

## 1. FELLOWS ENVIRONMENTAL NEWS UPDATE – 27<sup>TH</sup> JUNE 2012

### 1.1 Schemes

#### Social Housing Low Carbon Heating Competition

Last year, DECC's Renewable Heat Premium Payment (RHPP) for social housing landlords helped nearly 1,000 households stay warm using green heat. This year, Energy Minister Greg Baker has launched the second phase of the RHPP with a drastically increased budget of £10m for the competition. Registered providers of social housing can bid for up to £175,000 to install technologies such as biomass boilers, solar hot water panels and heat pumps with their bid to be evaluated by the Energy Savings Trust with regards to value-for-money, fuel replacement and energy-efficiency measures. [Applications](#) must be made by 4 July.

#### Waste Prevention Fund

WRAP has announced £1.5m of funding in the shape of the Waste Prevention Loan Fund for bidders to use for waste prevention, re-use or repair projects in the UK. Businesses, charities and LAs are permitted to bid for £100,000-£1m to set up business models where traditional sources of funding may not see the commercial sense. The Loan Fund was set up last year with a smaller pot of money for waste prevention projects but has been expanded to incorporate re-use and repair as well as allowing bids up to £50,000 for projects aiming to re-use or repair electricals, furniture or textiles.

### 1.2 Documents Released

#### Treasury Releases Landfill Clarification

Following the release of the Landfill Tax brief which has shocked the waste industry, the Treasury has released a second [clarification](#) to ensure total understanding of the regulations. The clarification states that:

- Material within the fluff layer falls under the scope of Landfill Tax so is chargeable at the full LF Tax rate unless it can be demonstrated as being listed in the Landfill Order (Qualifying Material) 2011 (SI 2011/1017). The Treasury do not expect this to be the case;
- Rocks and soils that are listed in the 2011 Order, and meet the stated conditions with relevant evidence, remain liable for the lower rate of £2.50/t LF Tax rate unless contaminated with asbestos, metal, wood, plastic or high levels of chemical contaminants, in which case they would be liable to the full LF Tax charge;
- Residual fines from waste transfer stations and recovery facilities are likely to be liable for the upper LF Tax charge due to their very nature being variable. If they can be proved to be listed within the 2011 Order, meet the stated conditions and have appropriate evidence, the lower rate will apply. However, instances where residuals are made entirely of materials falling into the 2011 Order list are expected to be rare but assuming the correct evidence is provided, will qualify for the lower rate.

By restating that if fines are correctly described on the WTN alongside evidence of compliance with the 2011 Order list of materials that qualify for the lower rate, The Landfill Tax Order merely promotes better monitoring and recording throughout the industry and increases the importance of efficient waste separation.

The ESA has reacted to this second guidance, stating that it is unclear how to prove if trommel fines are inert or not and who's responsibility it is to provide evidence regarding this issue in the first place.

#### European Commission Guidance on Waste Hierarchy

The Commission has released a guidance [document](#) to clarify the acceptability for Member States to allow waste management to deviate from the Waste Hierarchy, which requires waste authorities and businesses to follow the revised Waste framework Directive's 5-step order of waste management.



The Guidance has confirmed that, where Life Cycle Thinking shows a Hierarchy-deviating management of waste to have a lower overall environmental impact than a management strategy in line with the Hierarchy, the Hierarchy may be ignored for specific material streams.

The clarification document has been released to help Government's understand the terms of the Directive, especially the decision making process - LCT - to reduce the environmental impact of the management of waste where the Waste Hierarchy restricts reductions.

### MRF Code of Practice Consultation

August 2012 will see a consultation document published regarding Government's MRF code of Practice to drive quality recycling and help reduce the illegal export of waste. An Action Plan on Quality will also be developed for concurrent release, and this will contain measures on exports and ideas to make the PRN/PERN system fairer following debate over the fact that PERNs can include material recycled abroad whereas PRNs cannot. Rumours already appear to suggest that the MRF Code could wrap smaller facilities in red tape so it is sure to be addressed prior to final submission.

### Landfill Ban for Wood Consultation

Lord Taylor has confirmed that a consultation will be put out by the end of July regarding the issue of restricting the disposal of wood waste using landfill. The consultation is a commitment to the waste review of 2011 in a bid to increase the amounts of wood that re-used, recycled and sent for energy recovery.

