this point.

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

No

Reference 122



Dear Sir/Madam

Landfill Disposal Tax Consultation

Thank you for the opportunity to respond to this consultation. The LARAC response is contained below.

The responses below are sent on behalf of the Local Authority Recycling Advisory Committee (LARAC). LARAC is an association of around 75% of local authorities across England, Scotland, Wales and Northern Ireland. Members are waste management and recycling professionals who co-ordinate and operate waste management services. Membership is drawn from all types of authority including statutory Waste Collection (WCA), Waste Disposal (WDA) and Unitary Authorities.

Our response has been peer reviewed by members of LARAC's policy team and executive committee. LARAC members have also been invited to comment on the consultation through the members' discussion forum on our website. All contributions received have been taken into account in drafting the response below.

LARAC generally supports the proposal within the consultation. LARAC does however believe that the opportunity needs to be taken to reduce the tax burden on local authorities if Welsh local authorities are to have the economic resources to achieve their statutory recycling targets.

Yours faithfully,
Lee Marshall
LARAC Policy Team

Responses to Consultation Questions

1.29 Revenues received are the result of the tonnages landfilled and the rate of tax paid. For most of the last decade, a rapidly increasing standard tax rate outweighed the effect of falling tonnages of standard rate material being landfilled, and therefore revenues rose. Falling tonnages of standard rate material are illustrative of the success of Landfill Tax as a policy instrument. This trend can be clearly seen in Chart 1 below, which shows tonnage declared per quarter for the UK by the different tax rates.

Question One: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

LARAC believes that where possible consistency across the UK is preferable. This assists those organisations that operate in different parts of the UK and so creates more efficient operations. Any increases in operating costs will be passed onto customers, including local authorities, who are struggling with reduced public funding.

Question Two: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

As outlined in paragraph 1.29 of the consultation document the high levels of the tax have meant that despite increasing recycling levels significantly, Welsh local authorities are still incurring severe tax liabilities through the landfill tax. LARAC accepts that the high levels have played a part in diverting waste away from landfill and achieving environmental aims. LARAC also believes that in the current economic climate there needs to be a mechanism that enables local authorities to reduce their landfill tax liabilities. One way in which this could be done is for a different rate of tax applied to local authority collected household waste.

Question Three: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

LARAC understands the reasoning outlined in the consultation document for the Welsh Government to retain the ability to set different lower rates of tax and would broadly support it subject to further input from relevant stakeholders.

Question Four: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

LARAC does not propose any changes to this list but reiterates the point that household waste collected by local authorities should attract a lower level of landfill tax than the standard rate.

Para 2.18 Others argue that fully enforcing EU Council Decision 2003/33/EC on waste acceptance criteria would help steer waste companies towards better separate collection (in order to achieve high quality recycling) and away from a mixed waste collection approach. Applying the waste acceptance criteria would most likely significantly reduce the amount of non-qualifying waste in a qualifying load.

Question Five: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

LARAC agrees that there is a danger of encouraging perverse behaviours if absolute limits are defined for the threshold. However LARAC would want to see regulations implemented in a clear, simple and transparent way and so would welcome guidance that is clear as possible that does not encourage actions that go against the ideals of the tax systems and the environmental outcomes it hopes to achieve.

Question Six: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

LARAC would support the introduction of a Welsh Loss on Ignition test but would urge Welsh Government to balance the practicality and cost of the test with the outputs it is designed to achieve.

Question Seven: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

LARAC is not well placed to provide evidence on this question. There does appear to be merits in aligning elements of the tax system with the permitting system from a regulation and operational point of view, as long as this does create efficiencies.

Question Eight: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

LARAC has no view on this question.

Question Nine: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

LARAC is minded to support the view of taxing all material entering a landfill site.

Question Ten: What activities would you expect to be exempt (not subject to tax) and why?

Any activities that are classed as exempt would need to be done so on the basis that the material was being moved further up the waste hierarchy from disposal. LARAC believes exemptions would need to be clearly and simply outlined.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

None at present.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

LARAC's view is that the question allows for exemptions for Pet cemeteries and NATO waste which seems a bit over-complicated so maybe exemptions should be kept to an absolute minimum.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

LARAC would welcome any moves to simplify the tax process and also restrict the possibility for abuse of the system. Therefore LARAC believes there is a case for reviewing the current water discount relief system.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

As already highlighted LARAC believes there is a very strong case for introducing a relief for local authority collected household waste. Given that recycling targets for household waste are statutory the landfill tax is no longer a policy driver for local authorities, the avoidance of fines is. Therefore introducing a lower rate of tax for household waste will not cause a slowdown in recycling rates, in fact the opposite. The reduction will free up valuable funds to be re-assigned to increasing recycling collections services and communications to encourage the public to recycle more of their waste.

LARAC believes that without this sort of release of funds to local authorities there is a danger that the 70% target may be economically out of reach. The reduced funding for councils

means that public services are being squeezed and it is becoming harder to justify the increased spend on waste and recycling services to residents at the expense of other council services.

LARAC would accept that relief may come with restrictions that funds are reinvested back into recycling services to ensure they are not used for no waste services. LARAC is not opposed to this concept.

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

LARAC supports to use of accurate data within the wider waste management operations and also in the tax system. Use of real data reduces the potential for loss of tax receipts. Use of a weighbridge will also improve waste data in general that will have benefits in other aspects of waste policy and operations. LARAC accepts there may need to be allowances made in certain situations but would suggest that in the interest of clarity all landfill sites be required to operate a functioning weighbridge.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

LARAC would support the introduction of measures that enable local authorities recover the full costs of dealing with fly tipping in their areas. Fly tipping is a large cost to local authorities and so a system similar to that introduced in Scotland is supported. LARAC would welcome a review of the implications of the Scottish system to enable Welsh Government to finesse it according to how it has operated in Scotland.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

LARAC has no views on the current penalty regime at this moment in time.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

The information outlined in the consultation document indicates that there is a need for increased compliance activity to act as a suitable deterrent to illegal activity. This does need to be positioned at a level that does not become onerous on well managed and legal operators or introduce burdens and costs that are then passed on to customers of landfill sites.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

LARAC would welcome the allocation of suitable resources for regulators before and during the early stages of the changes in the tax regime to allow positive and meaningful engagement with those affected by the changes. These resources are likely to ensure greater compliance and so higher tax revenues and so should be seen as an investment that will generate returns.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

LARAC does not have evidence on this question to submit at present.

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

LARAC would support this proposal if it was shown that there are efficiencies to be gained from doing so from site operators.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

Whilst there might be some initial administrative burdens in relation to this proposal LARAC believes there could be benefits and efficiencies to be gained by using the European Waste Catalogue codes.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

LARAC supports the use of electronic systems where possible. Where possible LARAC would advocate utilising existing systems rather than the introduction of new stand-alone systems. LARAC would suggest that the suitability of the EDOC system should be explored as part of this process.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

LARAC would support a move to a narrower system similar to the one that has been introduced in Scotland.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

LARAC has no comments on this question at this moment in time.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

LARAC has no comments on this question at this moment in time.

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

LARAC supports the concept of enhancing the wellbeing of communities that are potentially impacted by the operations of landfill sites. However the large amounts of funds that remain unspent illustrate that the capacity for projects within a relatively small geographical area is ultimately limited.

LARAC believes it is time for the funds available for communities to be reduced and funds used to achieve wider resource goals and Welsh Government recycling targets. Funds should be used to support local authority recycling services and general communications on waste minimisation and recycling to both households and businesses.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

As highlighted above LARAC believes there is a finite amount of projects that communities can allocate funds to. Therefore it makes sense to allow a broadening of the project types that are eligible for funding. However LARAC restate the opinion above that funds for communities should be reduced to allow funds to be utilised in wider recycling objectives by local authorities and others.

Question 29: Do you have any thoughts on the possible administrative model?

LARAC would only support a change in administration if it could be shown to more effective and efficient. Any administrative scheme will incur costs and any new proposed scheme will need to be measured against the costs and outcomes of the current arrangements before any change is proposed. LARAC would expect such an exercise to be undertake and the results to accompany any proposal to change the administrative arrangements.

Reference 123



Landfill Disposals Tax Consultation May 2015

For the purposes of this response, we have restricted our comments to the Community Wellbeing section of the consultation.

QUESTION 27: SHOULD WELSH GOVERNMENT ALLOCATE A PROPORTION OF LANDFILL DISPOSALS TAX REVENUE TO ENHANCE THE WELLBEING OF COMMUNITIES?

The Landfill Communities Fund (LCF) has been a great success and has left its mark on community life and the natural environment. **We strongly support the use of taxes raised from environmentally damaging activities to support wildlife and community projects as a form of environmental and social justice.**

WEL strongly supports the continuation and enhancement of the LCF.

Under Object DA, the LCF is one of the few remaining funding streams that maintains a direct interest in outcomes for wildlife. Indeed, against the wider backgrounds of austerity and a funding community rarely focussed on nature conservation, this fund is increasingly essential to continue work to halt the continuing, and in some places, devastating, loss of wildlife in Wales. As is widely reported in the groundbreaking State of Nature Report¹, we are in a state of major and continuing decline in wildlife, with 60% of the species in the UK having declined over recent decades. We have quantitative assessments of the population or distribution trends of 3,148 species. Of these,

- 60% of species have declined over the last 50 years
- 31% have declined strongly
- more than one in ten of all the species in the UK are under threat of disappearing from our shores altogether

The LCF has:

- allowed important habitats to be restored to help safeguard Wales's rich, but drastically declining, biodiversity
- provided healthy green spaces for people to enjoy and connect with nature
- supported volunteering and skills development opportunities for local communities

¹ The State of Nature Report <http://www.wildlifetrusts.org/news/2013/05/22/state-nature-60-uk-speciesdecline-groundbreaking-study-finds>

LCF-funded wildlife projects also allow Wales to meet its key environmental objectives and legal obligations:

- halting and reversing the loss of wildlife/biodiversity by 2050 (with interim targets for 2020)
- ensuring all statutory designated sites (such as Sites of Special Scientific Interest (SSSIs) and Special Areas for Conservation (SACs)) are in favourable condition by 2026 (with interim targets for 2015)

This fund helps the charities to contribute to these government obligations. For example:

- **Wildlife Trust of South and West Wales's** (WTSWW) Gwendraeth Grasslands Project restored and enhanced Carmel National Nature Reserve (NNR) SAC and SSSI;
- **Plantlife** has undertaken work to conserve nationally and internationally important lichen communities on the Gower peninsular through the control of invasive species;
- **Buglife** has carried out detailed invertebrate surveys and habitat management works on brownfield sites within Swansea and Neath Port Talbot to conserve and raise awareness of the importance of this habitat and the range of rare and endangered invertebrates that they support;
- **Coed Cadw/The Woodland Trust** has developed the woodland and visitor centre at Plas Power near Wrexham, reaching out to communities close to the site and ensuring that these woods are very much part of the local woodland culture now and for the future; and
- **Butterfly Conservation's** restoration of Median Farm, Carmarthenshire: fencing and installation of water supply has allowed this important Marsh Fritillary butterfly site to be grazed for the first time in years. The LCF helps **Natural Resources Wales** (NRW) to fulfil the **Welsh Government's statutory duties** to restore sites of national and international importance such as the Carmarthenshire Dunes SAC. **The fund has also been used to deliver significant improvements under the Water Framework and Habitats Directives** in respect of improvements to riverine habitat, water quality and biodiversity. Withdrawing this fund would mean that the Welsh Government will lose a much-needed mechanism to reach its biodiversity targets and **will cause further loss of biodiversity in Wales**. The fund helps to support the Well Being Goals in the Well Being of Future Generations Act 2015 especially in creating A Resilient Wales – *“A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change)”*.

