



House of Commons

Environment, Food and Rural Affairs
Committee

**Waste management in
England: Government
response to the
Committee's Fourth Report
of Session 2014–15**

Fifth Special Report of Session 2014–15

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Environment, Food and Rural Affairs Committee

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Fifth Special Report

The Environment, Food and Rural Affairs Committee reported to the House on *Waste management in England* in its Fourth Report of Session 2014–15, published on 22 October as HC 241. The Government’s response to the Report was received on 22 December 2014 and is appended below. Each recommendation made in the Committee’s Report is set out in a bold and numbered paragraph with the Government’s response directly beneath it.

Government response

Introduction

The Government welcomes the Committee’s inquiry and report into Waste Management in England. A key priority for Government is to boost growth in the economy while continuing to protect and improve the environment. Encouraging a more sustainable and efficient approach to resource use and management has a major role to play in this. With the global demand for resources projected to treble and as virgin materials become scarcer, it is essential that we make the best use of our materials and resources, prevent waste, recycle efficiently, and deal with waste properly. A key component to this is keeping material resources in circulation, where it makes environmental, economical and societal sense. Government therefore believes it is important to move towards a more circular economy, which is essential for our future growth, increased resilience and environmental and human health.

The Government provided written and oral evidence, setting out the position and activities underway that support improved resource and waste use and management. This is available at

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/environment-food-and-rural-affairs-committee/waste-management-in-england/written/9675.html>.

Response to the recommendations

1. We recommend that Ministers actively reassure interested parties that waste policy remains a priority. In order to address concerns in the sector, Defra should immediately clarify its definition and interpretation of “clear market failure”, explain how the market is monitored by the Government for signs of such failure, and confirm the criteria which must be met to identify areas where businesses are “better placed to act”. (Paragraph 16)

We share the Committee’s view and recognise the importance of the waste and resources management sector and Ministers regularly talk to sector organisations on a range of issues

that impact on them. Government, as with all sectors of the economy, must invest resources and prioritise activities to make the best use of public funding in these challenging economic times. This therefore means that government activities must focus on areas that only Government can and must do, i.e. where there is a clear market failure.

Our approach to establishing a business case for Government intervention is in line with HMT's Green Book Guidance that a market failure must exist. In this sense, 'market failure' refers to a situation where the market has not and cannot of itself be expected to deliver an efficient outcome, including situations where there are indirect effects on others for which the market cannot take account.

In the case of resource management, there is a clear rationale for public involvement in managing general waste from diffuse sources, e.g. from households, because of the adverse indirect effects of waste on public health and hygiene, and so on. Where business generates waste, there is a responsibility on them to take the lead in efficiently managing any impacts and disposal. We monitor activity across the sector to establish where good progress is being made and, where this is not the case, will seek to establish whether or not there is an identifiable market failure and if and/or how this can be corrected.

As in the case of overall resource efficiency policy, we are focussed on identifying evidence of market failures such as misaligned incentives, where detrimental outcomes fall on individuals or organisations that were not the source of the action or where the regulatory framework may be ineffective.

2. We recommend that, rather than stepping back, Defra takes the lead role and responsibility for waste management policy as part of its departmental priority to improve the environment. This should include appointing a Minister with clear responsibility for co-ordinating across all governmental departments and ensuring consistency of approach in terms of legislation, policy, incentives and communications. (Paragraph 22)

We agree with the Committee's view and reiterate that Defra has not 'stepped back' from all waste and resource management policy, but refocused activities in areas that only Government can and must do.

Waste and resource management policy continues to be a key priority for Government and Defra remain committed to deliver a more sustainable economy where waste is treated as a resource. Government is undertaking a number activities to deliver this, for example we are considering measures to improve resource efficiency, including looking at alternative business models, promoting producer responsibility measures, working with the sector to maximise the capture of quality recyclate, tackling food waste and taking forward a programme of work following the publication of the Waste Prevention Programme for England. We also continue to work with the Environment Agency, in the performance of its regulatory duties on waste activities and in tackling waste crime and poor compliance, and with WRAP to support businesses, civil society organisations, local authorities and households become more efficient in the way that they manage and use resources.

Dan Rogerson, Parliamentary Under Secretary of State for water, forestry, rural affairs and resource management, remains the Minister with the clear responsibility for resource use and management policy. Through Defra's cross-Whitehall Resource Programme Steering Group, key Government Departments continue to collaborate, share and discuss key and relevant resource policy issues.

