



EXECUTIVE SUMMARY

This note is SITA UK's response to Defra's call for evidence to underpin a review of England's waste policies. The note suggests ways by which England's waste management strategy can be refreshed and aligned more closely with the aspiration of a cost-efficient zero waste economy, while addressing the broader challenges of resource conservation and climate change.

Given that a waste policy review is not an everyday occurrence, and that the resulting waste strategy should stand the test of time without having to be continually revisited, we believe that the outcome of the present review should have four attributes:

1. It should remove the structural inefficiencies inherent in our present system of split responsibilities, and streamline the strategic planning process.
2. It should be anticipatory, setting the policy agenda for at least the next decade. Previous waste strategies have tended to tinker, addressing some issues while leaving others untouched.
3. It should be balanced. Previous waste strategies have been overwhelmingly biased towards the management of municipal waste, although commercial and industrial waste arisings exceed that of municipal solid waste by a factor of three. Waste policies should be aligned according to waste type rather than by waste provenance.
4. It should integrate energy recovery with energy policy. In policy terms, previous waste strategies have short-changed energy recovery from waste, denying the UK a unique opportunity to harness a readily available source of renewable energy at low cost.

A zero waste economy cannot be achieved without addressing the wider aspects of resource use. Although policymakers now embrace the rhetoric of resource management, the UK has yet to create a truly integrated policy framework that locks resource use/conservation, production, consumption, and waste management firmly into a 'virtuous circle'. Within this circle, the role of waste management is to collect, treat and return secondary resources and recovered energy back into the production cycle.



SITA UK characterises this interrelation the circular economy (see Figure 1). ‘Closing the loop’ and ‘cradle to cradle’ are other phrases coined to describe this circularity. The visual representation of the circular economy is a simple yet powerful aide in assisting with the development and communication of joined-up policies actioning a zero waste vision.

The key aspects of our proposal towards a cost-efficient waste management system and a zero waste economy are as follows:

- Removing structural impediments to the seamless planning of waste collection and recycling with waste disposal. Specifically, we call for the unification of responsibilities currently split between waste collection and waste disposal authorities. We also call for the conflation of strategic planning and spatial planning into a single planning document.
- We propose a range of initiatives designed to embed community involvement and community benefits in the planning system, specifically, through the forthcoming Decentralisation and Localism Bill.
- Conservation of natural resources by extracting only what is absolutely necessary for sustainable consumption and feeding back into the production cycle secondary materials and energy derived from the waste stream. Key material streams should be linked up - for example, compost production with peat extraction and recycling of construction/demolition waste with the extraction of aggregate.
- Running production and manufacturing processes in the most efficient way possible. Sectoral industry benchmarks should be set for utilities, materials and energy efficiency, with improvement targets.
- Pricing environmental impacts into the cost of primary goods and services, or alternatively, crediting secondary resources for the environmental savings made over the entire life cycle in order to incentivise their use.
- Maximising the generation and use of energy and heat from waste carbon, either co-located with industrial or community offtakes, or fed into a power or gas grid.
- Correcting lopsided policy applications that result in perverse environmental outcomes – for example, regularising the management of biowaste across all sectors.
- Stimulating the demand side for recycled materials through green procurement and wider application of extended producer responsibility.
- In addition, the disbursement of landfill tax monies back into the waste sector (including the delivery bodies) should be reviewed. The annual landfill tax receipt is broadly at the same level as the annual capital investment needed by the UK over the next 10 years to develop the necessary infrastructure for the treatment of wastes diverted from landfill.



SPECIFIC PROPOSALS

The following pages set out our main recommendations, summarised in Figure 1. The objective is to present an overall picture of what the new policy landscape might look like. There are clearly issues that require more thought before they are turned into concrete and robust policy proposals. Among these are the following:

1. Working out precisely how waste strategy and responsibility for waste management decisions can be driven down to local communities, while having the checks and balances in place to ensure the national strategy is implemented and targets are met.
2. The regulatory mechanism through which resource efficiency benchmarks can be applied to UK industry.
3. How commercial/industrial waste and municipal waste can be more efficiently collected and treated, but not at the expense of emasculating the private sector.
4. Alternatives to the private finance initiative system for funding of infrastructure spanning both municipal and commercial/industrial sectors.

