

Waste Stakeholder Group (WSG)

Meeting 7 Minutes

Wednesday 8 July 2009, Goodenough College, London 10:30 am – 15:30am

Attendees

Caroline Arnold

Ian Hetherington

Bob Gordon

Quincy Lissaur

Darren Rickless

Steve Lee

Naomi Harris

Pat Brown

Julia Barrett

Kerry Vitalis

Vanessa Fandrich

Magda Styles

David Bliss

Jonathan Davies

Justin French-Brooks

David Bellamy

Michael Warhurst

Alison Adams

Hannah Hislop

Katherine Mansfield

Bhavika Chauhan

Ian Heasman

Karl Scholfield

Paul Borrett

Andrew Lappage

Cameron Smith

David Greenfield

Claudia Kuss-Tenzer

Jean Sheppard

Patrick Mahon

David Wilson

Organisation

Chair and Waste Strategy Board non-executive

British Metals Recycling Association

British Retail Consortium

British Standards Institute

British Standards Institute

Chartered Institute of Wastes Management

Confederation of British Industry

Consumer Federation

County Surveyors Society

Department for Business, Innovation and Skills

EEF

Energy Saving Trust

Environment Agency

Environmental Industries Commission

Environmental Services Association

Food and Drink Federation

Friends of the Earth

Government Office East Midlands

Green Alliance

HMRC

HMT

Home Builders Federation

London Councils Recycling Network

NAWDO

North London Waste Authority

Public Private Partnership Forum

Regional Improvement and Efficiency Partnership

Waste Watch

Women's Institute

WRAP

WRRAG

Defra

Daniel Instone

Tony Spencer

David Lee

Michael Sigsworth

Nicola Hopley

Senior Responsible Owner – Waste Programme

Economic Advisor on Waste Strategy

Waste and Recycling Statistics

Municipal Waste Policy

Waste Programme Manager

Laurence Smith
Amy Pitch

Waste Programme
Waste Programme

1. Chair's Introduction and policy updates

1.1 Caroline Arnold welcomed attendees to the 7th meeting of the Waste Stakeholder Group.

2. Nicola Hopley gave an update on two areas of waste policy covered at the last meeting.

- a) Household waste prevention work was being taken forward. Work on this would be drawing to a close with a final report published in the autumn.
- b) Hilary Benn outlined the government's vision for C&I waste at the Futuresource conference 2009 urging business to rise to the challenge of helping to cut C&I waste. A C&I waste policy statement was under development and was due to be published in the near future. A national C&I waste data survey had been commissioned and would allow Defra to monitor waste by type of business and by waste stream.

2. Presentation by British Standards Institution (BSI) on the Waste Standards Project

2.1 Darren Rickless from the BSI gave a short presentation to the group on their project to develop a strategic standardization framework for waste and resources management. The main points from the presentation were:

- a) An "Innovation in Services" project had recently been completed by BERR (now BIS). The objective behind this project was to generate recommendations to Government on how to stimulate and support innovation in service sectors.
- b) This project identified standardization as a key mechanism to support innovation in the UK service sector.
- c) BSI had been asked by BIS and by DEFRA to conduct a review of standards in waste and resource management with the aims of:
 - i. Identifying existing standards in the areas of waste minimisation and waste prevention (commercial and industrial sectors)
 - ii. Providing recommendations for future strategic standardization priorities
 - iii. Providing advice on the scope for a standards-based approach to waste minimisation
- d) Initial research findings included:

- i. No cross-industry formal standards had been identified that guide businesses and other organisations in a consistent manner to reduce, prevent or minimise their waste;
 - ii. Many standards that relate to waste in other ways, including waste management, recycling and reuse were identified;
 - iii. The reviewers had not been able to identify any trade organisations or environmental groups that publish a code that specifically address waste minimisation or prevention for businesses and other organisations;
 - iv. Most of the guideline documents that were reviewed present high level recommendations about waste prevention and reduction;
 - v. A waste audit is widely recommended as the first step in identifying how to reduce waste in a business or other organisation.
- e) Stakeholder survey results (through July 2nd) included:
- i. ISO 14001 is the formal standard most widely recognised as applicable to waste reduction and prevention (however this is a generic management standard with no specific detail relating to waste);
 - ii. Awareness and uptake of standards in the area of waste is generally low;
 - iii. Any new standards need to be designed so that they can be incorporated on a global scale;
 - iv. A standard that would allow companies to benchmark their performance in waste reduction and prevention would be valuable;
 - v. Over 80% stated that they believe that standards can help them to better manage their waste.