Finally, the LCF is one way that the Finance Ministry can discharge their statutory duties to conserve and enhance biodiversity under the Natural Environment and Rural Communities (NERC) Act 2006, especially in meeting the requirement to take account of biodiversity and more particularly to conserve species and habitats listed under section 42 of that Act. The LCF also contributes to a number of other Welsh Government duties and obligations, including **poverty alleviation**, improving **health and wellbeing**, creating **jobs**, developing and teaching **skills**, and adapting to **climate change**.

QUESTION 28: IF THE WELSH GOVERNMENT ALLOCATES A PROPORTION OF LANDFILL DISPOSALS TAX REVENUE TO ENHANCE COMMUNITY WELLBEING, WHICH OF THE FOLLOWING ACTIVITIES SHOULD BENEFIT FROM FUNDING, AND WHY?

WEL recommends that **biodiversity conservation must be the priority area for any future funding from the LCF**. The LCF is one of the few funding streams for 'pure' biodiversity projects. It has supported, and should continue and expand, this delivery. If funding from the LCF is reduced or removed, the Welsh Government will not achieve its biodiversity obligations and targets as outlined at the top of page two of this response.

Biodiversity as a whole is significantly underfunded. This is a key factor in Wales failing to hit the 2010 target to halt the loss of biodiversity³. However, as the fund is likely to decrease in Wales as the number of landfill sites reduces, we would like to see the fund increase from the current 5.7% diversion rate to being ring-fenced at a minimum of 10%. However, given the social and environmental benefits that biodiversity conservation projects bring, perhaps significantly more of the tax should be diverted towards biodiversity conservation in order to meet the Welsh Government biodiversity objectives. WEL supports the Welsh Government's strategic wider environmental objectives (including climate change mitigation and resilience) as well as compliance, waste minimisation and tackling poverty. However, WEL believes that these objectives can and should be delivered through mainstream government policy and public spending. This will ensure that more funds within this scheme remain available to empower communities and deliver biodiversity projects.

As mentioned above, biodiversity-centred projects still help tackle poverty and deprivation in communities, and have benefits for public health and climate change mitigation.

QUESTION 29: DO YOU HAVE ANY THOUGHTS ON THE POSSIBLE ADMINISTRATIVE MODEL?

Considering the number of landfill sites in Wales is reducing to 10, WEL recommends that there is one Distributive Environmental Body (DEB) in Wales – this will help cut down administration and therefore more money should be directed at good causes.

It is worth noting that all regulation builds in costs. However, DEBs and charities demonstrate correct procedure by being registered companies and/or charities and are thus subject to regular audits. Setting up a duplicate process would add complexity and administrative burden to charities, which would mean less money for good causes. Current regulation for project funding eligibility states that projects must be 'in the vicinity of a landfill site'. In practice, however, this has often been interpreted as 10 miles as the crow flies.

This inflexibility disadvantages projects that just fall outside this area and, in the long-term, could mean an exhaustion of good projects in the 10 mile radius. As the consultation itself acknowledges on page 44, there are relatively few sources of funding for biodiversity. If funding for species and habitat conservation and management relies on their proximity to a decreasing number of landfill sites (even if related operations were added) this means that many species and habitats will continue to decline.

WEL recommends that **sites within an approximate 20 mile radius of any new or disused landfill site** (e.g. have a fuzzy boundary) should be eligible initially.

However, we ask that **consideration also be given to removing the vicinity test** in order to allow LCF funds to be spent where there is the greatest conservation need and therefore likelihood of success. We would also like to see the definition widened from 'landfill sites' to 'landfill sites and related activities (such as depots and transfer stations)'.

It must be recognised that funds committed through a contract are not easy to spend within short timescales (e.g. the Welsh Government's Nature Fund). Indeed, it is vital for the success of conservation projects to have funders who can commit to funding long term projects (3-5 years).

Reducing the length of projects means increased administration costs for both applicants and the Distributive Environmental Body. Furthermore, most environmental projects need several seasons to be implemented and to carry out effective monitoring. It is also vital to recognise that there is a big difference between 'unspent' funds and funds retained by a DEB that are already allocated for multiple-year projects, released on a yearly basis.

Therefore, WEL recommends that **the fund must continue to allow multi-year projects**. It should also be recognised that this fund helps to unlock significant match funding (independent funding organisations and volunteer hours). It is **therefore important that the fund continues to fund projects by 90% - this could be increased to 100% funding**.

We would encourage the Welsh Government to take the opportunity to **look at other avenues for 'green taxation'** and how these might be used to fund the Welsh Government's statutory nature conservation obligations.

WEL Recommendations

- Biodiversity conservation must be the priority area for any future funding from the LCF
- The LCF should be increased to 10% of the Landfill Disposal Tax
- There should be one Distributive Environmental Body (DEB) in Wales
- There should be no duplicate process set up that would add complexity and administrative burden to DEBs and charities, which would mean less money for good causes
- Because of the likely contraction of the number of landfill sites, WEL would ultimately like to see the removal of the location criteria. In the immediate future the eligibility criteria should be within 20 miles of a landfill site or related activities
- Biodiversity projects should be judged against their compatibility with meeting the Aichi targets, contribution to the Wales Biodiversity Action Plan and conservation of species and habitats that are listed under section 42 of the NERC Act 2006
- The definition should be widened from 'landfill sites' to 'landfill sites and related

activities' (such as depots and transfer stations)

- The LCF should continue to fund projects by 90% or increased to 100%.
- The LCF fund must continue to allow multi-year projects to reduce administrative burdens for applicants and the DEB, and to ensure that effective long-term projects can be implemented and monitored
- Welsh Government should take the opportunity to look at other avenues for 'green taxation' and how these might be used to fund Welsh Government's statutory nature conservation obligations.

Wales Environment Link (WEL) is a network of environmental, countryside and heritage Non-Governmental Organisations in Wales, most of whom have an all-Wales remit. WEL is officially designated the intermediary body between the government and the environmental NGO sector in Wales. Its vision is to increase the effectiveness of the environmental sector in its ability to protect and improve the environment through facilitating and articulating the voice of the sector.

Reference 124

Welsh Government

Consultation on: Landfill Disposals Tax (Number: WG24170)

Consultation Response Form

Name: Jon Eastwood

Organisation (if responding on behalf of that organisation): **Conwy County Borough Council**

Chapter 2: Tax Rates and Taxable Disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

It is important to maintain a consistent approach in order to avoid any concerns regarding where it would make economic sense for businesses and organisations to cross borders with their waste.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? *Yes*

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

It would provide flexibility in the future to retain an ability to set lower rates if economic or environmental conditions dictated, or if the UK/Scottish Government were to consider changing tax rates in order to avoid any negative impact for Wales.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

No

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

It would be difficult to establish the quantity/weight of non-qualifying material coming through the gate as mixed waste if a threshold were to be defined,

therefore if any threshold is considered, it may have to be relatively low in order to deter qualifying material being purposely mixed with non-qualifying waste to reduce landfill tax. This may encourage the waste industry to separately collect material to be recycled.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Yes in principle – however clear guidelines and practicality would require to be considered further in terms of how often samples would be carried out and how it would be carried out.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

We do not operate a landfill site and act as clients, however it is envisaged that landfill sites would encounter operational challenges associated with creating a tipping area near existing weighbridges. Infrastructure development would require time to be planned and financed over a sufficient period of time.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

This may encourage resource recovery as a more economic option.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

There could be a debate if all material entering a site is taxable, should any bi-product be gained from operational activities (methane gas, metal extracted from 'mining' landfills) be taxed in full? It would be difficult to consider for current and closed landfill sites.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

No

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

No

Question 13: Is there a case for removing or modifying the water discount relief?
Please explain your response.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

It would be rational that site operators would use a weighbridge where one is functional and available. Clarification would be required regarding definition of 'close proximity' with respect of using another sites weighbridge.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

It may discourage illegal tipping of waste.

Question 17: Are there any issues with the current penalty regime and if so, how

might they be addressed?

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

It is assumed that increased inspection visits on the ground would act as a greater deterrent than desk-based regulation.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

Not aware of any evidence.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

It would be practical to align tax return period in line with NRW Site Returns period

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

It would be practical to use EWC codes for completion of tax returns as they are completed as part of waste transfer note and site returns in any case, therefore it could be used to cross-reference and audit waste movements.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

We do not operate a landfill site. Agree that it may not be economically practicable to develop an online returns solution based on the relatively low number of landfill operators.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Yes

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste Crime *Yes, as Local Authorities/NRW dispose of collected fly-tipping and must pay landfill costs that should have been paid by the waste producer.*
- Supporting waste minimisation and the diversion of waste from landfill *Yes – in particular for communications campaigns aimed at businesses and producers of industrial waste that can assist with resource recovery and waste minimisation.*

- Biodiversity initiatives and wider environmental improvements *Yes – it would be good to specifically promote biodiversity initiatives and environmental improvement areas within areas in close proximity to landfill sites.*
- Tackling poverty and deprivation in communities *Yes – agree that training opportunities and educational programmes should remain part of the LCF.*
- Other (please specify)

Question 29: Do you have any thoughts on the possible administrative model?

In agreement that careful consideration will need to be given to the options of retaining existing features of the LCF including a tax credit element, opportunities for landfill site operators to demonstrate their social corporate responsibility and match funding.

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

Publication of responses

Responses to consultations may be made public - on the internet or in a report.

Normally the name and address (or part of the address) of its author are published

along with the response, as this helps to show the consultation exercise was carried out properly.

If you would prefer your name and address not to be published, please tick here:

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The closing date for replies is **19 May 2015**.

Reference 125

Landfill Disposals Tax – Welsh Government Consultation Document No. WG24170 response by the Chartered Institute of Taxation

1 Introduction

1.1 The Chartered Institute of Taxation (CIOT) presents its response to the Welsh Government's Consultation Document on Landfill Disposals Tax (LDT) published on 24 February 2015 at <http://gov.wales/docs/caecd/consultation/150224-landfill-x1-en.pdf>

1.2 The CIOT's Environmental Taxes Working Group has previously commented on the principles of environmental taxes (http://www.tax.org.uk/taxpolicy/public-submissions/2011/EnvironTax_greening_existing_taxes_CIOT), the HMRC lead consultation entitled 'Modernising landfill tax' (referred to as 'MLFT') (<http://www.tax.org.uk/tax-policy/publicsubmissions/2009/modernising-landfill-tax-ciot-comments> and the consultation on criteria for determining material to be subject to lower rate (http://www.tax.org.uk/media_centre/LatestNews-migrated/Landfill-tax-CIOTcomments).

1.3 In the main we believe the views outlined in those submissions are relevant to this consultation.

1.4 We would emphasise that Wales should adopt legislation that supports its particular aims and objectives and this may require departures from other UK tax models. In relation to LDT, this translates into how to adopt legislation that supports Wales's zero-waste agenda while at the same time recognising the needs of operators who will not want major systems change.

1.5 Nevertheless it must be recognised that change will occur because there are going to be three landfill tax systems operating across the current territory of the UK. The question that arises is what changes should take place at inception of the Welsh system and what changes can conveniently be postponed to a later date.

2 Executive summary

2.1 We take the view that if LDT is to fulfil its role as a fiscal measure designed to encourage good behaviour and penalise poor behaviours, then it needs to be levied on what is actually discarded into landfill, not simply what enters the site. Specific exemptions for site usage may be preferable to the current system. The tax structure needs to encourage recycling and re-use.

2.2 It is not only what goes into the ground that should influence the rate of tax but the extent of the damage caused by the waste. This may argue for more differential rates.