### HSE for Recyclable "Totting" with Vehicle Assistance

The HSE [guidance](#) for manual removal of recyclable from the waste stream has been revised and updated to help reduce the risk of accidents in workplaces with vehicle movements, especially those with high pedestrian counts such as waste facilities with a manual workforce who work alongside machinery and vehicles when removing recyclables from the waste stream.

## 1.3 Waste and Recycling News

### European Commission Stance on Commingling

Following the long, legal debate between Defra and the Campaign for Real Recycling, the rWFD Guidance [Document](#) released by the European Commission has stated that commingled collections will be permitted as a form of separate collection for paper, metal, plastics and glass providing the quality of material is high once post-collection separation has occurred.

The clarification's release has come approximately one month before Defra and CRR are due back in court where Government's interpretation of the WFD is to undergo a Judicial Review. Defra still have the option to steer away from their initial position and enforce separate recycling-stream collections.

### Recycling Week 18-24<sup>th</sup> June 2012

This year's National Recycling Week will see local councils, retailers and businesses focus on the plight of the plastic bottle in a bid to increase the recycling rate to over 50% for the 15m plastic bottles used every day in the UK. A [website](#) has been launched with recycling information for everyday household items, recycling symbol explanations and easy steps to start recycling projects at work. A list of events related to recycling is also given which you can add you own recycling events to.

### Voluntary Hospitality Sector Recycling Agreement

Following the announcement by the Government in the Waste Review 2011 that a voluntary producer responsibility agreement could be put in place for the hospitality sector, WRAP has introduced the Hospitality and Food Service Agreement. Over 60 organisations have signed up to the agreement, committing to cut food waste and associated packaging by 5% by 2015 and increase the proportion of packaging sent to composting and recycling to 70%.

The agreement could see the sector save >£70million in the next few years by reducing landfill costs and expenditure on materials and production. Of the 15m tonnes of food waste sent to landfill each year, approximately half comes from households with the supply chain (covered by the Courtauld



Commitment) the next largest provider. The hospitality sector is the third largest contributor but this agreement is the first focus which has been put on it in order to reduce its impact on the environment.

### 5<sup>th</sup> PAS110 Digestate

The Langage AD facility in Devon has become the fifth plant to produce digestate which has qualified for PAS110 status. The 20,000tpa food waste plant produces digestate for nearby farmers to spread to land. The plant has previously received funding from WRAP to aid the uptake of anaerobic digestion.

### AD Gate-Fee Fall

The Gate Fees for food waste at AD and IVC plants has fallen dramatically over the past 12 months from approximately £50/t in 2011 to £35/t. The rising number of AD facilities nationwide is one of the main drivers with operators keen to keep gate fees as low as possible in order to win contracts against greater opposition. Additionally, with increasing experience and improving technology, larger facilities are being built which can perform more efficiently due to the economies of scale effect. This allows further reductions in the price that operators can afford to receive for waste.

Although more AD facilities are to be constructed, it is unlikely that gate fees will drop too much more because of a raise in food waste collections and AD partnerships as part of council contract solutions, the increase in demand will increasingly relate to capacity.

### New Skip Hire Trade Association

A new not-for-profit, limited company, called United Resources Operators Confederation (UROC) has been formed to represent the skip hire and transfer station industry. The formation comes in wake of the Landfill Tax regulations Brief as a result of the industry believing that trade associations (such as ESA) have not represented the industry adequately well in the past. A shadow committee has also been formed with the association being developed by Adjust Solicitors at present.

### Manchester Fly-Tipping Soars

Following the move to fortnightly black bin collections in Manchester one year ago, instances of illegally dumped rubbish immediately jumped by more than one-fifth and have remained at that level since. Around 2,000 cases of fly-tipping are being reported each month to sit alongside the council's rise in recycling rates brought about by the introduction of the collection services which forced a change from weekly to fortnightly residual waste collections in the first place. There are around 400 more instances of fly-tipping per month than prior to the collections change, and the number of phone calls to the town hall customer service regarding waste has doubled to nearly 60,000 in the year.

