

## 1. FELLOWS ENVIRONMENTAL NEWS UPDATE – 28 MAY 2013

### 1.1 Schemes

#### GIB Opens

Vince Cable, Business Secretary, has declared the Green Investment Bank plc open for business and has announced two new investments and emission cutting targets. The £3b funded institution will mobilise extra private capital to make a significant contribution to the development of a green economy. The first investment made by the Bank has been revealed as £8m to a project in North East England to generate waste from energy utilising an Anaerobic Digestion facility at Teesside. It is the first of six planned over the next five years in the largest single AD project in England.

#### Courtauld Commitment 3

The third phase of the voluntary waste reduction agreement for the grocery sector is set to be released 3 months after CC2 concluded, after a period of heated discussions between WRAP, retailers and suppliers. The aims of the Courtauld Commitment are to improve the resource efficiency and reduce the carbon and wider environmental impacts of the UK Grocery Sector. CC3 will run from 2013 until 2015.

Food waste is set to feature prominently, with a target to reduce household food and drink waste by 5% and supply chain waste by 3% by 2015. The recyclability of packaging is set to be targeted for the first time although, disappointing to many, the agreement will fall short of looking at the entire life cycle of products and their carbon impact because of the expected cost of measuring performance.

#### Increased Landfill Tax and the End of LATS

As of 1 April, the Landfill Tax rate rose to £72 per tonne, as the Landfill Allowance Trading Scheme came to an end. LT is set to rise to £80 in 2014 until 2020. LATS, the system used to reduce the amount of biodegradable municipal waste sent to landfill by councils came to an end following its introduction in 2005. The allowance related to the amount of BMW councils could send to Landfill, with quantities above or below the allowances available for trade with other councils. However, the escalating Landfill Tax overrode LATS as the key driver to reducing landfill usage. .

### 1.2 Documents Released

#### Annual Defra Recycling Results

Defra has announced its annual Local Authority waste performance results and has shown a 43% rate for recycling for England, a record high, albeit one that has risen at the lowest year-on-year increase for ten years. Household waste generation was 22.9million tonnes, continuing an annual fall seen since 2007/8, now accounting for 431kg of waste per person.

10.7m tonnes of waste was recycled, composted or re-used which, crucially, amounted to more than the amount sent to landfill for the first time since records began.

#### London 2012 – From Vision to Reality

The Commission for A Sustainable London 2012 released its in-depth review into whether the Olympic and Paralympic Games delivered its promised levels of sustainability. The post-games [report](#) concludes that the Games broadly delivered against its sustainability objectives and confirms that London 2012 delivered the most sustainable Games ever.

#### Northern Ireland Hits 2015 Targets

Having reached a recycling level of 39.7% for recycling household waste in 2011/12, Northern Ireland has hit its 2015 target early. A four-fold increase on the 2002 level of 10% was met for the 949,491 tonnes of Local Authority Collected waste, which itself was a 3.6% reduction from the previous year.



## Global Food: Waste Not Want Not

The Institution of Mechanical Engineers has called for urgent action to prevent 50% of all produced food ending up as waste as its recently published [report](#) has claimed. Issues such as inadequate infrastructure and storage facilities as well as overly strict sell-by dates, offers such as “BOGOF” and first world demand for cosmetically “perfect” food prevent food from reaching human consumption.

The report also found that roughly 30% of UK crops are not harvested due to failing the expected physical appearance standards and that 50% of food bought in Europe and the US is thrown away.

## Poor Recyclate Quality Costs

The Resource Association has released a [report](#) highlighting the cost issue to UK reprocessors and manufacturers resulting from poor and inconsistent quality of recyclate. The British Industry suffers to the scale of £51million per year due to a recent push for quantity rather than quality.

## Defra MRF Code of Practice

Lord de Mauley, Resources Management Minister, has revealed plans to improve the quality of paper, card, metals and glass recycling in a newly released code of practice for recycling facilities. The [Quality Action Plan](#) aims to halt the overlooking of quality of recyclable material and add to the £3b contributed by the recycling industry to the UK economy.

## Defra EfW Guide

Defra has released an Energy-from-Waste [debate guide](#) to help start discussions on the role of energy from waste in managing waste. The guide includes topics such as the Government’s priority aim to reduce the amount of waste produced and the waste hierarchy.

## 1.3 Waste and Recycling News

### Government Set to Review WRAP

Government has announced talks to undertake a review of WRAP, which is likely to determine the future of funding and the focus of the waste sector. This is in line with the government’s Spending Review which pledges to cut £651m from the budget by 2014/15. The talks will focus on WRAP providing value for money. The review has not started yet but will be announced nearer the time.

### Commingling Judicial Review Supports Defra

The long-awaited verdict of the waste collection Judicial Review has fallen in support of Defra and the Welsh Government, confirming that commingled collections meet the requirements stated in the revised Waste Framework Directive. This confirms that separate collections of paper, glass, plastics and paper from 2015 onwards is only necessary where necessary to ensure waste is properly recovered and where is it also technically, environmentally and economically practicable. Primary Claimant, Campaign for Real Recycling, is reportedly set to appeal the decision, alleging that commingled collections are unable to produce a high quality recyclate.

### New Body for Wales Announced

[Natural Resources Wales](#) has been announced as the new regulatory body to replace Environment Agency Wales, the Countryside Council for Wales and Forestry Commission Wales. The purpose of the organisation is to ensure that the natural resources of Wales are sustainably maintained, enhanced and used, now and in the future. As well helping businesses and developers to understand and consider environmental impacts when making important decisions as the sustainable-focus of their work, NRW will work for Wales’ economy and enable the country’s sustainable resources to support jobs and enterprise.