2.2 The group were then asked whether the findings to date reflected their own views and experiences and what views did they have on standardization in the area of waste management and minimisation. Views from the group included:

- a) It would be challenging to develop a global standard but would be possible.
- b) Some recyclates are treated differently by other countries and have different values so the development of any standards would need to take this into account.
- c) Any standards developed would need to take into account environmental regulations.
- d) It may be easier to get buy in for the standards if they were broader than just waste and included resource efficiency as some felt there was a perception within the business community that there were greater savings in energy efficiency rather than sustainable waste management.
- e) The industrial sector did recognise the value of sustainable waste management and it was high up the agenda.

- f) The project team would need to ensure they got close to the real issues and engaged with stakeholders and businesses.

2.3 In summing up this item Daniel Instone noted he hoped that any standards developed would help to provide a steer to the commercial and industrial sector on how to tackle waste more effectively. The project was due to finish by mid September at which point BSI will make recommendations and suggest future steps. WSG members wishing to provide views on the project were invited to attend a stakeholder event due to be held on the 16 July.

3. Landfill tax Structure Consultation

3.1 Bhavika Chauhan (HM Treasury) and Katherine Mansfield (HM Revenue and Customs) gave a presentation on landfill tax and the consultation on aspects of the legislation underpinning the tax. The main points were:

- a) Landfill tax introduced in 1996 as the UK's first environmental tax and is a tax on waste disposal to landfill.
- b) Currently two rates: standard rate at £40 per tonne and the lower rate at £2.50 per tonne.
- c) Between 1997-98 and 2007-08, landfilled waste fell by 32% whilst household recycling increased by 34%.
- d) Budget 2009 contained key announcements on waste:
 - i. Continued increase in the standard rate of landfill tax by £8 per tonne each year from 2011 to 2013.
 - ii. Launch of 'Modernising Landfill Tax Legislation' consultation.
- e) Landfill tax was increasing to:
 - i. Send a strong signal to move away from landfilling and drive forward investment in alternative technologies. This will also help to close the price gap between landfill and alternative technologies.
 - ii. Lead to significant carbon savings and help UK meet Carbon Budgets.
 - iii. Help to ensure the UK is firmly on track to meet challenging EU Landfill Directive targets.
 - iv. Respond to industry calls for certainty.
- f) Landfill tax needs modernising;
 - i. To bring the tax into line with the current regulatory regime (driven by the Landfill Directive) and the current shape and practice of the waste industry.
 - ii. Because recent litigation e.g. 'WRG case' means that the tax no longer fully reflects the Government's policy intentions.
 - iii. In order to ensure that the tax remains robust and able to meet its environmental objectives.

- g) Definition of wastes qualifying for the lower rates are those that have a low impact as understood in 1996 and as listed in Landfill Tax (Qualifying Material) Order 1996.
- h) The new proposal would link the lower rate to wastes that are inert on the basis of tests in European legislation. It is a matter of the environmental integrity of the tax that lower rating should be on the basis of the up to date understanding of the impacts of particular wastes.
- i) It was recognised that as a result wastes would fall out of the lower rate – e.g. pulverised fuel ash, gypsum, and brine wastes.
- j) Treasury and HMRC would welcome views on additional criteria for lower rating waste other than its “inertness” and on transitional provisions.
- k) The closing date for consultation responses is 24 July.
- l) Summary of responses and Government response to be published.
- m) Working assumption that Government will legislate for changes at Finance Bill 2010.

3.2 The group were then asked for their views and comments on the proposals, these included:

- a) Some of the group felt that Defra should have figured more prominently in the impact assessment.
- b) The changes to the lower rate tax would have a huge impact on local authorities at a time when they have to manage increasing financial pressures.
- c) Some kind of transitional rates or other steps rate should be considered to help allow for a smooth transition.
- d) There could be three different types of tax rate based on the three different types of waste classification, with an intermediate rate between the inert and active waste rates. It was noted, however, that a number of different kinds of intermediate rates had been proposed by different interests.
- e) More information was needed on what would happen to the extra revenue generated by the increase in tax; it was not clear whether this would be used to improve public finances generally or spent on helping the environment.
- f) If possible the landfill tax should be linked to specific materials and in turn linked to the work on landfill bans.

4. In summing up this part of the meeting, Caroline Arnold thanked the meeting for their views and encouraged members to feed their comments into the consultation process which closed on the 24 July.

5. The second part of the meeting consisted of a workshop which considered future growth trends of household and municipal waste. The workshop would be informed by five presentations from a range of specialists across the waste sector. The group would then be given specific questions to answer.

5.1 David Lee, head of the waste statistics team in Defra gave a presentation on household and municipal waste growth. The main points from this presentation were:

- a) Municipal waste evidence base is good and for the last few years has been informed by the Waste data flow statistical system
- b) The recycling rate has steadily increased over the last 10 years with the amount of residual waste falling. Total waste arising has begun to fall since 2008.