2.3 In designing Welsh LDT, we agree that there may be areas where it will be preferable to maintain consistency with England and Scotland. However, there are opportunities to modernise administration and make Welsh LDT operate more efficiently. The key issue is to minimise the administrative

burden for operators with activities throughout the UK and not seek to introduce changes where they are not warranted.

2.4 The creation of the Welsh equivalent of the Landfill Communities Fund should ensure that it is used to fund activities that further the development of waste reduction objectives.

3 Chapter 2: Tax Rates and Taxable Disposals

3.1 Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

3.2 Although there are a limited number of landfill sites in Wales, one of the issues with a separate tax for Wales is likely to be any increased cost of compliance. Existing registered Welsh operators would face system changes, and those having sites across the UK would potentially have to deal with 3 totally different systems. Definitions and procedures should, where possible, be harmonised.

3.3 Adopting a system that aligns closely with that of the rest of the UK is a pragmatic approach that also recognises the risk of waste tourism where disposals may be diverted across borders to a more generous tax regime.

3.4 Thus, while there may be pragmatic reasons for adopting legislation that is substantially similar to that of the legislation in the rest of the UK, we do not think that the legislation or the manner in which it is implemented needs to be identical especially where it may compromise the objectives of the tax such as Wales' Zero Waste Plan.

3.5 Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

3.6 Whilst we do not comment on rates as such, we note that the EU legislation on waste contains several categories of waste ranging from inert waste through to highly toxic waste. We consider it anomalous that waste that is not inert but has relatively low impact on the environment should be taxed at the same level as more toxic waste. Although multiple rates have a bearing on the compliance cost, on balance we can see a case for rates that are aligned with the categories of waste contained in Council Decision 2033/33.

3.7 Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

3.8 We would welcome provision that would allow for the setting of additional differential rates to reflect the relative damage caused by different types of waste. Under the current UK rates structure there is a considerable difference between the rate that is applied to inert matter and other waste despite the fact that some of the other waste may create minimal environmental cost. While we do not comment on rates as such it is appropriate to point out that this structure does not seem to fit with the objectives of the tax.

3.9 We remain of the view that tax rates should reflect the degree of damage caused by particular types of waste, its impact on the possible future reuse of

land used for landfill and the ability to recycle it. In this connection, we have previously noted that because EU environmental regulations already provide for the collection of extensive data about the nature and quantities of waste, a system of rates linked to records that already have to be maintained should be the ultimate aim of the tax.

3.10 Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

3.11 We set out above comments regarding the alignment of rate bands with the EU assessment of waste categories. This is emphasised by the existing Landfill Tax (Qualifying Materials) Order 2011 not requiring waste to be inert to qualify for lower rating, and, under the published treasury criteria for lower rating qualification, not all wastes that may qualify as inert are listed in the Order. We are of the view that the tax position should as far as possible mirror the requirements of environmental legislation. However comments at question 1 above regarding divergence from tax rates applied in England are also applicable here.

3.12 Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

3.13 As pointed out in the consultation document the existing concept of a 'small quantity' is ambiguous and left open to interpretation. A specific qualification parameter would provide certainty for taxpayers but great care would be needed in wording of law and guidance to prevent misinterpretation and support a consistent approach.

3.14 Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

3.15 The current UK LoI testing regime only applies to materials arising from mechanical treatment plants. Potentially this could be extended over time to other mixes of qualifying materials where provenance is uncertain. We do also have some concerns over the sampling basis required and how HMRC will monitor and test compliance. However the existing LoI rules are in their early stages and at this point we consider that a similar Welsh provision would at least maintain consistency with the rest of the UK, thereby reducing compliance costs and risk of waste tourism.

3.16 Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

3.17 We consider the option to restrict the taxable area to that identified within the site permit as having merit. This would enable further connection between tax and environmental law as well as simplifying the application of principles established by existing case law eg exclusion of permanent site engineering works from the tax.

3.18 Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

3.19 The current credit arrangements appear to be satisfactory, however developments in the sector may lead to the economic viability of recovering usable materials from previous landfill disposals. Extension of the credit rules to cover such extraction would encourage such recycling and re-use.

3.20 Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

3.21 We are of the view that what should be taxed is not what enters the site but what ultimately is actually discarded by way of landfill. The purpose of the tax is in part to reflect the cost of use of scarce or limited resources (land) in the price of products. A tax based on actual use should help ensure that this is done. A tax based on what enters the site is likely to tax waste that may be recycled, acting as a potential additional cost to recycling and missing an opportunity to incentivise good behaviour.

3.22 However it may be possible to sensibly deal with use of material on site by taxing all material entering the site (and see 3.18 above) and the setting of specific exclusions or exemptions to relieve desirable activities.

3.23 Question 10: What activities would you expect to be exempt (not subject to tax) and why?

3.24 As well as the existing exemptions we consider that various on-site engineering and other activities should also be exempt in line with the principles set by existing case law. This would include areas such as permanent engineering and capping activities. Aligned to a revised definition of site this would assist in removal of contentious areas within the existing law that have led to a plethora of litigation over recent years.

In addition we would like to see tax exemption for site restoration work by the environmental agencies and local authorities that may arise from work to clear and restore sites as a result of illegal dumping or the insolvency of a landfill site operator.

3.25 Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

3.26 The Scottish and English legislation on prescribed activities seeks to address the judgment of the Court of Appeal in the case of HMRC v Waste Recycling Group [2008] EWCA Civ 849. In England, this was believed to be a temporary measure pending review and overhaul of the existing legislation. Nevertheless it remains in place and the lack of guidance on interpretation has led to ongoing difficulty for site operators and indeed ongoing litigation over the scope of the order. In our view, the use of materials should be considered in light of the precedent case law (see Q9 and 10).

3.27 Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

3.28 It may be pragmatic to start with the same current exemptions as England and Scotland but to provide for a mechanism to add or remove exemptions when appropriate. This is subject to the principle that exemptions should not be removed if they are necessary to the environmental objectives of the tax.

3.29 Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

3.30 We consider that to fully achieve the Welsh Government's zero-waste objectives, what should be taxed is not the quantity of waste but the extent to which land that could be better used is taken out of normal activity to dispose of waste.

3.31 This view suggests that a more appropriate tax base might be volume rather than weight. We recognise the pragmatic reasons why weight has been chosen to measure the tax base but in light of our view that it is the impact of waste that needs to be taxed, we have some difficulty in seeing why water, subject to conditions, should not be discounted.

3.32 For example, it may be the case that some waste cannot be transported on its own and has to be transported in a liquid. Since water may significantly increase the weight of waste entering a site even though it is eventually removed, we do not think it is appropriate to remove an accepted means of measuring the actual waste that is sent to landfill. We would accept that this should be provided that the water is subsequently removed in an acceptable way, ie complies with environmental regulations.

3.33 Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

3.34 Any new exemptions or reliefs run the risk of compliance costs and waste tourism. Nevertheless there may be materials for which the Welsh Government wishes to encourage clearance by consideration of exemption eg relaxing existing exemption qualifying requirements for waste materials remaining from the mining industrial heritage.

4 Chapter 3: Compliance and Enforcement

4.1 Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

4.2 Comments made in the LDT session at the meeting of the Welsh Government Tax Forum on 24 April suggested that all of the currently authorised landfill sites already have weighbridges. If that is the case, practical implications would only arise in the event of such a weighbridge being temporarily out of order.

4.3 In order to assess the practical implications of such an obligation, it would be necessary to establish the proximity and opening hours of alternative weighbridges and the impact on neighbourhoods of the journeys that might be involved.

4.4 Consideration might be made to the introduction of a reporting requirement whenever a weighbridge was out of use for more than a limited period of time. That report could be shared electronically with the regular users of the particular landfill site so that they could make appropriate alternative arrangements – for example by driving straight to the alternative weighbridge rather than having to be re-routed upon arrival at the site.

4.5 However, whilst it is desirable to use a weighbridge where feasible, we consider that adoption of the existing UK alternative measurement provisions should be considered for situations where weighbridge use is not available.

4.6 Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

4.7 We are concerned that this could blur the distinction between the taxation of lawful activity and the application of criminal sanctions for unlawful activity. The interfaces between LDT, enforcement orders and criminal sanctions need to be properly thought through and regulated in order to avoid the extremes of either inadequate or excessive sanction and to ensure joined-up thinking that delivers the related but diverse objectives of LDT and the criminal law in respect of waste.

To take an example, we think that it would be much more appropriate to apply criminal sanctions to unauthorised landfill activities than to apply LDT and related penalties as if there had simply been a failure to register the site and comply with the taxation obligations. We do, however, appreciate that it might well be administratively simpler and more efficient to levy LDT and related civil penalties than to achieve a successful criminal prosecution. The risk of double taxation would, however, need to be addressed.

As a matter of principle, if the user is required to remove all the waste from the unauthorised site to a licensed site, it is difficult to see why they should be taxed as if they had disposed of it twice. That does not, however, mean that the criminal sanctions that they incur for the unauthorised activity should be any less than at least what they would have incurred as LDT and any related civil penalty.

If an illegal disposal resulted in the offender being identified then if LDT were to be levied against them it may be simpler to require the offender to pay all the disposal charges (including LFT) levied by the site operator when the waste is moved to a licensed site. Either that or if the tax is charged directly to the offender as part of the penalty measures, then the relevant material would be exempt from further LDT when finally disposed. This is to prevent double taxation.

It would also seem appropriate, as is the case in Scotland, that where illegal disposals are not identified to a particular offender and necessarily cleared to landfill by local authorities or other agencies, such material would be regarded as exempt from LDT when moved to a licensed site.

4.8 Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

4.9 The CIOT's Management of Taxes Committee has recently commented on HMRC Penalties: a discussion document sent to HMRC 11 May 2015 (http://www.tax.org.uk/tax-policy/publicsubmissions/2015/HMRC_penalties_discussion_document).

4.10 Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

4.11 LDT will be based around the site operations and accordingly we consider it important that the tax authorities, or other agencies that may be involved, are aware of and understand the requirements and operation of landfill sites to be able to effectively administer the tax.

4.12 Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

4.13 We have no comment at this time.

4.14 Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

4.15 We have no comment at this time.

5 Chapter 4: Administration

5.1 Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

5.2 Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

5.3 Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

5.4 We have not commented on questions 21-23 because it is felt that site operators would be better placed to comment.

5.5 Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

5.6 We agree with the principle of offering bad debt relief and believe it should be available for non-payment of the debt rather than because the debt is regarded as irrecoverable ('written off'). The current UK 12 month nonpayment criteria is not consistent with VAT provisions (6 months). As both taxes are likely to be charged on the same invoice consideration should be given to aligning LDT requirements with VAT.

5.7 Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

5.8 Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

5.9 We have no comments regarding questions 25 and 26.

Chapter 5: Community Wellbeing

6.1 Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

6.2 The application of monies received from taxation is not strictly speaking a tax

issue. If it is proposed to create a Welsh equivalent of the Landfill Communities Fund, then we believe that consideration should be given to ensuring that it is used to fund activities that further development of waste reduction objectives and that administration costs should be minimised subject to there being sufficient control to ensure that funds directed at projects are used as intended.

6.3 Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

6.4 This concerns how monies received are applied and is not strictly a tax issue. However, in general we agree that given the purpose of the tax, the fund should be applied to further prevention of waste, recycling and reuse.

6.5 Question 29: Do you have any thoughts on the possible administrative model?

6.6 We have no comment.

6.7 Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

6.7 No

6.9 Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

6.10 No

7 The Chartered Institute of Taxation

7.1 The Chartered Institute of Taxation (CIOT) is the leading professional body in the United Kingdom concerned solely with taxation. The CIOT is an educational charity, promoting education and study of the administration and practice of taxation. One of our key aims is to work for a better, more efficient, tax system for all affected by it – taxpayers, their advisers and the authorities. The CIOT's work covers all aspects of taxation, including direct and indirect taxes and duties. Through our Low Incomes Tax Reform Group (LITRG), the CIOT has a particular focus on improving the tax system, including tax credits and benefits, for the unrepresented taxpayer.