These topics could be explored in stakeholder workshop sessions organised by Defra. Active community participation in these discussions would help cement the call for local decision-making espoused in the Coalition Programme for Government.

SITA UK

27 September 2010



COST-EFFICIENT STRUCTURES

Issue	Proposals	Comments
<p>Streamline planning structures, including responsibility for waste management.</p>	<p>Integrate waste collection and waste disposal responsibilities at local authority level.</p> <p>Merge waste management strategies with waste development plans.</p>	<p>The current split of responsibilities between waste collection authorities (also with responsibility for recycling) and residual waste planning and disposal is inefficient, in terms of cost and efficacy of planning. The concept of unitary authorities should be applied <i>in toto</i> across all English administrative regions.</p> <p>Further efficiencies can be gained by merging waste management strategic planning with waste management spatial planning into a unified waste strategy which contains in one document, a consolidated strategic and spatial planning framework for waste management. Consultation is rationalised into one tranche.</p>
<p>Reform strategic planning institutional structures.</p>	<p>The role of central government is to create national waste and energy management plans covering all waste types.</p> <p>Form a <i>Waste Management Council</i> comprising representatives of Defra, local authorities and district councils to implement the national plan. Bind the Council with a cooperation agreement by which local authorities and district councils agree to implement the actions and to comply with all agreements reached in the Council, thus securing mutual reliance and responsibility for the implementation of strategic planning and planning decisions.</p> <p>The Waste Management Council can also review the waste-related targets placed on local government, with a view to simplifying them through replacement or consolidation.</p>	<p>National targets (landfill directive diversion or UK recycling targets) cannot be met without regional/local coordination outside of central government. In place of regional assemblies a Netherlands-style Council could be formed, with the power to decide how to implement national strategy, but also with the binding responsibility to follow through on all agreements.</p> <p>Local authorities can agree joint working, or work independently in finding a local waste management solution. The proviso is that collectively within the Council, national targets must be met and that decisions agreed by the Council cannot be overturned vis-à-vis the cooperation agreement.</p> <p>The process of developing waste plans needs reform. It cannot be right that even after years of consultation an adopted plan is thwarted at every turn (by both local opposition and national non-governmental organisations when it comes to implementation at the local level.</p>



COST-EFFICIENT STRUCTURES (CONTINUED)

<p>Strategic planning of treatment capacity.</p>	<p>Commission a study to investigate how the joint treatment of commercial and industrial and municipal waste can be funded.</p> <p>Review the use of public funds to replace private finance initiative – for example, whether landfill tax receipts can be diverted from existing expenditure of delivery bodies, directly into waste infrastructure.</p>	<p>Two separate and parallel systems currently operate in the UK, for municipal and for commercial and industrial wastes. While this system works, it is not optimal, and advantage is not taken of economies of scale. Almost no energy recovery capacity is available for commercial and industrial waste streams.</p> <p>Annual landfill tax receipts will amount to £1.5 billion by 2010, roughly the annual capital spend requirement for new treatment infrastructure to divert waste from landfill.</p> <p>With private finance initiative having run its course, alternative funding arrangements are needed for treatment capacity dedicated to the commercial and industrial waste component.</p>
<p>Speed up waste planning.</p>	<p>Grant general development rights to non-significant changes to site infrastructure without having to go through the planning process.</p> <p>Get planning authorities to comply with limits on determination of planning applications and speed up the appeals process.</p>	<p>Assess ways by which unnecessary planning hurdles are removed, and the planning process itself can be speeded up. The full weight of planning is needlessly invoked for many trivial additions to site processes.</p>



