

Finance Secretary confirms commitment to new communities scheme as Landfill Disposal Tax Bill progresses

The Landfill Disposals Tax (Wales) Bill, which introduces a new landfill disposals tax to replace landfill tax in Wales when it is devolved in April 2018, today reaches stage three, in the National Assembly.

The Welsh Government introduced an amendment, which, if the Bill is passed, places the new Landfill Disposals Tax Communities Scheme on the face of the Bill.

The amendment places a duty on Welsh Ministers to prepare and publish a communities scheme, which will be targeted at activities which promote or improve the social or environmental wellbeing of communities close to landfill sites and waste transfer stations.

The scheme will be funded by using some of the revenue raised by landfill disposals tax. A decision about how much will be allocated will be made in the autumn.

A procurement exercise to appoint the single distributive body that will run the scheme has begun. It is anticipated the contract notice will be launched at the end of July – the contract is expected to be awarded by the end of the year.

The Welsh Government will administer the overall governance of the scheme.

Professor Drakeford said:

“In a year’s time, Wales will introduce the first Welsh taxes in almost 800 years. This is an historic milestone in Wales’ devolution journey as we become responsible for raising our own money to spend on public services.

“I am fully committed to having a new communities scheme when landfill disposals tax is introduced in April. The benefits it provides communities located around landfill sites and waste transfer stations are clear and numerous.

“The new grant scheme will focus on three areas – biodiversity, environmental enhancements and waste minimisation. It will maximise the amount of funding reaching community projects most affected by the disposal of waste to landfill and help improve our environment.

“The details of the scheme will be published separately but work is already underway to prepare for its introduction. I will make an announcement about the amount allocated to the scheme in the

autumn.”

The Landfill Disposals Tax (Wales) Bill is the third of three Bills to establish tax arrangements in Wales – a series of crucial legislation to prepare for the introduction of the first Welsh taxes in almost 800 years. The Welsh Government has also adopted a collaborative approach to gain cross-party support for the Bill, agreeing non-government amendments to further improve the legislation.

The Finance Secretary added:

“This Bill is the third piece of legislation to establish tax arrangements in Wales. It has been extremely important to work with colleagues across the Assembly to build consensus so we have a strong piece of legislation to help pave the way to a smooth transition to tax powers.”