



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

The Rt Hon Nicky Morgan MP  
House of Commons  
London  
SW1A 0AA

Dear Nicky,

3 May 2018

Thank you for your letter of 30 April on the future of Landfill Tax rates. As you rightly point out, Autumn Budget outlined RPI increases in the rates of Landfill Tax for 2019-20. You will also be aware that Budget 2014 announced the intention to provide longer-term certainty in the rates, which is why the government has since been announcing the rates of Landfill Tax at least 2 years in advance.

Therefore, Budget 2018 will announce the rates of Landfill Tax for the year 2020-21. Whether the rates for further years are announced alongside this will be decided as part of the Budget process. Any change in the rates, either using one of the inflationary measures you outline, or some other mechanism, will also be decided as part of the same process. I will ensure that we carefully consider the view expressed by the Treasury Select Committee in coming to that judgement.

I can confirm that the government has received representation beyond your own letter calling for longer-term certainty in the rates of Landfill Tax, specifically to support investment decisions. I would therefore like to assure you that this is a matter the government intends to take seriously at Budget, particularly given our intention to drive innovation and support investment in the waste sector as part of our aim to tackle single-use plastic waste. However, this will need to be balanced against the flexibility to react to changing conditions in the sector and in the economy more generally.

Yours ever,  
Robert

Robert Jenrick  
Exchequer Secretary to the Treasury