



Housing, Communities and Local Government Committee

House of Commons, London SW1A 0AA

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Rishi Sunak MP
Parliamentary Under Secretary of State (Minister for Local Government)
Ministry of Housing, Communities and Local Government
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16 July 2019

Dear Rishi,

Waste Strategy: Implications for local authorities

Thank you for providing helpful evidence to the Committee during our final public session into the Waste Strategy and its implications for local authorities. We would be grateful if you could also pass on our thanks to the Minister for the Environment, Thérèse Coffey.

At the end of the session, Minister Coffey told us that the Government expected to publish its responses to the four Waste Strategy consultations in the very near future. She explained that it would therefore be helpful for the Committee to publish its conclusions and recommendations quickly, so they could be taken into account in advance of the publication of the Government's consultation responses.

This letter, therefore, sets out the Committee's interim conclusions and recommendations following our four-month inquiry. We are sending these to you now, so they can be fully considered in advance of the publication of the Government's consultation responses.

We will, of course, also publish a full report later in the year. This will set out the evidence we heard in public evidence from academics and experts, waste management companies, local authority officials and political representatives, as well as in the written submissions that we received. Our final report is also likely to make further recommendations to the Government in the light of those consultation responses.

CONSISTENCY OF SERVICES

Consultation within Government and with local authorities

1. The Committee is concerned by reports from local authority representatives that they were not sufficiently consulted in advance of the publication of the Government's Waste Strategy, particularly around the achievability of recycling targets, financial implications and the desirability of the proposed changes to waste management services.
2. *Government departments should establish better processes for consultation with local authority representatives prior to the announcement of policy proposals which directly affect them. It is also important to ensure that, prior to the publication of new Government consultations, policy proposals have the full support of all the departments to which they are relevant.*

Principle of choice and flexibility for local authorities

3. The Committee agrees that it is important to improve recycling rates in England and believes that it is right that the Government has set ambitious targets. It is also clear that, to achieve higher recycling rates, there needs to be greater consistency in what is collected by local

authorities. However, there is an important distinction between what is collected and how it is collected. At times, the Government's Waste Strategy seeks to dictate from the centre that which would be better determined by local decision makers. We believe that local authorities should retain as much flexibility as possible to determine the most effective waste collection strategies for their communities.

4. While we have focused on the Government's proposals in respect of the collection of waste, the most effective strategy is to prevent waste in the first place. The Government is right to make the prevention of waste one of its five strategic principles within the overall Waste Strategy.
5. It is important to reflect that, as the EPR scheme reduces the amount of recyclable waste in the system, the overall percentage rate of recycling may decline. There will, therefore, need to be innovation in the sector to ensure that even more materials are able to be recycled.
6. There is too much unrecyclable plastic currently in use and we believe that the Government should mandate the use of recyclable plastics where alternatives are available. Local authorities should also be required to provide facilities for the collection and disposal of recyclable plastics. Further, the Government should commission research into alternatives to plastic packaging materials which currently cannot be recycled.

Dry Recyclables

7. The Government is right to propose to retain flexibility for local authorities in how dry recyclables will be collected. Local authorities will not want to ask their residents to store six separate bins outside their homes, particularly in urban areas where space is likely to be more limited. Even four receptacles – the minimum the Government is proposing – will be challenging in many circumstances.

Weekly food waste collections

8. We do not feel that the Government has made a strong case for the implementation of weekly food waste collections. Our view is that the existing system, where waste collection processes are determined locally by people who know their areas best, and very few local authorities currently have weekly food waste collections, works perfectly well. There is also likely to be a very significant cost associated with the implementation of this proposal and local authorities have expressed concerns around funding for this service.

Fortnightly residual waste collections

9. The Government is wrong to insist that local authorities collect residual waste at least every two-weeks. It should be for local decision makers, who are accountable to their communities through the ballot box, to determine the frequency of residual waste collections in their areas. The Government should not dictate from the centre that which is better determined at the local level. We are also persuaded of the potential benefits to recycling rates of less frequent residual waste collections.