3. We urge Defra to work alongside WRAP and industry to develop a comprehensive plan to be implemented in the event that England's recycling rate continues to slow. We recommend that Defra learns from successful approaches in countries such as Wales and Ministers consider introducing refreshed policies and re-introducing requirements such as statutory recycling targets for local authorities alongside the requisite funding support. (Paragraph 28)

The rate of recycling in England has increased four-fold since 2000/1, thanks largely to significant public and private investment, considerable effort by local authorities and to the public and householders. The annual recycling rate for England in 2013 was 44.2% but this hides considerable variation between local authorities. Many local authorities have already surpassed 50% recycling rates and some have rates in excess of 60%. There is therefore much that can be learnt from the highest performers and scope for improvement at all levels.

We are committed to achieve 50% recycling of household waste by 2020. We are working very closely with WRAP to review evidence on barriers to further increasing recycling and to help local authorities and householders to recycle more.

Waste is a devolved issue and we work with the Devolved Administrations to monitor progress of the UK recycling rate and to share learning. We believe that local authorities should lead on determining the most appropriate recycling arrangements for their area, taking into account local circumstances. The Coalition Government currently has no plans to reintroduce statutory recycling targets for local authorities.

4. Defra should facilitate and encourage learning from best practice actions to help local authorities gravitate towards the best possible service in their area. Working with the Local Government Association, we urge Defra to share information on successful approaches with local authorities to enable them to develop the most effective services for their particular local circumstances. (Paragraph 35)

We agree with the Committee's view that local authorities are best placed to address the specific challenges or barriers to providing local recycling and collection services and for increasing local recycling rates. We also agree that having greater consistency, simplification and harmonisation in collection services, following good practice, can help to overcome some of these barriers.

The Government is helping local authorities to improve recycling performance by working with WRAP to promote best practice and disseminate experience of high performers. We are committed to reaching 50% recycling by 2020 and are investigating options including improving communications and data capture. The Government is also working with

industry, local authorities and WRAP to establish a more detailed understanding of local authority performance and reviewing what more could be done to improve recycling.

5. We are concerned that, despite the significant achievements of both organisations, Defra’s funding for WRAP and Keep Britain Tidy has reduced over recent years. We urge Defra to increase the funding if evidence suggests it necessary in the lead up to 2020. (Paragraph 40)

The Government, as with all sectors of the economy, is facing challenging times and priorities must be made to ensure that work undertaken makes the best use of public funding. With that in mind, the Government continues to support the Waste & Resources Action Programme (WRAP), essential to support businesses in realising the benefits of resource efficiency and improved resource management.

Keep Britain Tidy (KBT) is an independent charity and has made good progress over the past four years in identifying and securing alternative sources of funding to support its work. We will continue to monitor local environment quality across England and will commission specific projects as appropriate.

6. Communication needs to be tailored to local circumstances but Defra should engage with local authorities and provide support at a national level, particularly in relation to common issues and problem areas. We recommend that Defra considers compulsory publication of an annual Register of End Destination of Recyclates by all local authorities and waste management companies involved in the recycling chain, in order to improve access to information and public confidence. (Paragraph 47)

The Government agrees that communications are essential to support householders to recycle effectively and consistently. Communications should be clear and simple, provide regular reminders on recycling and should be tailored to local circumstances.

WRAP continues to provide this essential support to local authorities on communications including research, resources and other tools that are available for tailoring to local circumstances through the Recycle Now website. The website includes a postcode locator to assist householders in obtaining information on what can be recycled locally. WRAP is currently reviewing the content and materials within the Recycle Now website with a view to a re-launch in the New Year. In addition to this, WRAP also has information and guidance available to support Local Authorities when reviewing their waste management services contracts in order that they design and deliver efficient and cost effective services.

The Government recognises that there is considerable interest from householder in the end destination of recyclates. The Government agrees that more can be done to improve understanding and access to information on this and we would encourage all authorities to raise awareness and support public confidence in recycling. That is why we support the Resource Associations End Destination of Recycling Charter, which provides valuable transparency on the recycling chain and helps to build public confidence. We currently have no plans to introduce a compulsory scheme but we applaud those authorities that have published information through the Charter.