The CIOT draws on our members' experience in private practice, commerce and industry, government and academia to improve tax administration and propose and explain how tax policy objectives can most effectively be achieved. We also link to, and draw on, similar leading professional tax bodies in other countries. The CIOT's comments and recommendations on tax issues are made in line with our charitable objectives: we are politically neutral in our work.

The CIOT's 16,500 members have the practising title of 'Chartered Tax Adviser' and the designatory letters 'CTA', to represent the leading tax qualification.

Reference 126



Landfill Disposals Tax - Wales

Introduction

Biffa Waste Services Ltd (Biffa) is a leading integrated waste management business in the UK which operates across the breadth of the waste management value chain. It provides waste collection, treatment and recycling, and disposal services to local and national customers in the industrial, commercial and municipal sectors.

Biffa is one of the leading operators of landfill services in the UK with 16 operational landfill sites. In financial year 2013/14 Biffa handled 3.2 million tonnes of waste at its landfill sites.

We welcome the opportunity to comment on the Landfill Disposals Tax (LDT) consultation document, published on the 24 February 2015. Please note we have only answered below the questions that Biffa has a view on.

Consultation Questions

Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

This is very important to Biffa. Landfill is a very price sensitive business and without consistency between all governments 'waste tourism' will undoubtedly take place especially given the proximity of landfill sites to the English/Welsh boarder. Also the annual landfill tax escalator has historically provided landfill operators with an element of certainty in respect to the tax which is helpful when projecting future expected tonnages and the required infrastructure expenditure to service that level of demand.

Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

We believe that they are. As detailed in our response above consistency is key to us in this regard.

Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

We do not see any reason for doing this. As already detailed in our response to Q1 any raising of the lower rate of tax that is not in line with England we believe, will result in waste tourism.

Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

We do not believe that the current list of materials under the existing Qualifying Materials Order 2011 needs to be changed. We believe it remains fit for purpose.

Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

We do not believe that a threshold is the correct approach. The reason for this is that it would still be subjective especially as the landfill operator is not always the producer of the material going to landfill and we would be reliant on the producer of the waste to produce documentation certifying the threshold of non-qualifying waste, but that would not negate the fact that the LDT liability still resides with the landfill operator. Additionally, with a threshold there would be no incentive for producers to actively remove all possible non-qualifying materials. Once they hit the threshold they would stop at that point.

What we would welcome is far greater clarity around what is and is not acceptable in relation to mixed loads and for this to be produced in the form of practical guidance to include pictures and even training sessions with your landfill officers.

Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

Yes. As stated in our response to Q1 consistency is very important to Biffa. As LOI was introduced by HMRC on 1 April 2015, by the time LDT is devolved to Wales it will be a well-established process that offers clarity on the tax treatment for both the producer and the landfill operator. If LOI were not to form part of LDT then another test would be required to give the landfill operators certainty on the rate of LDT to charge and account for on fines material.

Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

Not that we are aware of.

Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Not that we are aware of.

Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

We believe this would bring certainty to the tax. Under the current legislation HMRC and landfill operators have, in some areas, significantly opposed views as to what the legislation actually states. The primary reason behind was the introduction of the Prescribed Activities Order on 1st September 2009. At the time this was viewed very much as temporary legislation and the industry fully expected a re-write of the LFT legislation but this never happened. The current LFT legislation is not fit for the future.

Q10: What activities would you expect to be exempt (not subject to tax) and why?

We would expect that engineering activities which are related to the actual containment system itself would be exempt of LDT which would include the following:-

- The base, the sides, the cap and the restoration works of each cell as defined in the CQA
- All engineering activities inside the site which are required in the CQA
- We have no objections to the current HMRC exemptions continuing.

Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Please refer to responses to Q9 & 10.

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

No. The current list of exemptions works well. We recognise that a majority of the exemptions are used by a few customer's but the exemptions are vital to them to make the work they do cost effective e.g. canal dredging.

Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.

No. Water discounts are vital to many customers. If many of these customers could not avail of the water discount regime then the reality is that many of these companies would go out of business as they would not be able to pass the increased costs along to their customers. We would also expect that several associated companies in the supply chain would also go out of business if the water discounts were removed.

Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Not at this time.

Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

We would fully support this. This would introduce a level playing field.

Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

We are not aware of any implications of doing so. We believe that illegal waste management activity should be tackled aggressively so that it does not pay to act illegally.

Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?

We are not aware of any issues.

Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Yes, we believe that all landfill operators should be treated fairly and undergo the same level of compliance activity. We believe that when officers visit our sites it provides them with a greater understanding of waste management in general and our business in particular.

Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

No, we do not believe there are.

Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

No, we have a non-standard accounting period for our landfill tax returns so that they align to our accounting periods. Any deviation from these periods would cause us great difficulty as we operate our systems and process at a UK level.

Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

EWC codes are not tax codes and in our view are not fully comparable. In 2013 HMRC did try to link EWC codes to the tax rates and ended up with so much resistance due to the fact that many EWC codes can be used for both the lower and standard rate of tax that this approach was dropped.

Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Yes, would fully support electronic filing of the LDT return. A system akin to the current VAT return filing would be our preference.

Q24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Bad debt should most definitely be offered and we fully support the current system adopted by HMRC. It would be wholly inappropriate for the landfill operator not to be offered bad debt relief when they

themselves have not only collected the tax, but paid the tax to the tax authority. Landfill operators incur a great deal of costs in chasing for payments and undertaking legal action to try and recover the debt. We would advocate that the current 12 month period for claiming bad debt relief be aligned to the VAT rules and amended to 6 months.

Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

We believe that the postponement of the LDT payment should only be allowed when hardship can be proven.

Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Yes, we believe that this should happen. Biffa currently fully supports the aims of the Landfill Communities Fund and would welcome its continuance under LDT.

Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

While we cannot comment on some of the areas suggested we do know the impact that funding does have from past experience of the LCF on community project. We have found that many of the community projects we have supported via Biffa Award, the funding provided has been the catalyst that has pulled communities together, given the people in the community a sense of purpose and spurred people on to undertake more ambitious projects in the future. Likewise we know that biodiversity projects are imperative in some areas, but the big national projects are very expensive so do need the support of a fund like the LCF to provide the main grant for the project.

Again, Biffa greatly welcomes the opportunity to comment on this consultation and would be happy to take part in future government-industry working parties.

Yours sincerely

Jackie Doone
Group Indirect Tax Manager

Reference 127

Please find the Hanson UK LFT consultation response below. If you have any queries please feel free to contact me.

Consultation Response Form

Organisation Hanson UK

About Hanson UK

Hanson UK is a leading supplier of heavy building materials to the construction industry.

We produce aggregates (crushed rock, sand and gravel), cement and cement-related materials.

Our basic raw materials are used to make added value products:

- Crushed rock and sand is mixed with bitumen to make asphalt for road surfacing
- Sand, gravel and limestone is mixed with cement to make ready-mixed concrete
- Aggregates and cement are put into handy sized bags for selling through builders' merchants and DIY stores

Our principal markets are the major conurbations in England and Wales and the central belt of Scotland. We have no production operations in Northern Ireland. Turnover for the UK business in 2014 was £1.2 billion and we employ around 3,500 people in jobs ranging from specialist and professional managers through to production operatives.

The location of our quarries is determined by a number of factors, not least geology and planning constraints. Where practical, our production sites are located close to core markets to reduce the costs and impact of transport. We operate a series of depots and wharves, supplied by road, rail and sea, to ensure the efficient transfer of aggregates and cement to areas of greatest demand and where local materials are not readily available.

We operate a fleet of more than 1,200 vehicles to deliver our products, including 850 tippers and mixers operated by independent owner-drivers under a franchise agreement. We also have a fleet of four locomotives and 140 wagons operated by our joint venture rail freight business Mendip Rail. Our diverse customer base includes public sector works, major infrastructure projects, local building and civil engineering contracts and DIY projects.

We are part of the HeidelbergCement Group, one of the largest building materials manufacturers in the world, the global market leader in aggregates which also has leading positions in cement, concrete and other downstream activities. The Group employs around 45,000 people at 2,300 locations in 40 countries.

Our UK headquarters is in Maidenhead.

Consultation response

Please note that we have only responded to specific consultation questions which are relevant to our business.

General comments

Hanson UK is not a commercial LFT operator, however it is impacted by LFT regime and administrative compliance. We currently benefit from LFT exemptions and have a number of policies and procedures in place to ensure that these exemption conditions are adhered to at all times. We support that these exemptions, or substantially similar exemptions, remain in place. If there is a risk that these exemptions are to be removed we would like to become more involved in the consultation process.

We note that we currently do not deposit any exempt or taxable waste in our landfill sites in Wales.

In certain circumstances certain owned land such as disused quarries etc are leased to commercial LFT operators (who are responsible for the LFT liability and compliance obligations).

Subject to improvements commented on below it is important to maintain consistency with the UK regime in terms of structure and the basic rules in order to avoid a significant increase in the tax compliance burden, and different operating process and instruction for a UK wide businesses operating in Wales and England.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis? It would be extremely helpful to align EWC codes with the current qualifying material list for ease of administration and compliance. The current UK system does not practically work – see previous UK LFT consultations and responses on this topic)

Question 5: What would be the practical implications of introducing a threshold to define ‘a small quantity’ of non-qualifying waste in a load of qualifying material?

See previous UK LFT consultations and responses on this topic.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons. Due to the increased administration, Hanson UK commercial policy is not to accept fines. If the compliance obligation is reduced we may reconsider the position.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?
This would have a severe environmental and industry consequence as quarry restoration may not be economically viable.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?
We would expect that, subject to certain conditions being met, that mining and quarrying waste, and filing of quarries, to be exempt. If these activities became taxable, it would cause a significant negative impact on the general environment and industry business in areas such as commercial quarrying exploitation and restoration activities.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?
Follow EWC codes (see question 4)

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.
As per question 10, we would not want the removal of, or material negative change (eg increasing compliance burden) to the mining and quarrying waste, and filing of quarries, exemptions.

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?
Weighbridges should not be compulsory – this would create significant capex spend which would make non-commercial landfill sites unviable.

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.
We would support aligning the tax return period to a single annual return for low level or exempt deposits as a practical step to reduce the current administrative burden.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?
It would be extremely helpful to align EWC codes with the current qualifying material list (see question 4).

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

We would support the ability to file returns via email and for the return to be completed electronically as we agree that this should save time and reduce error.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

As UK system

Ian Cotterrell
Senior Tax & Treasury Manager

Reference 128

Hallo,

Whilst I realise that you have to find an almost impossible amount of money from SOMEWHERE, I would beg you to allow the Wildlife Trusts to continue to benefit from the landfill tax so that they can continue to work their small miracles with welsh wildlife – as the old saying goes man (and for that matter woman too) cannot live by bread alone.

With best wishes from M Sadler

Reference 129

I understand that the Welsh Govt is thinking of removing this vital source of funding for environmental projects, and keeping the money for its main budget. This would be disastrous for organisations like the six Wildlife Trusts in Wales, which do so much good work using Landfill Tax funding. A year or two ago we were hearing a lot about The State of Nature Report, and how important it is to reverse biodiversity losses. How can environmental NGOs do their bit if they can't get funding? We have access to plenty of volunteers, but they are powerless without funding to pay for staff time, planning, tools, safety equipment etc.

R G Gibbs

Reference 130

We wish to see the continuation of income generated from the Landfill Tax for use by the Landfill Community Fund.

This fund, one of the few specifically designed for biodiversity and the local environment, has been shown to significantly benefit wildlife in Wales.