ACTIONING LOCALISM

Issue	Proposals	Comments
<p>Specific proposals to put the Coalition government’s localism agenda into effect</p>	<p>In preparing the waste core strategy and development plan documents, local authorities must ensure that the Statement of Community Interest provides for robust community representation and engagement, for community views to be adequately aired, communicated and exchanged, and for settled views explicitly to form the basis of the waste plan.</p> <p>Department of Communities and Local Government must tighten the compliance of waste core strategies with PPS10. Local authorities must adopt a “no surprises” policy. Waste plans must stipulate the exact location of allocated sites (subject to community consultation) and only as an exception, refer to general locational criteria. The waste plan must be subject to a separate sustainability appraisal, published as a public document accompanying the waste plan.</p> <p>Site-specific planning applications responding to the waste plan must be accompanied by a clear statement defining the options for benefits offered to the host community. These proposed benefits must be the subject of public consultation, possibly through a Community Liaison Committee established under the aegis of the Local Authority. The Committee can oversee the roll-out of agreed benefits on an on-going basis.</p>	<p>The Coalition <i>Programme for Government</i> envisages a key role for local communities in (a) deciding what waste management facilities they want, and where, and (b) drawing benefit from hosting these facilities in their areas.</p> <p>In a plan-led system, community involvement must commence right at the start of the strategic planning process. Provisions already in place need to be tightened to ensure that community views are sought and worked into the waste plans.</p> <p>Benefits might include shared ownership of a facility (direct income through share ownership), ring-fenced community funds, cost-sharing between local businesses and the community, subsidised energy bills, local heat supply to residential housing, leisure centres and/or commercial premises, or employment offers to suitably qualified community residents. Local authorities must assist community groups in developing these options.</p> <p>Section 106 agreements should explicitly be designed to provide benefits consulted upon and agreed with the host community, and only when these possibilities are exhausted must other wider community benefits be considered.</p>



GENERAL APPROACH TO WASTE POLICY IN MOVING TOWARDS A ZERO WASTE ECONOMY

Issue	Proposals	Comments
Resource conservation.	<p>Raise the visibility of the existing resource flow/environmental accounting function within Defra to monitor and manage inflows, outflows and stock levels of natural resources and materials passing through the waste economy.</p> <p>Quantify resource use on a sectoral basis (direct and indirect). Map the distribution of resource consumption by sector. Estimate resource scarcity and the potential to move 'secondary' (currently waste) resources between sectors.</p> <p>As part of the mapping exercise, create national mass balances for carbon and other priority materials.</p>	<p>A wealth of resource and materials flow data exists for the UK, but it has never been used to inform policies on sustainable consumption and production. Other countries (eg Japan, Germany and Denmark) are ahead of the UK in mapping of resource use and scarcity of critical materials.</p> <p>Manufacturers should be incentivised to replenish depleted raw materials and furnish their energy needs by tapping into the waste cycle in preference to the natural environment.</p> <p>The proposal would bring natural resource management and waste management under a single policy umbrella informed by the sustainable consumption and production programme.</p> <p>Analysing the UK's mass balances could change the policy emphasis – for example, focusing more on waste plastics because of its higher embedded carbon, than is presently the case.</p>
Widen the scope of Extended Producer Responsibility.	<p>Remove waste-related responsibilities from the Department for Business, Enterprise and Regulatory Reform and reposition them within Defra.</p> <p>Use the existing retail infrastructure to roll out product take-back and deposit-refund systems for specified products (eg batteries, plastic and glass drinks bottles and containers).</p> <p>Introduce civic amenity 'bring' systems within the car parks and reception areas of all major supermarkets above a certain floor area.</p>	<p>The performance of the Department for Business, Enterprise and Regulatory Reform in introducing post-consumer producer responsibility for waste electrical and electronic equipment has been lamentable.</p> <p>Implementation of the batteries directive is no better. Extended Producer Responsibility is primarily an environmental-led policy initiative and should therefore sit within Defra.</p> <p>Extended Producer Responsibility schemes greatly improve the capture rate of post-consumer waste, in a far cleaner form than is otherwise possible. Voluntary covenants (similar to the Courtauld Commitment) can be put in place with the relevant sectors, in lieu of legislation.</p>