The Government is also implementing a new reporting facility through WasteDataFlow to enable local authorities to record the “flow” of waste more comprehensively than before. A new question will be included known as “Question 100”, which for the first time allows local authorities to record all treatments and final destinations of residual, recycling, reuse and composting waste through a single question. This allows outputs from one facility to be recorded as inputs to another facility to reflect complex treatment and disposal paths, and generates more accessible and reconcilable data. A successful voluntary roll-out to 59 local authorities in England from April 2014 is being extended to all local authorities from April 2015. This will help provide transparency on the flow of materials and compliment the End Destination of Recycling Charter.

7. We support Defra’s Reward and Recognition Scheme and expect Defra to use the results to identify and support best practice schemes to be used as prototypes for other local authorities to follow. (Paragraph 50)

We welcome the Committee’s support for the Reward and Recognition scheme. In 2012, the Government announced that it wanted to encourage councils to pay people to recycle by rewarding and recognising positive waste behaviours. Approximately £2 million was allocated for this and local authorities and community groups were invited to apply to run the scheme.

We are currently in the second round of the scheme and are working with Brook Lyndhurst, our evaluators, and local authorities to ensure that the quality of the data provided by the scheme is timely and robust.

In the first round, eight schemes to change behaviour on waste were launched, including:

- Aire Valley Recycling (AVR)—who offered community based shared rewards distributed at two points in the year to maintain momentum of the scheme going.
- National Union of Students (NUS)—where students could sign up as Eco-Power Rangers, attend communications skills training and become recycling auditors for kitchens across all halls, with project staff, once per term.

All the schemes used a variety of methods to monitor and evaluate impact of their scheme. Of those involved in the schemes, many respondents claimed that they were already recycling/reusing and that the reward and recognition scheme did not make a difference. While other respondents claimed that they already recycled but that the scheme gave them ‘encouragement’ to recycle. The final report will be published in the summer of 2015 and the results will be used to identify and support best practice schemes for other local authorities to follow.

8. In accordance with the waste hierarchy, we encourage a move towards banning the landfilling of all recyclable waste by 2025 as landfill should only be used for wastes for which there is no better recovery option. However, any such proposals must be signalled well in advance, with appropriate support and alternative infrastructure put in place to guard against disproportionate cost burdens. (Paragraph 54)

The Government believes that the most effective way to reduce waste is to focus at the top of the waste hierarchy with waste prevention and that landfill should be the last resort for most wastes. We believe there are more efficient options than restrictions in this area and evidence suggests that restrictions would likely impose additional costs on businesses, particularly SMEs.

The Commission has recently announced the withdrawal of their proposal to amend EU waste legislation and for it to be replaced by a new, more ambitious proposal by end 2015 to promote circular economy. It is only once EU negotiations on any new proposal have substantively concluded that we would have sufficient clarity to consider what further action, including on support and infrastructure, will be necessary to meet future EU measures. We look forward to working with the Commission, the European Parliament and other Member States to ensure a balanced package of proposals which has ambition, is evidence based and feasible for all Member States.

9. Meeting a 70% recycling target in England for all household waste by 2030 would be challenging but Defra should aspire to achieve recycling rates at the maximum feasible level, with or without European targets. (Paragraph 55)

We support measures to increase recycling and overall resource efficiency, but we do not support stringent new targets unless there are clear economic and environmental benefits that exceed the costs. We will want to ensure that the Commission's anticipated new proposal to promote circular economy will allow flexibility, ensure that costs are justified by expected impacts and create an environment that welcomes innovation.

10. We recommend that Defra analyses data on waste flows and waste flow forecasts in order to provide the waste sector with clear guidance on how much energy-from-waste infrastructure capacity is needed in England to gain an optimal balance between export and local treatment. (Paragraph 60)

In October 2014 Defra published analysis of future waste arisings and infrastructure capacity requirements showing progress against existing landfill diversion targets out to 2020. In the longer term, the optimal level of energy from waste infrastructure is heavily dependent upon any future landfill diversion and recycling as well as waste prevention activity. It is only once EU negotiations on any new proposal have substantively concluded that we would have sufficient clarity to consider what further action, including on support and infrastructure, will be necessary to meet future EU measures. We look forward to working with the Commission, the European Parliament and other Member States to ensure a balanced package of proposals which has ambition, is evidence based and feasible for all Member States.