For example, the deprived area of Blaenau Gwent has been enriched by the building of an Environmental Resource Centre at Ebbw Vale, where I was brought up, and the local community is now able to join in a wide variety of studies and activities for all ages, leading to a greater appreciation of the diverse nature to be found in a previously heavily industrialised place. What a marvellous opportunity for local people, and those from further afield, and what an important part of the regeneration of Ebbw Vale.

And in Monmouthshire, where we now live, projects such as the re-introduction of water voles at Magor Marsh, and meadow management at Pentwyn Farm and Great Traston have also been made possible through this fund. Only last week we were privileged to have a sighting of the rare water vole at Magor Marsh during an evening visit.

The success of these schemes has made such a difference to communities and their enjoyment of their environment. As more and more scientific evidence is proving the importance of nature to everyone's health and wellbeing, please do not stop this great scheme. However well intentioned the new proposals may be, once monies are absorbed in a central fund without strict ring-fencing they will never have the impact they could and should have.

The present system works extremely well - please do not change it.

K Oliver and B Udpa

Reference 131

Although not wanting to make any specific responses to the questions raised in the consultation I would ask that the following general comments be considered.

As an industry we are always concerned that when Welsh Government look to change UK legislation to be specific to Wales that it will result in development being made more difficult or less attractive in Wales. With this in mind we would also request that any changes in costs do not financially disadvantage Welsh companies or development in Wales. Although it is accepted that Wales is devolving there is and always will be cross boundary development, resources and supply chain issues.

M Harris
Planning & Policy Advisor Wales



Reference 132

Name:	Fay Mansell
Organisation (if applicable):	Gwent Wildlife Trust
Q1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?:	
Q2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.:	
Q3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?:	
Q4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?:	
Q5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?:	
Q6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.:	
Q7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?:	
Q8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?:	
Q9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?:	
Q10: What activities would you expect to be exempt (not subject to tax) and why?:	
Q11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?:	

Q12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.:	
Q13: Is there a case for removing or modifying the water discount relief? Please explain your response.:	
Q14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?:	
Q15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?:	
Q16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?:	
Q17: Are there any issues with the current penalty regime and if so, how might they be addressed?:	
Q18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.:	
Q19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?:	
Q20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?:	
Q21: Would you support aligning the tax return period with the financial year? Please explain your reasons.:	
Q22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?:	
Q23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?:	
Q24: Should bad debt relief be offered and if	

so, in what circumstances is it appropriate?:	
Q25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, seek a review or appeal?:	
Q26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?:	
Q27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?:	Yes. There is considerable added value to money allocated to charitable organisations as much of the activity is undertaken by volunteers who have a precise knowledge of the specific needs. The linking of a landfill tax to direct community benefit is an important feature of generating public support for the tax and its objective of reducing landfill.
Q28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why? - Supporting compliance and enforcement and minimising the impact of waste crime. - Supporting waste minimisation and the diversion of waste from landfill. - Biodiversity initiatives and wider environmental improvements. - Tackling poverty and deprivation in communities. - Other (please specify):	Initiatives to increase biodiversity and improve the environment are positive measures which benefit a wide sector of Wales. There is increasing recognition of the health benefits gained from a healthy environment. Gwent Wildlife Trust has benefited large sectors of the population of Gwent both by providing an opportunity for volunteers to experience nature at first hand and by protecting and caring for attractive wildlife habitats which people can visit. Removal of this source of revenue would have a severely detrimental effect on the ability of Welsh Wildlife Trusts and other environmental organisations which have an uncertain funding base to deliver their considerable benefits. Compliance and enforcement issues should be a matter of the law, not funded by this tax. Tackling poverty is altogether too vague an issue for specific linkage to landfill tax.
Q29: Do you have any thoughts on the possible administrative model?:	
Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?:	
Q31: Do you have any comments on the initial Regulatory Impact Assessment?:	
Responses to consultations may be made public – online or in a report. If you would prefer your response to be kept anonymous please tick the box::	(Unchecked)

Reference 133

Developing a Landfill Disposals Tax Consultation Response

About: Gwent Wildlife Trust (GWT) was established in 1963 and is a registered charity. It is a member of the largest voluntary organisation concerned with all aspects of the protection and enhancement of our natural heritage – the Wildlife Trusts Partnership. With over 10,000 members, GWT aims to protect and enhance the wildlife of Gwent, and encourage public enjoyment and awareness of local wildlife for all with its vision of an environment rich in wildlife for everyone. We work to inspire people about the natural world and to encourage individual action for wildlife.

Question 27: *Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?*

Gwent Wildlife Trust agrees that a proportion of Landfill Disposals Tax should be allocated to enhance the wellbeing of communities. We also advocate that not only should the specific focus of the fund remain on biodiversity delivery, but that a higher percentage of tax returns should be diverted towards this scheme (e.g. currently the LCF is funded by 5.7% of the Landfill Disposals Tax, we recommend that it is increased to 10%).

Projects that are enabled through the Landfill Communities Fund (LCF) contribute significantly to Welsh environmental objectives such as halting biodiversity loss, ensuring favourable condition for SSSIs, SACs and SPAs, creating resilient ecosystems and providing accessible natural greenspace.

LCF projects deliver an enormous quantity of added benefits. On a broad scale, biodiversity delivers ecosystem services that positively affect our health and wellbeing. Individual projects provide jobs, training opportunities for the unemployed, volunteering opportunities, community resources, educational facilities and much more. For example, Veolia funded a restoration and enhancement project at Gwent Wildlife Trust's Great Traston Meadows nature reserve, where much of the work was carried out by a substance misuse support group – giving them skills and much needed confidence.

Whilst there are concerns regarding unspent funds and high administrative costs, we believe that these can be addressed through monitoring and regulation. As a recipient of LCF funding, we have strict reporting schedules and claims procedures to ensure that money is spent where it's most needed. It is also important to note that there is a difference between unspent funding, and funding that is allocated, but held for release at certain stages of a long term project. And whilst excessive administrative costs are to be avoided, it is

important to recognise that administrative support is essential – for office space and IT, and supervision and management of staff.

Question 28: *If the Welsh Government allocates a proportion of Landfill Disposals*

Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

Gwent Wildlife Trust supports funding for biodiversity initiatives, and would not like to see this diluted by broader objectives.

In the current economic climate, as a charity we are finding it ever more difficult to fund our work, our members cannot afford to be as generous, and there is increased competition for fewer grants. Natural Resources Wales is facing funding cuts. Lack of funding was identified as a key factor in Wales' failure to meet the 2010 target to halt biodiversity loss.

The Landfill Communities Fund is one of very few that grants are specifically dedicated to biodiversity. At a time when our wildlife is in crisis, there needs to be funding allocated to protecting our ecosystems.

As already stated, LCF projects bring social and economic benefits in addition to their environmental focus. Areas with high biodiversity and natural green spaces are associated with better physical and mental health, stronger sense of place and community and even higher house prices.

Question 29: *Do you have any thoughts on the possible administrative model?*

Gwent Wildlife Trust supports the use of Distributive Environmental Bodies, as these have the expertise to support applicants and are regulated by being registered companies.

We would support a relaxation of the eligibility criteria from within 10 miles of a landfill site, to within approximately 20 miles of a landfill site or site for other waste related activities (such as waste transfer stations). More projects would be able to benefit, as the current restriction runs the risk of exhausting the provision of projects in closer proximity.

Good grants schemes, in our experience:

- Take a long-term approach, recognising that certain activities are seasonal, and that environmental change is slow – 3 to 5 year projects are more valuable tools for environmental work than 1 year projects
- Support the continuation of existing successful projects, as well as new initiatives
- Work with existing plans, frameworks and partnerships, such as LBAPs

- Are flexible, both in their decision making and in terms of managing grants
- Provide for reasonable administrative and management costs
- Accept applications on a continual cycle, or fix their application and decision schedules well in advance, allowing applicants to plan accordingly
- Require strict, but not onerous, reporting, against clear objectives

Sorrel Jones, Conservation Officer
Ian Rappel, CEO
Gwent Wildlife Trust

Reference 134

Neath Port Talbot Council for Voluntary Service (Neath Port Talbot CVS)

Neath Port Talbot CVS is the County Voluntary Council and a Charitable Company set up to promote, support and develop the Third Sector in Neath Port Talbot. It has over 500 member organisations and is in touch with over 1,000 Third Sector organisations operating in Neath Port Talbot covering various communities of interest, public services and geographical communities (from small local groups covering smaller wards and deprived communities to large national organisations). Some are wholly volunteer-led and run, and others employ a workforce. All of these organisations have an impact on local government and Welsh Government agendas, and we recognise the value and contribution of the sector in meeting the future challenges of the Programme for Government.

As an infrastructure organisation, our role in supporting the development of communities and building community resilience is clear. We provide capacity building, support and guidance to third sector organisations, helping them to develop, plan for growth and sustainability, to deliver services, opportunities and activities that positively impact on, and improve outcomes for, citizens and service users. We also have an important role in engagement and representation.

Our aim is to promote the development of a local third sector that is effective and efficient, informed and influential; a sector which is able to improve and achieve positive outcomes for local people. The organisation has strong partnership links locally and regionally and works in a number of strategic areas, such as Health, Education and Learning, Regeneration, and Children and Young People.

As part of this work and its key representative function, Neath Port Talbot CVS facilitates a range of third sector forums and networks, which engage the sector in Neath Port Talbot in order to gather the views of the sector and to feed these views into key decision-makers and delivery partners. The organisation also promotes a range of messages to its staff and to the wider community through its newsletters, website and social media.

Neath Port Talbot CVS has made this consultation document available on its website and through its general information services.

Neath Port Talbot CVS welcomes the paper and some of the ideas and key features presented; the direction of travel outlined in the document is positive.

The Community Wellbeing chapter is of most relevance to us and the sector. Many organisations in Neath Port Talbot have and continue to benefit from LCF funding. The current process can be confusing with different operators

using different Environmental Bodies and in turn there are significant differences between application forms and processes. We would welcome a more standardised process for Wales, it is also very concerning that significant sums of money are currently being held by these bodies that should be spent in communities.

The current objectives are fairly specific, it would be helpful if these could be broadened, as currently some organisations with good projects are excluded from applying.

Welsh Government should continue to allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities.

If Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing it should support the following two priorities as minimum:

- Tackling poverty and deprivation in communities
- Biodiversity initiatives and wider environmental improvements

Whatever administrative model is favoured we would welcome further consultation on this model. When deciding on the administrative model it is key that the requirements on organisations that are wishing to apply for these funds are clearly outlined at an early stage.

Carys Miles
Community Capacity Building Officer

Neath Port Talbot Council for Voluntary Service
Cyngor Gwasanaeth Gwirfoddol Castell Nedd Port Talbot

Reference 135

CORY ENVIRONMENTAL

Landfill Disposal Tax Consultation

Thank you for your invitation to take part in the consultation on the Landfill Disposals Tax and for the careful consideration you have shown in the process to date. We very much appreciate your pragmatic approach in wanting to improve upon the system currently in place, yet not making unnecessary changes.

As one of the UK's leading resource management, recycling and energy recovery companies, Cory Environmental is experienced at working with businesses and local authorities to provide cost effective waste management solutions. Whether it is through reuse, recycling or energy recovery, our tailor made solutions coupled with the dedication of our 1400 staff in the UK, help us understand the legislative framework and make the most of waste as a resource.

This year our Chief Executive Officer, Peter Gerstrom is the Chairman of the Environmental Services Association (ESA), the trade association for the waste management industry in the UK and this gives a wider industry perspective on policy, legislation and market trends.