Free garden waste collections

10. The Government should not require local authorities to implement a free garden waste collection service. The current system, where most local authorities provide a chargeable service to households that want it, works perfectly well. While a free service might improve the Government's recycling statistics, the environmental benefits are less clear. This is another area in which the Government should not seek to dictate from the centre.

Deposit Return Scheme

11. The Government should defer the implementation of a Deposit Return Scheme (DRS) for the time being. Local authorities have expressed concerns about the financial implications arising from a DRS and the Government should not add further complexity and uncertainty into the system, given the significant changes it is already proposing.

FINANCIAL IMPLICATIONS

Extended Producer Responsibility

12. The Committee welcomes the Government's proposal to implement an Extended Producer Responsibility (EPR) scheme. It is right that producers bear a greater responsibility for the disposal of the materials they introduce into the system.
13. However, it is important that the EPR scheme provides a reliable, long-term source of funding for council services. There is a risk that the scheme could become a victim of its own success, with funding to councils reducing over time as producers improve the quality of the materials in their packaging.
14. *We recommend, therefore, that the Government commits to undertaking a review of funding levels at least every two years, providing top-up funding to local authorities if this becomes necessary. The process by which EPR funding will be passed on to local authorities requires greater clarity, but must be transparent and fair.*

Funding for new services

15. While the Government has been clear that local authorities will receive additional resource to meet any new net costs arising from the policies it has proposed, including both up-front transition costs and ongoing operational costs, there is deep scepticism from local authorities that sufficient funding will be provided.
16. *The Government should invite the Local Government Association and other council representatives to review the data that informed their funding estimates, publish these and commit to providing any additional funding that is deemed to be required.*

Renegotiation of existing contracts

17. It is highly likely that some existing long-term contracts will need to be renegotiated if local authorities are going to implement the Government's Waste Strategy proposals. The need to renegotiate existing contracts is one of the main unknown costs of the new system that the Government is proposing. Councils are also concerned that they might need to pay over-the-odds for short-term contracts up until 2023, in the period before the implementation of the EPR scheme and the new services they will need to provide.
18. *Private sector contractors should commit to covering the cost of these contract amendments, but where this cannot be agreed, the Government should commit to cover, in full, any additional costs incurred by local authorities as a consequence of contract renegotiations arising from the Waste Strategy.*

Need for new infrastructure

19. Recent media reports suggest that, even today, the country's recycling infrastructure is inadequate for our needs. So it is clear that there will need to be a very significant investment, potentially up to £20 billion, in new infrastructure to meet the Government's recycling ambitions. While this will be paid for through private sector investment, ultimately costs will be passed on to producers, consumers and local authorities.
20. *The Government should work closely with the industry to ensure that England has the right recycling infrastructure in the right places, and that this is provided at a reasonable cost. The Government should also commit to covering any costs arising from the need for new infrastructure, which end up being passed on to local authorities through more expensive contracts.*

FURTHER CONSIDERATIONS

Incineration

21. It is clear that many people are strongly opposed to incineration and want the Government to do more to discourage its use. However, we heard that Energy from Waste technologies are cleaner than some campaigners claim and, while the prevention of waste and recycling should

always be the highest priority, incineration does have a role to play within the Waste Hierarchy.

22. *The Committee does not believe that an incineration tax should be introduced in the short term, as this would simply increase costs for local authorities and council tax payers. However, the Government is right to keep an incineration tax under review, but only insofar as it will encourage local authorities to prioritise long-term investment in recycling infrastructure, and not lead to a transfer of waste from incineration to landfill.*

Two-tier authorities

23. The drive for greater consistency within the Waste Strategy provides an opportunity a fundamental review of how local authorities collect and dispose of waste.

24. *The Government should undertake a review of whether the existing models of delivery and governance for the management of waste in two-tier areas continue to be appropriate. The Government should include this in its programme of Waste Strategy consultations that are due to take place over the next 12 months.*

We thank you for your consideration of the Committee's interim conclusions and recommendations and will provide a more comprehensive report later in the year.

A handwritten signature in black ink, appearing to read 'Clive Betts', with a stylized flourish above the name.

Clive Betts MP
Chair, Housing, Communities and Local Government Committee

cc. Thérèse Coffey MP, Parliamentary Under Secretary of State for the Environment