**GENERAL APPROACH TO WASTE POLICY IN MOVING TOWARDS A ZERO WASTE ECONOMY
(CONTINUED)**

<p>Review landfill tax disbursements and other related spend.</p>	<p>Review the relevance of existing delivery bodies funded through landfill tax.</p> <p>Widen the scope of landfill tax expenditure to include non-landfill related impacts.</p> <p>Explore whether landfill tax credits can be linked to fund community projects that are part of Section 106 planning permissions.</p> <p>Reinstate spend of landfill tax credits on waste management educational projects.</p>	<p>Government has commenced a rationalisation of some of the delivery bodies.</p> <p>As landfills decrease in numbers, a larger number of treatment plants will proliferate, arguably with more environmental and social consequences as they tend to be nearer habitation than landfills (and indeed would need to be if, for example, recovered heat is to be utilised). The present restriction on spend of landfill tax credits should be relaxed accordingly.</p>
---	---	--



WASTE PREVENTION

Issue	Proposals	Comments
<p>Resource efficiency and waste prevention during production, manufacture and service delivery.</p>	<p>Establish and apply sectoral resource efficiency benchmarks for materials, energy and water use, enforced through sector covenants and site operating permits.</p> <p>Establish and apply process efficiency benchmarks to reduce waste generation.</p>	<p>The overall policy objective is to minimise the extraction and flow of natural resources, minimise waste production, and maximise the return of waste that is unavoidably produced back into the production economy.</p> <p>As part of their Sustainable Consumption and Production / Sustainable Industrial Policy action plan, the EC wants to set up resource efficiency targets for the European economy, so as to stabilise or decrease resource use (water, metals, minerals, etc).</p>



REUSE AND RECYCLING

Issue	Proposals	Comments
<p>Changing the structure and dynamics of the resource market.</p>	<p>Explicitly value environmental burdens (along with the embedded carbon emissions) associated with raw material extraction, procurement and conversion.</p> <p>Devise an incentive scheme that rewards industry for carbon savings through the use of recycled materials and renewable energy in preference to primary resources.</p> <p>The waste sector and the manufacturing sector can be joined by (for example) allowing the waste sector to issue “carbon credits” to companies receiving recycled materials as primary feedstock, calculated on the basis of carbon saved relative to the use of virgin materials extracted from the natural environment. This also values the contribution made by the waste sector in collecting and recycling secondary resources, and would incentivise the sector to strive to even greater levels of recycling.</p>	<p>At present the full cost of climate change and other environmental factors is not explicitly included in the price of most raw materials. On environmental grounds, there should be a presumption in favour of initially drawing on secondary resources, and only then moving to unextracted natural resources to meet the needs of industry. (eg introduce a “peat tax” to stimulate biotreatment into compost, thereby protecting natural peat habitats; raise aggregates tax to further stimulate construction and demolition recycling).</p> <p>The European Environment Agency has recently called for the EU to implement ‘ecosystem pricing’ of goods and services: “The current price of goods and services does not reflect their impact on the ecosystems that sustain them”.</p> <p>Industry should be incentivised to accept recycled material over virgin materials via a mechanism that rewards energy and CO₂ savings when using recycled materials. The use of renewable energy is currently rewarded by a decrease in the climate change levy, but no such system exists for the fossil carbon saved as a consequence of using recycle as starting material.</p>
<p>Product use.</p>	<p>Introduce mandatory green public procurement targets.</p> <p>Introduce minimum recycled content targets in products.</p> <p>Develop and extend eco-labelling.</p>	<p>These ideas have been discussed by Government, but there has been little firm action to date. The National Audit Office report <i>Addressing the Environmental Impacts of Government Procurement</i> (April 2009) acknowledges that more can be done</p> <p>The EU is currently considering these issues – eg the Council of the EU note on: “The fall in demand for recycled materials”, 25 February 2009. The Ecodesign Directive and the EC’s Integrated Product Policy also contain provisions for such actions.</p>



REUSE AND RECYCLING (CONTINUED)