Our comments are based on our experience of providing a tax-collecting service for HMRC and our specific knowledge of landfill and wider waste management operations across the UK. Cory operates two landfill sites in Wales, Hafod Landfill near Wrexham and Tir John in Swansea, both of which are permitted to accept a range of inert materials and non-hazardous waste and will continue to play a part in the implementation of the Landfill Disposals Tax.

Tax Rates and Taxable Disposals

We consider there to be merit in the inclusion of a middle rate band specifically to accommodate fines containing more than 10% LOI arising from waste treatment facilities. Our experience of implementation of the LOI testing regime to differentiate between inactive and active waste is positive, however there is evidence that wastes subject to the testing can give results of either markedly less than 10% LOI or in a range 20-30% . The mid-range could be defined as >10% LOI and <30% LOI. Our view is that a mid-range tax rate would have the benefit of capturing the higher range organic content of these fines without the imposition of a heavy penalty on the waste treatment operators that produce them. A mid-

range tax could assist in supporting the local waste treatment and recycling facilities in Wales and at the same time provide local landfill sites with a material suitable as a waste cover material.

We note from our involvement in discussions with the Welsh Government that concern has been expressed about the potential for differences in the tax regime between England and Wales to distort markets and create waste tourism. We consider that the risk of this type of waste being attracted into Wales as the result of the introduction of a mid-range tax bracket to be very low because of the

- small number of significant producers of MRF fines in England and the distances between them and potential receiving landfill sites in Wales (There are only 7 MRF's in NW and 3 in SW England licensed to accept >25Ktpa waste and located within 25 miles as the crow flies to the nearest landfill sites in Wales) and
- mid to long term commercial and intra-company agreements tying certain producers to specific outlets (eg MRF output from 5 plants in Manchester are contracted to EfW at Ineos and NES in Avonmouth to its own EfW)

In conclusion we consider that the introduction of a mid-range tax band would provide valuable support to the waste treatment sector in Wales enabling it to manage materials in the Welsh economy, continue to provide local jobs in the waste industry and play an increasing role in the Welsh Government's *Towards Zero Waste Strategy*.

We note that raising the lower band of landfill tax is under consideration. We do not support the raising of the tax rate for inactive waste. Inactive wastes play an important role in the operation of landfill sites to high standards of environmental control as daily cover and in sub-cap waste layers to form a stable platform for the installation of the landfill cap. Across Cory landfill sites between 2013 and 2014 we recorded a reduction of 11.7% in the quantity of inactive waste received, a notable reduction given the apparent upturn in construction industry activity and before the introduction of the latest inflation-linked increase in the tax to £2.60.

We support the use of the LOI test to differentiate between the tax classifications. The test is relatively quick, easy and inexpensive and reduces grounds for dispute. The guidance from HMRC for its implementation was rather late in its issue and a little unwieldy, but the use of the test itself gives much needed clarity.

Compliance and Enforcement

We support the proposal for the requirement for all waste to be weighed immediately prior to landfill by a weights and measures compliant weighbridge. If a weighbridge is not available on site it would be fair and reasonable to expect a public or other compliant weighbridge to be used. The benefits to enforcement and to the equitable treatment of all landfill operators far exceed any potential slight inconvenience to a very small minority.

We support the levy of a sum equivalent to the landfill tax charge at the standard rate against waste producers carrying out the illegal deposit of waste on land. The introduction would serve as a suitable punishment for those choosing the wholesale disregard of environmental and public health protection and attempted evasion of tax and would serve as deterrent to others. We would not expect the change significantly to affect small scale fly-tipping activity which because of its small scale, disparate nature and low return on effort invested in enforcement is likely to continue in some measure.

We support the use of revenue raised from landfill tax in NRW's and Welsh Government's enforcement of waste crime. We would expect the close working relationship of the two bodies to provide an effective combination of recording and monitoring which should release funds for additional personnel to enforce against large scale illegal waste activities and to target enforcement at fly-tipping hotspots.

Administration

We agree that a simple electronic return in a spreadsheet format would work well. It could easily accommodate records of tax categories linked to EWC codes. Where a given waste code relates to different tax categories then these can readily be recorded. A return frequency and timing to coincide with the NRW waste returns would be straightforward to implement and would assist in effective monitoring and enforcement.

We support the proposal for retention of debt relief. Our experience has shown that no matter how strict the credit control system or how diligently it is implemented, there is always a proportion of customers who fail to pay promptly for a wide variety of reasons. We consider it would be inappropriate and unfair for the landfill operator whose role is simply to provide a tax collection service to the tax raising body to be penalised for a failing of the waste producers. Consistent with the Welsh Government's aim to streamline and reduce administration where possible, we would suggest that landfill disposals tax debt relief becomes operative within 6 months in line with VAT debt relief.

We welcome the Welsh Government's collaborative approach to the development of the Landfill Disposals Tax and its stated intention to put in place a system designed to be effective and to avoid disputes. We would expect the outcomes of current disputes with HMRC to inform, shape and add clarity to the drafting of the Landfill Disposals Tax in Wales.

Community Wellbeing

Cory is active in its support of the Landfill Communities Fund and has been a vehicle for the distribution of £Ms to thousands of projects in communities in close proximity to landfill sites. The current arrangements not only distribute money, but also help to forge links in communities between the waste industry operators and the communities in which they work. The community cohesion aspect is important and is something that should be retained in any alternative model the Welsh Government adopts.

If the Welsh Government considers widening the range of qualifying criteria to include waste recovery projects and tackling poverty then the percentage of funding contribution may need to be adjusted to meet additional demand.

Closing Comments

We note that the legislation is planned to be introduced in Wales in April 2018 and that there is an aspiration of zero waste to landfill by 2025. The lead in time will therefore serve as a useful monitoring period during which the Welsh Government can work with HMRC and landfill operators to refine its projections of likely income from the tax and if necessary modify its regulations accordingly.

We trust that our comments in this response will be helpful in your development and drafting of the legislation and look forward to further discussions as you work towards implementation of the legislation in 2018.

Yours sincerely
Jenny Doyle
Senior Project Manager

Reference 136

MPA submission to Welsh Assembly Government “Consultation on Landfill Disposals Tax”

Thank you for informing the Minerals Products Association of the WAG Consultation on landfill disposals tax.

The Mineral Products Association (MPA) is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries. With the recent addition of The British Precast Concrete Federation (BPCF) and the British Association of Reinforcement (BAR), it has a growing membership of 450 companies and is the sectoral voice for mineral products. MPA membership is made up of the vast majority of independent SME companies throughout the UK, as well as the 9 major international and global companies. It covers 100% of GB cement production, 90% of aggregates production and 95% of asphalt and ready-mixed concrete production and 70% of precast concrete production. Each year the industry supplies £9 billion of materials and services to the £120 billion construction and other sectors. Industry production represents the largest materials flow in the UK economy and is also one of the largest manufacturing sectors.

MPA supports the initial scope of the consultation and the creation of a Landfill Disposal Tax in Wales.

Current Exemptions from Landfill Tax

The majority of our members’ sites are restored under a landfill permit. This activity is currently exempt from tax by the Landfill Tax (Site Restoration and Quarries) Order 1999 (SI 1999/2075)-

- A. Qualifying material used for the purposes of restoring to use a landfill site or part of a landfill site- provided for by the insertion of a new Section 43C into the Finance Act 1996;
- B. Qualifying material used for the purpose of filling new, existing or former quarries- provided for by the insertion of a new Section 44A into the Finance Act 1996.

At present the material used in these exemptions is listed in the Landfill Tax (Qualifying Material) Order 1996 (SI 1996/ 1528) and reflects the list of material accepted in an inert landfill site.

Prior to the exemptions operators were unable to secure suitable wastes in adequate quantities to achieve the restoration objectives. This led to operators being unable to fulfil the planning conditions and so new extractions could not begin. The net result was recognised by Government, regulators and industry alike as being detrimental to the principals of sustainable development and good environmental practice. Consequently, exemptions from landfill tax were

introduced in late 1998 to address the shortcomings of originally enacted regulations.

We are aware that both the exemptions and the qualifying list could be amended through the consultation process resulting in unintended constraints in the industry's ability to beneficially restore mineral operations.

Restoration Process

At the end of the working life of a quarry it must be restored in accordance with the agreed planning conditions. It is frequently a requirement of planning conditions that quarries are restored on a progressive basis, so that restoration takes place on part of the quarry while extraction continues elsewhere in the quarry. In these circumstances an inability to source inert materials for the progressive restoration would mean that planning conditions were not being adhered to and therefore prevent the operation of the quarry.

To restore a quarry an operator will either apply for a environmental permit for deposit of waste for recovery through the Environmental Permitting Regime or a disposal permit through the Landfill Tax regime. Depending on the individual case the site will either be determined as recovery or disposal by the appropriate authority.

Currently we believe that approximately 10-15million tonne of inert material is used quarry restoration. If this material was charged at the inert rate it would be very costly to the industry. Considering this, without the current exemption from landfill tax our members would not be able to restore their sites, therefore, breaching planning conditions and putting the supply of aggregates to the market at risk.

The exemptions were provided for environmental advantages. There are no adverse impacts from restoring quarries in this manner, and in all cases the environmental credentials of the site is improved after restoration. It is inevitable that much of this restoration work will require the use of inert materials.

Questions

1. How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

As the majority of Welsh landfills are located near to the border, it would make sense that some sort of consistency is maintained between landfill rates. The reasons for this include ensuring consistency and anti-competitive practices with waste being disposed in the cheapest country.

2. Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

No comment

3. Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

No comment

4. Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

No comment

5. What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

A percentage of a total load could be used to define "a small quantity".

6. Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

We would consider that it would be beneficial to observe the introduction of the LoI test in England first and then consider the introduction of a Welsh LoI test.

7. Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

No comment

8. In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

No comment

9. What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

A minerals site is progressively restored and may be done so with a number of permits in place, such as a permit for the management and deposit of Mining Waste, a landfill permit and perhaps a permit for the permanent deposit of waste for recovery. Conflict may arise between these permits where the activity is within the same vicinity, depending on what is classified as the "landfill site". Obviously, tax should not be payable on waste deposited for recovery purposes or mining waste.

10. What activities would you expect to be exempt (not subject to tax) and why?
11. Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

12. Do you think that any of the current exemptions should be removed or modified? Please explain your response.

We have explained the reasoning and need for the exemption for quarry restoration to remain in our opening statement- we would welcome further discussions on this and the general way in which quarries are restored.

13. Is there a case for removing or modifying the water discount relief? Please explain your response.

No comment

14. Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

No, we can not think of any new exemptions which should be introduced.

15. What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

We agree with the introduction of placing an obligation on landfill site operators to use a weighbridge where there is one available to the site.

16. What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

No comment

17. Are there any issues with the current penalty regime and if so, how might they be addressed?

No comment

18. Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

No comment

19. Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

No comment

20. In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

No comment

21. Would you support aligning the tax return period with the financial year?
Please explain your reasons.

No comment

22. What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

No comment

23. How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

No comment

24. Should bad debt relief be offered and if so, in what circumstances is it appropriate?

No comment

25. Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

No comment

26. In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

No comment

27. Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

We would consider it beneficial to local communities for a proportion of LDT revenue to be allocated to them.

28. If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements

- Tackling poverty and deprivation in communities
- Other (please specify)

No Comment

29. Do you have any thoughts on the possible administrative model?

No comment

I hope that you will consider our comments carefully. Please do let me know if I can be of further assistance.