## 1.4 Energy News

### Deep-Geothermal Energy Could provide 20% UK Electricity

The UK's deep geothermal energy supplies could potentially provide the UK with as much as 20% of its electricity needs according to a report released by SKM. There is potential for 9.5GW of base load renewable energy, equivalent of 9 nuclear power stations, and 100GW of heat production. Hotspots exist in the Lake District, Cornwall, East Yorkshire, Weardale, Hampshire, N Ireland and Scotland.

The report has suggested Government raise the geothermal ROC banding to 5ROCs (from 2ROCs) to promote investment in UK geothermal on a level with elsewhere, along with increases for geothermal heat subsidies to 3p/kWh for CHP, 5p/kWh for hydrothermal direct heat and 7p/kWh for heat pumped hydrothermal. By investing £11mpa more for ROC support and £1.3mpa through RHI, the technology required to extract heat from 5,000m underground, that already exists, could become part of UK infrastructure.

### BIS National Wind Energy Database

BIS is to develop a database of every British company that could help create Round 3 Wind farms to ensure that Britain provides at least 50% of the equipment for the next generation wind farms. Marine South East (MSE) has already begun developing a database for their own requirements and have identified more than 600 companies in Sussex alone.



## Future Electricity Storage Shortfall

The Institution of Mechanical Engineers (IMechE) has warned that the UK is risking the success of the Renewable Sector by failing to provide enough support for electricity storage technologies. The UK currently has 2,800MW storage capability in the form of pumped hydro-electric storage but with plans for 31GW offshore wind to be installed in the coming decades, along with other technologies, the UK will require approximately 8,000MW electricity storage capacity by 2025. Supply will frequently exceed demand so electricity storage is required to act as a cheaper and cleaner alternative to expensive fossil fuel back-up stations.

## New Use for Green Waste

Coventry University are investigating the use of coarser grades of green and mixed waste in Sustainable Drainage (SUDs) devices. Currently, composts with particles greater than 25mm appear to have no obvious use but SUDs can be made to attenuate storm peaks and allow water to dissipate slowly in times of flood. The project is WRAP-funded to investigate the development of devices such as porous paving systems, grassed rooftops, constructed wetlands, vegetated barriers, or swales.

## Walney Wind Farm Fully Operational

The reputed largest offshore wind farm in the world has been announced by SSE as “fully operational”. Walney Wind Farm, with 102 turbines and a capacity of 367.2MW, now delivers around 1GW of electricity each day following its opening in February this year by Energy & Climate Change Secretary, Ed Davey.

## 1.5 Vehicle News

### Postponement of 3p Increase in Fuel Duty

The Treasury has delayed the scheduled 3p increase in fuel duty from August to January 2013. Whilst this is good news for the drivers of all vehicles, warnings are being given to fleet operators that the best way to cut fuel costs is to focus on a policy of fuel efficient vehicles rather than accept the short term reduction in fuel cost increase. An upward trend in fuel cost is still, as good as, guaranteed, so the production and purchase of electric vehicles and super-efficient cars must be accelerated as well as Government providing alternatives to driving such as improved public transport and cycling.

### Biofuel-Production Hampered by Debate

BP has claimed that protestors are damaging investments in biofuel production by opposing *all* fuel production and not accepting that some fuels are beneficial, can cut carbon emissions and are environmentally sustainable. Second-generation fuels, made primarily from waste and agricultural residues are being developed, following criticism that purpose-grown crop-manufactured biofuels may force up food prices, and are seen as crucial to decarbonise the transport industry. However, only two plants are being constructed in Europe with groups opposing all biofuel-production plant construction. The UK must meet a 10% renewable transport target by 2020, of which biofuel was initially predicted to generate a large proportion.

## 1.6 Other News

### Queen's Birthday Honours for the Waste Sector

Nina Sweet (WRAP) and Colin Drummond (Viridor Waste) have been awarded OBEs and John Galvin (Defra) has been awarded an MBE in the Queen's Birthday Honours List. Nina has become a key voice on the management of Organic Waste and Colin has been rewarded for his services to technology and innovation in the waste industry. John has been rewarded for his services to the environment following a thirty year career which recently included leading the review of exemptions from Environmental Permits in 2010.

British Empire Medals have been reintroduced into the Honours list for the first time since the 1990s and one has been awarded to Anthony Cleland (Veolia Environmental Services) for his work as a street sweeper after appreciation from his local community in Lambeth.