11. We recommend that, in its response to this Report, Defra include an assessment of the economic impact of building the infrastructure needed to treat the RDF currently exported compared with the economic impact of the current practice of exporting RDF from England to other countries in Europe. (Paragraph 64)

The Government response to the call for evidence on the Refuse-Derived Fuel (RDF) market in England was published on 1st December.¹

The Government and the Environment Agency are undertaking a number of actions, such as through the Waste Crime Action Plan, that will address the enforcement issues raised by respondents to the call for evidence. We intend to further investigate the feasibility of introducing a definition and standard for RDF, including what it should cover and how it should be delivered. We also propose to gather further evidence on the complexities and practicalities associated with introducing a financial guarantee system for the production of RDF. Together with the Environment Agency, the Government is currently evaluating whether to introduce checks to ensure that RDF producers have suitable contracts with end-users in place when applying for a permit or requesting a permit variation of procedure.

The response does not include an assessment of the economic impact of building infrastructure to treat the RDF that is currently exported. RDF production and export is closely linked with domestic infrastructure capacity, which in turn, is dependent on wider waste management issues of landfill diversion, recycling and waste prevention. The anticipated new proposal to promote circular economy from the EU Commission's may have an impact on these issues. We will include the economic impact of building infrastructure in our consideration of the action needed to meet any future EU measures.

12. The Government must find ways of diverting more food waste out of the residual waste stream by methods which are economically and environmentally viable and suitable to local circumstances. Where food waste is separately collected it should be treated at local AD plants whenever possible to address the problem of sourcing waste feedstock. (Paragraph 71)

The Government supports the application of the waste hierarchy to food and waste prevention remains the priority for action. For this reason, we have focussed support through voluntary agreements with the grocery and hospitality sectors to prevent food waste entering the waste stream. Between 2007 and 2012, the UK has reduced levels of household food waste by 15%.

If waste cannot be prevented then the Government considers that the next option should be redistribution. On behalf of the Government, WRAP worked closely with industry to develop guiding principles, case studies and research (published in March 2014²) to encourage redistribution wherever possible. Building further on this work we will be holding a roundtable meeting in the New Year to bring together representatives from the food sector to discuss progress, and options for additional action to increase the amount of surplus food which is redistributed for human consumption. If not suitable for humans then it may be made available for animal feed under strict conditions. WRAP has recently

1 'Refuse-Derived Fuel: Defra response to the call for evidence' is available at <https://www.gov.uk/government/consultations/refuse-derived-fuel-market-in-england-call-for-evidence>.

2 WRAP's 'Our guiding principles for redistributing surplus food' is available at [http://www.wrap.org.uk/sites/files/wrap/Our%20guiding%20principles%20for%20redistributing%20surplus%20food%20-%20v5%20\(2\).pdf](http://www.wrap.org.uk/sites/files/wrap/Our%20guiding%20principles%20for%20redistributing%20surplus%20food%20-%20v5%20(2).pdf).

published guidance to encourage businesses to increase the amount of former foodstuffs to be used for animal feed.³

However, there will always be some unavoidable food waste and Government support reflects the value of Anaerobic Digestion (AD) has in diverting inedible food waste from landfill. This in turn can generate biogas and digestate and avoid the greenhouse gas emissions that are associated with the disposal of organic waste to landfill.

The Government is also committed to working with councils to make it easier to recycle food waste. As the Committee concluded, there cannot be a one size fits all approach as local circumstances require local solutions and a tailored approach but the Government remains keen to promote good practice and look at how food recycling can be made more convenient for residents. WRAP have run demonstration projects on good collection practice, and provide guidance and support tools for food service businesses and local authorities considering separate food waste collections that can in turn increase feed stock available to AD.

13. In order to improve the confidence of agricultural customers and improve the stability of the market for digestate, we recommend that further research is undertaken to determine the long-term effects of AD digestate on the quality and composition of soil and crops. (Paragraph 73)

The Government published its Anaerobic Digestion strategy and Action Plan in 2011. Since then, the industry has continued to grow at a dramatic pace, with the number of sites increasing from 68 in 2011 to over 140, with many more in the planning stage. Digestate is a significant product from this industry and the continuing expansion of the AD sector makes it ever more important that markets are developed that recognise the value of digestate as a fertiliser. In recognition of this, the Government along with partners in WRAP, WRAP Cymru and Zero Waste Scotland invested in a four year research project (DC-Agri) looking at the use of quality anaerobic digestate (biofertiliser) and compost in agriculture, integrated with an extensive knowledge exchange network. Activity in this area falls into three broad categories:

- i. identifying potential markets;
- ii. demonstrating the potential benefits of the products;
- iii. addressing concerns from stakeholders.