Yours sincerely,

Nicola Owen

Environment and Waste Policy Executive
Mineral Products Association

Reference 137

Glandŵr Cymru - the Canal & River Trust in Wales

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

It is important that the rates of tax are consistency with England and Scotland, any variation on the rates will result in cross border movement of waste in order to benefit from the cheapest rate.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

As per our response to Q1, the rates need to be consistent with England and Scotland. Any changes to the rates should be a joint proposal from England, Scotland and Wales.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

See our response to Q2.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

Introducing a threshold is likely to prove difficult to administer, particularly where compliance is being measured by visual inspection of a load of waste. It might be more useful to provide some guidance on what is considered to constitute 'a small quantity of non-qualifying waste' for the purposes of it meeting the requirements of qualifying material.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

We support the introduction of a LoI test, providing that it is consistent with that applied in England.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

The tax should only apply to waste materials entering a site for the purpose of disposal (unless they are specifically exempt). Consideration needs to be given to setting lower rates of tax (or exemptions) for material that enter landfill sites and are used for purposes other than disposal.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

We see no need to remove or modify the dredging exemptions (which is the only exemption that we use on a regular basis).

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

Exemptions should be introduced for the disposal of material resulting from the clearance of illegal waste activities such as littering, fly-tipping and illegal waste disposal. Landowners should not be liable for paying the tax on top of the cost of clearing illegally deposited wastes from their property.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

What is the purpose of this proposal? If this change in definition is made, it should not impact on the landowner on who's land the deposit has been made. If tax is levied on illegal deposits, it must not default to the landowner to pay if the charge cannot be recovered from those that deposited the material. It is questionable whether it would be possible to recover the tax from those involved in illegal disposal of waste.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

Compliance activity on the ground is likely to be more effective than someone sitting at a desk.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

Receipts from the the tax should be used to fund specialists teams to investigate illegal activities and tax evasion. These teams should also work with landowners that have found themselves to be victims of environmental crime.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

Tax avoidance is evidenced by fly-tipping and illegal deposits of waste.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

A proportion of the receipts from the tax must be used to offset the impacts of environmental crime.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

As the tax is derived from waste activities, the receipts should be used (in the first instance) to benefit the first 3 bullet points in the list.

Question 29: Do you have any thoughts on the possible administrative model?

Additional Questions

Question 30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

We are often asked for evidence that dredgings are exempt from the tax; all we are able to do is refer to the HMRC guidance document (LFT1). It would be useful to have something more formal, such as an official letter or certificate of exemption, to provide evidence of the exemption.
The monies raised from the tax should be used to fund clearing illegal deposits of waste.

Question 31: Do you have any comments on the initial Regulatory Impact Assessment?

Reference 138



Dear Sir or Madam

Tax Devolution in Wales – Landfill Disposals Tax

We welcome the opportunity to comment on the proposed replacement in Wales from April 2018 of Landfill Tax (LFT) by a new tax to be called Landfill Disposals Tax (LDT).

Generally we consider that the introduction of a new landfill tax to replace that in operation in England presents the Welsh Government with an opportunity to address and improve some aspects of what has become an increasingly complex tax. However, the potential for 'waste tourism' to impact upon the level and nature of waste material being placed in Welsh landfill sites will make wholesale changes to the tax high risk.

Our responses to specific questions are set out in the Appendix.

Yours faithfully

Daniel Lyons
Tax Policy Group

Mike Trotman
Deloitte LLP

Chapter 2: Tax rates and taxable disposals

Question 1: How important is it that the Welsh Government maintains consistency with the UK Government and Scottish Government on Landfill Tax rates and why?

We believe that consistency with the Landfill Tax rates in England particularly will help minimise 'waste tourism' where waste producers and waste operators move material between tax regimes in order to reduce tax costs. While we recognise that transport costs would also be a significant disincentive to bulk movement of waste material, landfill capacity in Wales is mostly located near the England/Wales border so the cost of transport may not significantly deter waste tourism if the LDT rates are substantially different from those in England.

Question 2: Are the current standard and lower tax rates (explained in paragraph 2.2) set at an appropriate level for Wales? Please explain your response.

Through the Landfill Tax escalator the differential between the standard and lower rates of tax has increased from £5 per tonne when Landfill Tax was introduced on 1 October 1996 to £80 per tonne on 1 April 2015. This policy has been widely held as the primary reason for encouraging investment in alternative waste treatment. In both England and Scotland the tax rates are set to increase in line with inflation (RPI) until at least 2019-20 suggesting that both Governments take the view that further encouragement to invest in alternative technologies is no longer required. We see no reason to believe that the nature of the waste industry in Wales or the nature of waste itself is significantly different from that in either England or Scotland such that it demands different LDT rates – for the foreseeable future.

We are also mindful of the fact that the waste industry in the UK is dominated by relatively few waste operators with operations in all parts of the UK. Introducing rates that differ from England (in particular) will serve to hinder administration and management of the tax by these operators and in doing so increase the risk of non-compliance.

Question 3: Is there value in the Welsh Government having the ability to set different lower rates of tax (explained in paragraph 2.10 - 2.11) and why?

In spite of our response to question 2 we believe that the Welsh Government should have the powers to vary rates independently of those in England or Wales in order to react to possible future changes in the waste environment in Wales. The need to vary rates may come about for a variety of reasons including:

- developments in treatment technology;
- discovery that some waste materials have greater potential to pollute than previously believed;
- changing revenue requirements of the Welsh Government, and;
- changes to rates applied in England and Scotland.

The Welsh Government must have powers to enable it to react quickly to these and other incentives to change rates.

Question 4: Are there any changes to the list of materials qualifying for the lower tax rate (Appendix 1) that should be considered, and on what basis?

Power to vary the availability and application of a lower rate of tax is important if the Welsh Government is to deliver its overall policy intent with regard to waste management. For landfill tax the criteria that HMRC is required to consider when determining whether material qualifies for the lower rate may have resulted in the lower rate being applied according to the nature and source of the material only and has failed to recognise that some potentially hazardous or polluting material may be better received at a licensed landfill for treatment than fly-tipped or deposited in unregulated sites. Where the standard rate of tax is a particular disincentive to harmful waste being taken to landfill, the policy intent of the Welsh Government may be better achieved if bringing such material to landfill (for treatment prior to deposit in the void) is encouraged by the application of a lower rate.

We recognise that the qualifying criteria for the lower rate in England is already very complicated and difficult to administer, so the introduction of further criteria in pursuit of the objective outlined above would add to this complexity. Also, as with many other aspects of LDT, the potential for waste tourism would have to be seriously considered before any significant variations to the tax in England and Scotland are introduced in Wales.

Question 5: What would be the practical implications of introducing a threshold to define 'a small quantity' of non-qualifying waste in a load of qualifying material?

For Landfill Tax whether the amount of non-qualifying material is a 'small quantity' is a decision that must be taken on a load by load basis. HMRC has not been prescriptive about how this should be assessed so the test applied by site operators has been subjective, often comprising a visual examination of each load as it passes the weighbridge and/or when it is deposited at the working face of the landfill site.

It seems to us that introducing a specific threshold of non-qualifying material that could be ignored – such as 10% - would only provide additional certainty if the test of this threshold is also more formal. We suspect that it would be impractical and expensive for site operators to weigh the qualifying and non-qualifying elements of each load, but in the absence of doing so the test would remain subjective.

Question 6: Would you support the introduction of a Welsh Loss on Ignition (LoI) test when Landfill Tax is devolved? Please explain your reasons.

The advantage of the test is that it would allow a more informed decision to be taken about whether fines qualify for the lower rate. However, we recognise that the test will introduce an additional administrative burden to the industry and to any revenue authority required to monitor its application.

Question 7: Are there any problems with the existing arrangements for defining the area in which a taxable disposal takes place, and if so, how might these be resolved?

We believe that the administration of the tax is best served if its calculation is integrated with the other systems used by operators to manage their activities on site. In our experience site operators have billing systems that are linked with weighbridge operations and which calculate tax values at the same point. Changing the definition of the taxable area to be more closely aligned with definitions in

environmental permits may aid compliance testing but the change in the tax point that would accompany it may demand a substantial IT systems upgrade.

Question 8: In your view, are there any issues with the current arrangements for credit for landfill material permanently removed from a landfill site and if so, how might these be addressed?

Current arrangements require that HMRC must be notified of the intention to remove material for re-use before it is deposited in landfill. Also credit is available only where the material is removed with one year of being deposited (five years if water had been added to the material before being discarded).

It seems to us that such a restrictive regime may dissuade operators from recycling material where its useable qualities are unknown when it was discarded to landfill but become known at a later date – perhaps because of technical developments in the recycling industry.

We understand that any tax credit must be closely monitored to prevent abuse and the HMRC's regime currently requires the claimant to have evidence of the weight of material removed, the use to which it was put and the date of that use. All of these proofs are available to the operator only after the material has been removed from the landfill.

As the evidence supporting entitlement to the credit is available only *after* removal and in light of our view that pre-notification of removal is a disincentive, we feel that the policy intention might be better served if credit is more readily available with a less restrictive regime where operators are allowed to seek credit without having notified HMRC before depositing the material.

Question 9: What would be the practical implications of legislating on the basis that all material entering a landfill site (other than that which is specifically exempt) is subject to tax?

We believe that it would be difficult to maintain that the tax is wholly focussed on environmental objectives if non-waste items such as plant and machinery are brought within the scope of the tax. Also, unlike where waste material is taken from customers, operators may be unable to directly charge on the tax they incur on site equipment taken onto the landfill site. Such a measure may have an impact on the support required from the waste sector.

Question 10: What activities would you expect to be exempt (not subject to tax) and why?

The basic concept of a landfill tax is to increase the cost of waste incurred by the producer of that waste and incentivise the diversion of waste to other more environmentally friendly uses. Recycling and reuse is likely to take place before material reaches landfill so tax exemptions for any landfill tax should be limited.

Question 11: Do you have any other suggestions for how we might clarify the taxable and non-taxable activities on a landfill site and what would be the practical implications of these?

Case law has led to further clarification of what is meant by 'waste' in the context of landfill operations. HMRC has necessarily had to try to differentiate between material which occupies a landfill for operational purposes and material that has no long-term use on the landfill and is destined to become part of the landfill proper in the near future. In our view it is very difficult and not entirely desirable to try to make this determination by reference to the intention of the original waste producer or of the site operator, so an operational definition along the lines of that followed by HMRC may be the only practical and enforceable option available.

Question 12: Do you think that any of the current exemptions should be removed or modified? Please explain your response.

There are few exemptions currently and they appear to be quite narrowly defined. It is important that the Welsh Government has powers to manage the application of these exemptions and to introduce new exemptions where doing so would help meet the Welsh Government's aims.

Question 13: Is there a case for removing or modifying the water discount relief? Please explain your response.

As detailed in the consultation document, the banning of liquid waste going to landfill by the EU Landfill Directive should have the effect of generally reducing the moisture content of waste going to landfill. However, it remains the case that some waste processes and some forms of waste transport necessarily result in increased water content in the waste materials produced or transported. Also we believe it could be seen as inequitable if different loads of similar waste material attract significantly different levels of tax as a consequence of different treatment or transport solutions.

Question 14: Do you think there is a case for introducing any new exemptions or reliefs, and if so, what should they be and why?

We see no case for introducing new exemptions or reliefs at this stage. Doing so could have the effect of encouraging waste tourism. However the Welsh Government should have powers to do so in future to react to developments in technology and changes in the waste treatment industry generally.

Chapter 3: Compliance and Enforcement

Question 15: What would be the practical implications of placing an obligation on landfill site operators to use a weighbridge where one is functional and available on the landfill site or within close proximity of the site, with a corresponding penalty for failure to do so?

Operators should be encouraged to adopt methods and technologies to accurately assess the weight of material they place in landfill. We understand that this is a requirement of other regulations, permits and planning permission too. Where an operator can reasonably use a weighbridge then they should be encouraged to do so, however, introducing penalties for not doing so would introduce further complexities in the management of the tax and may achieve little improvement in compliance. Where operators understate the weight of material taken to landfill and

under declare tax as a consequence, there are already powers to assess for that undeclared tax and to impose penalties and interest.