<p>Waste collection and logistics.</p>	<p>Standardise waste collection schemes across administrative regions.</p> <p>Design innovative collection and storage for ecotowns / ecoparks (eg underground storage).</p> <p>Reward lower carbon emission transport (biofuels, road tax).</p>	<p>Significant efficiencies can be achieved if waste collection schemes can be limited in the main to an agreed suite of designs.</p> <p>At present vehicles using “green” fuel are exempt from the London congestion charge.</p>
<p>Product quality.</p>	<p>Mandate primary sorting at source of commercial/industrial waste but allow the market to decide on the degree of sorting appropriate in particular circumstances, as well as on downstream technology.</p> <p>This can be achieved by amending the Duty of Care placed on waste generators.</p>	<p>The cleaner the material the greater the likelihood of securing stable long-term markets for the product. This requires a greater emphasis on source separation.</p> <p>Source separation already applies to households through the Household Waste Recycling Act 2003. There is no rationale for not extending this requirement to the commercial and industrial sector.</p>



ENERGY RECOVERY

Issue	Proposals	Comments
<p>Energy from waste.</p>	<p>Simplify the complicated Renewables Obligation Certificates system by replacing it with feed-in tariffs with longer-term price signals</p> <p>Permit energy and gas generation from the biogenic fraction of mixed waste to be eligible for a renewable energy feed-in tariff.</p> <p>Introduce a requirement for planners to build energy-from-waste / combined heat and power into towns and ecoparks.</p>	<p>Although the eligibility of energy from mixed waste combustion for Renewables Obligation Certificates has in principle been accepted, not a single Renewables Obligation Certificate has been awarded to date due to the tardiness of the Department for Business, Enterprise and Regulatory Reform, Department of Energy and Climate Change and particularly of Ofgem. A more straightforward incentive system to feed renewable energy (and gas) into the grid is required.</p> <p>Retrofitting heat delivery systems into existing urban infrastructures is unfortunately unrealistic.</p>
<p>Support for new waste management technologies, particularly energy recovery technologies.</p>	<p>Tap into the Environmental Technology Verification scheme introduced at EU level.</p>	<p>Unrealistic expectations have been placed on new (allegedly low-carbon) technologies to operate in the commercial market before they have been shown to be technologically robust.</p> <p>The Environmental Technology Verification scheme allows the UK to share the risks of verification with other Member States, and should hopefully be better managed.</p>
<p>Increase public confidence in thermal technologies.</p>	<p>Raise the profile of public health monitoring through active messaging and public communication.</p> <p>Produce an annual report for public scrutiny, compiling and interpreting results from the extensive environmental monitoring that currently takes place as part of site permit conditions.</p>	<p>Central government’s rather timid advocacy of energy from waste needs to be reversed if policy aspirations regarding renewable energy and heat connections are to be put into effect. Government needs to take a proactive and visible stand in support of this technology. In turn, this will provide support to local authorities wishing to make energy from waste part of their waste management strategy, but have no means by which to counter the highly negative messaging put out by its detractors.</p>



DISPOSAL

Issue	Proposals	Comments
<p>Restrict landfilling.</p>	<p>Phase in progressive restrictions on the landfilling of biowaste from the commercial and industrial sector.</p> <p>Recyclables such as glass and metals.</p> <p>Recyclable and incinerable construction / demolition waste.</p> <p>Incinerable residual waste after household waste sorting.</p> <p>Specific waste streams such as batteries.</p>	<p>All advanced countries (in waste management terms) have tighter landfilling restrictions in place than the UK. Regulation (as opposed to financial instruments such as landfill tax) introduces certainty in the marketplace and effects change at a far greater pace.</p> <p>We are disappointed that England has elected not to bring in additional landfill restrictions, although Wales and Scotland have signalled that the option is still actively under consideration.</p> <p>Unrestricted landfilling of commercial and industrial biowaste versus restricted landfilling of municipal biowaste should be regularised by extending the same restrictions to the latter sector.</p>

FIGURE 1
THE CIRCULAR ECONOMY MODEL
AND SITA UK RECOMMENDATIONS