5.2 Michael Sigsworth gave a presentation on waste growth projections. The main points from this presentation were:

- a) Current assumption for waste growth was 1.0% per annum (reduced from the previous 1.5% in January)
- b) This is used in projections for meeting the EU landfill diversion targets in 2013 and 2020.
- c) Influencing factors included national factors (economy, population, household growth, consumer spending), and waste factors (Schedule 2, commercial waste, waste prevention measures)
- d) Balance of risks needed to be taken into account when projecting waste growth – the cost of not meeting the landfill targets is greater than the cost of over capacity
- e) Identified key factors as residual waste capacity, enforcement at Household Waste Recycling Centres and green waste charging policies.
- f) Proposed next steps were to re-baseline projections to take account of decreased arisings in 08/09 – based on data from 1st half of the year could reduce baseline by 2.0%. Review whether 1.0% is the right assumption going forward. One possible approach might be a two-tier projection; so have separate assumptions on waste growth up to 2013, and then for 2014-2020.

5.3 Andrew Lappage from the North London Authority on waste growth trends from the local authority perspective. The main points of the presentation were:

- a) Residual waste in North London has begun to fall.
- b) Total waste is starting to fall with the recycling rate increasing.
- c) Predict a 50% recycling rate in 2021 and a waste growth rate of 1%.
- d) NLWA is paying £10m a year now in landfill tax. They paid around £1.8m in 2000

5.4 Michael Warhurst from Friends of the Earth gave a presentation on waste arisings. The main points from the presentation were:

- a) Municipal solid waste has been reducing in recent years, even prior to the recession.
- b) The recession has accelerated the reduction.
- c) Many councils are in the process of signing long term contracts (eg 25 years) for waste management.
- d) These contract must include assumptions on MSW volumes recycling rates and other waste streams
- e) Based on figures from Coventry Warwickshire and Solihull PFI project recycling has been increasing faster than the modelling had predicted. Landfilling had reduced more than the PFI modelling had predicted.
- f) PFI contracts should be of a shorter duration i.e. 10 years opposed to 25 years to allow local authorities more flexibility.

5.5 Steve Lee from the Chartered Institution of Wastes Management on municipal waste growth. Main points of the presentation were:

- a) Huge growth in municipal waste and significant changes in its composition since the Second World War.
- b) Waste Data Flow can often be used to predict waste arisings 1 year in advance with +/- 1% or 2% accuracy.
- c) There is a variable rate of analysis of waste composition by local authorities.
- d) Relevant factors to consider when predicting waste arisings include migration, birth-rates, demographics, seasonality, product design, economy, trade use, household engagement
- e) There is no standard approach used by local authorities to predict waste arisings
- f) Tools, information and support is available to local authorities to measure report and forecast waste.
- g) Strongly urges government to provide better data on C&I waste.

5.6 Following the workshop, groups then fed back to the meeting which factors they considered affected waste growth.

- a) Waste legislation
- b) Consumer behaviour i.e. fashion trends
- c) Producer responsibility
- d) Link with recycling and residual waste infrastructure i.e. wheelie bins?
- e) Impact of ageing population (difference between spending habits for generations)
- f) Impact of economy and risk of overplaying downturn in economy

- g) Re-use and measures around this.
- h) Household growth and cultural factors
- i) Local authority policies
- j) Will food waste prices keep rising and the impact on food waste (i.e. ready meal culture)
- k) Retail policy and packaging
- l) Visibility of waste (to easy for individuals to not realise the value of waste)
- m) Behaviour of manufactures and retailers
- n) Perverse outcomes from policies
- o) Light weighting of packaging material

5.7 The group were then asked how might these factors change over time and what are the impacts:

- a) Weather/climate change
- b) Impacts of a switch to greater electronic communication and working methods, may lead to less waste but more energy consumption
- c) Definition of different waste streams may change over time
- d) Economic uncertainty and possible re-coupling of waste arising with economic growth
- e) We need to think about how the future composition of how waste might change as manufacturing processes may change and new products and materials may become more widely used.
- f) We are unaware of the carbon values in waste and should think less in terms of tonnage and more in terms of carbon content.

5.8 The group were then asked what further investigation was needed.

- a) Should look at demographic trends in similar countries
- b) Consumer behaviour modelling
- c) Aggregate all the future projections that individual local authorities have already done.
- d) Data (all streams)
- e) Consider what a low carbon economy means
- f) Investigation into how to improve people's well being rather than improvement in quality of life through consumption
- g) Investigation into re-use behaviour
- h) Tapping into retailers' knowledge base to influence and change people's behaviour

5.9 The group were then asked what action they think Defra should take to tackle the problem.

- a) Work with major commercial retailers and businesses to tap into their knowledge on behaviour change (consumer focus companies)

- b) Carbon indicators for local authorities to help them measure carbon benefits
- c) Greater planning and analysis of other waste streams and future of household and municipal waste.

6. Daniel Instone thanked everyone from their input and informed the group they would consider everything discussed at the meeting and would report back to the group later in the year to advise on next steps.