Question 16: What would be the practical implications of extending the definition of landfill sites to include illegal deposits of waste within the scope of the tax?

The strategy pursued by the Scottish Government of extending the definition of a landfill site to include any location in Scotland where an unauthorised disposal is made is a novel approach to the problem of fly-tipping and illegal disposals. It sends a clear message that fly-tipping and illegal waste disposal will be treated very seriously and we endorse that view.

However, for this activity to be subjected to the tax (twice) it remains the case that those involved with this illegal or unregulated activity must first be identified. We understand that the Welsh Government and local authorities are actively addressing this situation and it may be the case that the threat of imposing tax on the disposed material will have a deterrent effect, but we are less sure that any revenue will actually be raised by this measure.

Question 17: Are there any issues with the current penalty regime and if so, how might they be addressed?

We believe that the penalty regime in operation for landfill tax is fairly robust and should be adopted.

Question 18: Is there a need for increased compliance activity on the ground, rather than desk-based? If yes, please explain your view and provide evidence/explain the benefits where possible.

It is a characteristic of landfill tax that the key decisions concerning liability and value are very difficult to verify once taxable material is deposited in the landfill void. Often physical examination of material for tax compliance purposes can only take place during the short period of time between depositing the material at the working face and the covering of that material by more waste. We understand that site visits by HMRC have had some success in identifying under declared tax but the cost of such an exercise and the fact that it is very difficult to extrapolate findings beyond the deposits examined suggest that this approach should be used on a limited, targeted basis.

Question 19: Are there any further actions the Welsh Government might take to use its new tax powers to improve compliance and enforcement and minimise the impact of Landfill Disposals Tax evasion? If yes, please describe what those actions could be?

We make no suggestions in this area.

Question 20: In your view, is there evidence of tax avoidance within the existing Landfill Tax, and what is the nature of this?

We make no suggestions in this area.

Chapter 4: Administration

Question 21: Would you support aligning the tax return period with the financial year? Please explain your reasons.

We support measures that simplify financial reporting procedures for taxpayers. Other indirect taxes including VAT allow taxpayers to adopt tax periods that better fit with their management and financial reporting timetables, enabling them to make more efficient use of systems and resources and in doing so minimise risk of error. We would support similar flexibility for LDT.

Question 22: What would be the practical implications of making it a requirement that European Waste Catalogue codes are used in completion of the tax return?

We understand that operators may have a duty to use EWC codes to classify waste streams but the process of correlating this data with LDT data may be time consuming and expensive. While there may be benefits in aligning LDT with EWC codes it seems to us that this would be a very substantial change in the design of the tax and should therefore be considered only after detailed examination.

Question 23: How might the Welsh Government simplify and modernise the filing of tax returns including improving electronic and online support?

We support the simplification of filing tax returns through improving online availability and support. A paper facility should continue to be made available.

Question 24: Should bad debt relief be offered and if so, in what circumstances is it appropriate?

Arguably the availability of a reasonable bad debt relief regime aids compliance of operators concerned about the ability of carriers or waste producers to pay disposal fees. Compared to other indirect taxes – particularly VAT where the debt needs to be only 6 months old to qualify for relief – a waiting period of 12 months is more restrictive.

However, unlike VAT where relief claimed by a supplier is usually matched by a corresponding tax adjustment by his customer, LDT bad debt relief is funded entirely by HMRC until or unless the operator's customer makes a late payment.

We support the continued availability of bad debt relief for LDT and recognise the case for introducing a requirement that the operator's customer must be formally insolvent before the operator can claim the relief.

Question 25: Have you any comments on the operation of the current internal reviews and appeals provisions in a Landfill Tax context, including in particular the people eligible to seek a review or appeal?

We make no suggestions in this area.

Question 26: In your view, are there any exceptional circumstances in which taxpayers might be able to postpone payment of Landfill Disposals Tax until the conclusion of their appeal?

We believe that where a taxpayer has suffered hardship and is able to provide acceptable evidence of hardship then there should be provision for a dispute to be heard without the tax having to be paid. Where an operator has received payment from the customer of disputed tax then it may be much more difficult to establish and support a case for hardship.

Chapter 5: Community Wellbeing

Question 27: Should Welsh Government allocate a proportion of Landfill Disposals Tax revenue to enhance the wellbeing of communities?

Continuing the practice of recycling some landfill tax revenues into environmental projects is wholly justifiable for an environmental tax. However the complexity of the process to make these funds available without risk of abuse and the reduced level of funds that will be available through LDT present challenges.

Question 28: If the Welsh Government allocates a proportion of Landfill Disposals Tax revenue to enhance community wellbeing, which of the following activities should benefit from funding, and why?

- Supporting compliance and enforcement and minimising the impact of waste crime
- Supporting waste minimisation and the diversion of waste from landfill
- Biodiversity initiatives and wider environmental improvements
- Tackling poverty and deprivation in communities
- Other (please specify)

We make no suggestions in this area.

Question 29: Do you have any thoughts on the possible administrative model?

We make no suggestions in this area.

Additional questions

Q30: Do you have any related issues which we have not specifically addressed or other comments that you would like to make?

We provide no further comments at this stage but would be happy to comment further as proposals progress.

Q31: Do you have any comments on the initial Regulatory Impact Assessment?

We have no comment on this area.

Reference 139

I understand that the WAG plans to use funds from Landfill Tax to supplement general funds instead of giving it to local wildlife groups, as they do at present. This leaves me incensed. Local groups in my area of North east Wales (Wrexham) have achieved so much through hard work and enthusiasm and deserve your support, not disengagement. This comes on the day that UK protection of wildlife sites has been recognised by the EU as being "poor." I would welcome an explanation.

Yours faithfully

G Gittins

Reference 140

Datblygu Treth Gwarediadau Tirlenwi

'Rwyf yn aelod gweithgar o Ymddiriedolaeth Natur De a Gorllewin Cymru.
'Rwyf yn cael budd personol amhrisiadwy drwy gymryd rhan yng ngwaith yr Ymddiriedolaeth. Mae hyn yn cynnwys cwrdd â rhannu profiadau â phobl o bob cefndir a chael cyfle i ymweld â'r safleoedd a gwirfoddoli drwy wneud tasgau ymarferol (sy'n rhoi cyfle i mi fod yn weithgar allan yn yr awyr agored).

'Rwy'n gwybod drwy fod yn weithgar gyda'r Ymddiriedolaeth pa mor bwysig yw cymorth ariannol o'r Gronfa Gymunedol Tirlenwi wedi bod yn eu galluogi i adfer a diogelu safleoedd yn yr ardal. Ar ôl cael fy magu a byw fy mywyd yng nghymoedd De Cymru, yr wyf yn gwerthfawrogi'r gwelliant yn yr amgylchedd naturiol a welwyd yn yr ardaloedd hyn ers tranc y diwydiannau trwm. Teimlaf y mwya' o grwpiau cymunedol gall fod ynghlwm â'r datblygiad hyn, y mwya' sicr byddwn o barhau â'r gwelliannau hyn a'u sicrhau i'r dyfodol.

Rwy'n teimlo y gallaf ddweud fel gwirfoddolwr gweithgar gyda'r Ymddiriedolaeth y mae Llywodraeth Cymru a'r gymuned leol yn cael gwerth ychwanegol sylweddol am bob punt o gyllid grant a ddyfernir i'r Ymddiriedolaeth trwy waith tîm sylweddol o wirfoddolwyr mae'r Ymddiriedolaeth wedi datblygu a hyfforddi dros y blynyddoedd.

'Rwyf yn annog Llywodraeth Cymru i gynnal y cyllid hwn ac i gynyddu canran y dreth tirlenwi sy'n mynd i ariannu prosiectau bywyd gwyllt i 10%.

Yours eiddoch yn gywir,

H James

Reference 141

The key issues to consider here are:

a) Are there good reasons to vary the landfill tax rates levied in Wales from those planned to be levied in England?

b) What costs are there from there being different rates of tax?

I address (briefly) (a) in my response to question 2, below. In regards to (b), the main issue is the scope for behavioural response. As recognised in paragraph 2.7, differences in tax rates could lead to 'waste tourism'. For instance, lower rates in Wales than England could lead to increases in the amount of landfill being transferred from England to Wales. On the one hand, this could mean the lower taxes "pay for themselves" through the additional revenues associated with higher landfill volumes. On the other, it would mean more waste being placed in landfill in Wales (and the resulting environmental damage). The converse would be true if rates were higher in Wales. Variations in either direction could mean additional pollution associated with longer journeys to landfill. The scale of this behavioural response will indeed be linked to haulage costs - which should be analysed.

2) As I understand it, the rates of tax were initially set with reference to the local externalities associated with landfill. The lower rate has not kept pace with inflation. The standard rate has increased by a factor of more than 10 (from £7 to £80 per tonne), to far beyond the cost of local externalities, and indeed, estimates of total externalities (including CO₂). The initial rationale for the tax seems to have been abandoned, with it now being used to (a) generate revenue and more importantly (b) as perhaps the main policy instrument to incentivise a shift from landfill to recycling (and, as a side-effect, to waste-to-energy and other incineration) in order to meet EU directives.

There does not seem to be good economic-environmental reasons to set the standard rate of tax at such high levels. But reducing rates substantially would involve revenue cost; could cause 'waste tourism' to Wales, and could undermine the strategy for increasing recycling to which the Welsh and UK governments are committed to as part of the EU (although the EU directives are not that sensible!). So while there seems little justification for the existing standard rate, reducing it to levels more appropriate given the level of externalities involved would have real practical challenges.

3) There is obvious value in the Welsh Government having the ability to set different rates for different sub-classes of waste through secondary legislation as this would provide flexibility in policymaking. This would need to be traded off against the requirement for legislative oversight.

28) As mentioned at the meeting on landfill tax, I think one needs to think what the purpose of any community/charitable funding is:

a) Is it to help local communities affected by the local externalities of landfill? In which case some type of fund which can be used at the discretion of local community groups for a range of activities would seem appropriate. It is the local community facing the cost, so they should decide how to spend the "compensation".

b) Is it to fund wider initiatives across Wales? In which case some sort of thematic approach - e.g. the environment, waste crime, etc may make sense from a political economy perspective.

Hope this is at least a little helpful (although mostly obvious stuff!),

cheers,
David

Wildlife Trusts Wales Letter

Insert address here

Tax Policy and Legislation Division
2nd Floor East
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Dear Welsh Government,

Re: Welsh Government's consultation to the Landfill Disposals Tax

I support the use of Landfill Community Fund (LCF) to fund charities such as the Wildlife Trusts in Wales to undertake essential projects to protect and enhance Wales' most important habitats and species. This fund is needed to try to reverse the terrible loss of wildlife including 60% of UK species being in decline and more than 1 in 10 species in the UK being under threat of extinction.

The LCF is one of the very few funding streams that support projects with primary benefits for wildlife. However, these projects also produce direct benefits for communities who live with the adverse environmental impact caused by landfill sites. These projects help to inspire individuals and communities to connect with nature. They also provide opportunities for people to volunteer enabling them to learn new skills whilst improving their health and wellbeing.

The wildlife projects funded by LCF will help Welsh Government to meet its key environment objectives and legal obligations including:

- halting and reversing the loss of wildlife by 2020
- ensuring all of our most important, and protected, sites in Wales are in favourable condition by 2026

Without the LCF, Welsh Government will lose one of the few mechanisms it has to reach these biodiversity targets. Therefore, I urge the Welsh Government to maintain this funding and also to increase the percentage of landfill tax that goes to funding wildlife projects to 10%.

Yours sincerely,

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