The results of this work show considerable benefit for farmers when they use digestate in the right way. The Government has ensured that the results and information from the project are made widely available through the knowledge transfer programme that accompanies the trial work. Further information on the DCAgri project is available at <http://www.wrap.org.uk/content/digestate-compost-agriculture>.

3 WRAP's 'Animal Feed Guidance' is available at http://www.wrap.org.uk/sites/files/wrap/Animal_feed_info_sheet.pdf.

The Government is also pushing innovation in this area by looking at options for digestate enhancement and will maintain a watching brief on emerging issues to support robust markets for digestate.

14. The Government should encourage the use of heat outputs from incinerators for local district heating for buildings and/or for industrial processes to gain maximum efficiencies from incineration processes. Defra should explore the barriers to using heat recovery and collaborate with DECC and DCLG to ensure that Government policies, planning permissions, permits and incentives are all aligned to enable higher efficiencies for incineration plants. (Paragraph 76)

The Government fully support the use of heat outputs from incinerators to gain maximum efficiencies from incineration processes. The Energy from Waste Guide⁴ makes it clear that incinerators should look to utilising the heat in addition to the electricity they generate in order to maximise the benefits of energy generation in the longer term.

In 2013, Ministers held roundtable meetings with the industry and local authority representatives to identify opportunities and barriers to the development of energy from waste. A number of barriers to the greater uptake of heat were identified. The Department for Energy and Climate Change (DECC) is taking the lead on addressing these barriers. In particular, DECC's Heat Network Delivery Unit is providing practical and financial support to several local authorities whose heat network plans involve the use of heat from Energy from Waste plants. In addition, DECC is working with stakeholders on clarifying the support regime available for energy from waste plants under electricity market reforms and the Renewable Heat Incentive.

15. We urge Defra to ensure that waste sent to energy-from-waste plants such as incinerators is only genuinely residual waste. We ask Defra to assess whether the use of gate fees is sufficient to achieve this aim and to confirm whether additional interventions, such as regulatory requirements to remove dry recyclables or higher gate fees have been fully considered. (Paragraph 83)

Gate fees are one of the mechanisms used to ensure that only genuinely residual waste is sent to energy from waste plants. As stated in response to previous recommendations, we are committed to working with WRAP and the Local Authorities to increase recycling, meet the 2020 household waste recycling target and prevent recyclable material from entering the residual waste stream.

16. We expect Defra and DCLG to take action to address the frequent occurrence of fires at waste management sites and to support the development of the fire code of practice by the Chief Fire Officers' Association. Defra must ensure that additional resources are deployed in the best way possible to monitor and enforce the conditions of the requisite permits. (Paragraph 89)

4 Energy from Waste Guide is available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284612/pb14130-energy-waste-201402.pdf

Evidence suggests the number of fires at waste management sites has not increased. There is some evidence that the severity of some waste fires is linked to poor performance by a small percentage of operators. Addressing fires at waste sites is a pressing priority for Ministers. Government has called for speedier and tougher enforcement action by the Environment Agency to address waste crime and poorly performing waste sites and the risks posed by stockpiled wastes and recurring fires at waste management sites. A series of proposals designed to prevent and tackle waste crime and poor management were published in a letter from Dan Rogerson to key waste industry stakeholders, dated 1st September. Defra and the EA have set up a joint Waste Crime Action Plan project team to agree and oversee delivery of the actions outlined in the ministerial letter. Many of these measures are already underway through increased Environment Agency enforcement. Defra is currently evaluating the case for a number of regulatory changes that will widen the scope of existing Environment Agency enforcement powers.

The Environment Agency has started to increase its regulatory compliance and enforcement activity, particularly at high risk waste fire sites. In September the EA identified 76 of these sites and they have since taken action to reduce the risk of fire at these sites. 69 sites (85.5%) of these sites are subject to current enforcement action. As far as possible the increased costs of this compliance monitoring should be met by the operators of poorly performing sites and the Environment Agency is currently consulting on changes to its charging regime to reflect this.

The Government welcomes and supports the industry working together with Chief Fire Officers' Association (CFOA) and the Environment Agency to develop detailed fire safety guidance for operators to help them reduce the incidence and impact of fires on these sites. The Waste Industry Safety & Health (WISH) group recently published best practice guidance and the Environment Agency has its own technical guidance notes on preventing waste fires.

There may also be a case for the relevant waste planning authority to put local arrangements in place for consulting with local Fire & Rescue Services at the planning stage. This could optimise the location and fire prevention measures for new waste management sites.