

Response to Environmental Audit Committee

Executive Summary

LARAC welcomes the opportunity to provide further written evidence to the Environmental Audit Committee's inquiry into the contribution of Treasury policy towards meeting national and local waste and recycling targets.

LARAC is an association of around 75% of local authorities across England, Scotland, Wales and Northern Ireland. Members are waste management and recycling professionals who co-ordinate and operate waste management services. Membership is drawn from all types of authority including statutory Waste Collection (WCA), Waste Disposal (WDA) and Unitary Authorities.

Our response covers each of the three key questions in turn and aims to provide the committee with useful insight which represents the views of its members.

Response to the Call for Evidence

- 1. Has Treasury policy played a positive role towards meeting national and local Government targets on recycling and waste? Are DEFRA and HM Treasury policies coherent?**

Introduction of the landfill tax in 1996 has resulted in reductions of waste to landfill ¹ and helped to achieve greater levels of recycling. It has been a key policy driver for the waste and resources industry, and the annual escalator of £8 per tonne which was applied until 2014 has provided the fiscal means by which to bring about significant change.

The £250 million Weekly Collections Support Scheme which, in 2012, awarded 90 local authorities with funding to support weekly residual waste collections has not resulted in a wholesale shift towards weekly collections of residual waste. What it has achieved for some authorities however, is the delivery of weekly collections of food waste. Only 28% of bids received were for the introduction of food waste recycling collections². 20% were awarded funding. Had 100% of the money been used to support food waste recycling collections, the industry would have seen an increase in capture of this material which could have boosted recycling rates.

It is evident from work being undertaken in the devolved nations of Scotland and Wales that the availability of government funding is critical to drive forward wholesale changes in recycling levels. If we use the example of food waste, money was made available to Welsh Local Authorities specifically to support the implementation of separate food waste collections. Together

¹https://www.foe.co.uk/sites/default/files/downloads/effectiveness_landfill_tax.pdf

<https://www.nottingham.ac.uk/business/ICCSR/assets/researchpapers/qgbujheeodxs.PDF>

²https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15037/Weekly_Collection_Support_Scheme.pdf

with the introduction of key legislative powers, the result has been an increase in overall recycling rates.

2. What impact has Treasury policy had on the ability to finance recycling and waste projects over the course of the last Parliament?

Whilst the rationale behind the cessation of Waste Infrastructure Credits to fund large and complex waste projects was focused on the need to reduce public sector funding, projects that were mid-point in terms of procurement have undoubtedly been effected by the change. Mostly notably through project cessation or project delays of some kind.

In some areas of the country this will have had a knock on effect on the delivery of greater levels of recycling and waste reduction, particularly in the short term.

Furthermore, without clear policy direction and funding support to undertake significant change at the local authority level, the ability to achieve greater levels of recycling is questionable. Delivery of more efficient and effective waste treatment options is also more likely with clear policy direction to give the certainty needed for investment.

3. What impact is current Treasury policy likely to have on the achievement of national and local recycling and waste targets?

Without appropriate policy and fiscal drivers in place, the delivery of wholesale service changes to deliver national recycling targets will be very difficult. Scotland and Wales both have strategies in place to deliver greater levels of recycling with agreed targets of 70% by 2025. Alongside these ambitious plans also sits fiscal commitments by each Government to help local authorities achieve the changes needed to reach the targets. In Wales the Collaborative Change programme has seen a commitment of £11.5 million to help support local authorities. Similarly, Scotland has a number of funding streams available to support, develop or expand sorting, reuse / repair and reprocessing capacity for eligible waste materials, as well as £10 million to invest in infrastructure, innovation and capacity to support its drive towards becoming a zero waste society.

With Wales currently at 59%³ and Scotland seeing annual increases in recycling, it is evident that England's almost static rate of recycling would benefit from further policy direction and where needed, relevant funding. Furthermore, if we are to move towards a truly circular economy, current policy is unlikely to achieve the step changes needed.

³ <http://gov.wales/statistics-and-research/local-authority-municipal-waste-management/?lang=en>