### Osborne Autumn Statement Disappoints Industry

George Osborne, Chancellor of the Exchequer, seemed to do little for the Green Economy with his Autumn Statement, largely ignoring the waste and resource industry which is seen by many as crucial to delivering a sustainable, low carbon future. He announced that PFI for financing public



infrastructure is to be replaced with a new model and also published the updated National Infrastructure Plan whilst revealing that the Government intends to issue a Hazardous Waste National Policy Statement in 2013 and publish a National Waste Management Plan.

### Scrap Metal Bill Receives Royal Assent

The Scrap Metal Dealers Bill has received Royal Assent and will come into implementation in October 2013. The bill outlaws the dealing in cash of scrap metal, operating without a license or breaching the license conditions without receiving substantial penalties. Offenders may now receive unlimited fines, imposed upon them by magistrates. Anyone selling scrap metals must provide identification, which must be recorded. Police will be able to close unlicensed premises through the Courts and a national register of all British scrap metal dealers will be established.

### Government Saves £50m with Waste Reductions

An environmental waste reduction at Whitehall has led to Government saving £50m through a 5% reduction in waste arisings as five out of twenty-one departments met 2015 targets to cut arisings by 25% early. Innovations in Waste Management include trials to dispose of counterfeit goods and prison waste across the country. Owen Paterson, Secretary of State for Defra announced "our £50m saving is proof to all UK businesses that protecting the environment can also lead to increased profits."

### Waste Prevention Programme to be Announced

Defra has announced it will publish England's first Waste Prevention Programme and has issued a Call For Evidence. The programme will be a priority of Defra's, aiming to support growth and help householders, local authorities and businesses save money by reducing and preventing waste. The Programme is expected to prioritise areas for waste prevention and re-use activity such as food, textiles, paper and card, electronic equipment, construction, demolition, furniture and other bulky items as well as the chemical and healthcare sectors.

### Change to Waste Facility Permitting

Waste management facilities will no longer have to wait until they have been granted planning permission before they can apply for environmental permits under Defra's proposed alterations to the permitting regulations, put out for consultation. The suggested change has been made to speed up the permitting process with an estimated 10% of all permitting applications experiencing delays brought about by waiting for planning application granting.

### No Landfill Ban for Wood

Defra has announced that it does not believe now is the right time for a landfill ban to be imposed on wood. This follows the Call For Evidence issued by Defra in July 2012 on restricting wood waste to landfill. This set out Government understanding and welcomed views on management of wood waste and measures to divert it from landfill disposal. Defra concluded following the publish of its findings that wood waste to landfill is expected to fall without Government intervention at this time.

### EU Concern at Plastic Waste

European Commissioner for the Environment, Janez Potocnik, has expressed concern at the growing amounts of plastic waste being produced in European countries. He announced that the first step to a Zero Waste Europe could be to control and reduce the amount of plastic waste sent to landfill. Europe is still producing increasing amounts of plastic waste and to remedy the issue, Janez revealed plans to open a Green Paper on a European strategy on plastic waste in the environment.

### £1b Wasted on Landfill Tax

Research undertaken by Veolia has revealed that Small to Medium sized Enterprises are set to throw away £463m in Landfill Tax this year by sending waste to landfill when they could be saving money by recycling and becoming more sustainable. After a further increase in Landfill Tax on 1 April this year, businesses are set to lose approximately £1b in the next two year period. Chief Executive Officer of Veolia, Estelle Brachlianoff commented "Businesses need to realise that it's not just an environmental decision, it's an economic one with immediate benefits to the bottom line".



## Waste Metal Landfill ban

The Environment Agency and Defra have announced a landmark decision which could stop valuable materials being sent to landfill. The two organisations have confirmed that leftover non-recyclable material from recycled cars can be recovered as energy rather than having to be landfilled.

## Aggression to Refuse Collectors

BBC's The One Show reported on the increased aggression shown towards refuse and recycling collection crews with roughly 110 violent assaults against ESA members' staff occurring every year.

## 1.4 Energy News

### Fracking Ban Lifted

Britain's Government lifted the ban it had imposed on Hydraulic Fracturing – Fracking – allowing companies to continue with the exploration of shale gas reserves. The ban had been imposed following two small earthquakes in 2012 in Lancashire where Cuadrilla Services were searching for shale gas. The process involves pumping a combination of water, sand and friction-reducing solutions deep underground to fracture shale formations and release natural gas. The process has great potential, especially in the US, for providing cheap energy but provides a risk of chemical seeping into ground water supplies, although the protests that brought about the temporary ban in the UK were mainly aimed at the seismic risks brought about by the process. As a remedial measure, the lifting of the ban is accompanied with the issue for seismic surveys to be performed prior to exploratory works, and the continual monitoring of seismic activity before, during and after industrial works as well as drawing up a plan to show how seismic risks will be managed.

### Energy Bill Details Revealed

The long-awaited Energy Bill was revealed to general positivity from business and industry despite the lack of 2030 decarbonisation target. Ed Davey stated that energy efficiency measures will be placed "front and centre" whilst confirming that new coal plants would only be built with Carbon Capture & Storage (CCS). Gas has been confirmed as a "vital" part of the UK's energy mix but will be used within a setting of full protection for the environment.

The Bill has been received well as it is expected to increase the investor confidence in the industry and since its initial release, the introduction of a decarbonisation target as early as 2014 has been announced which would further increase the confidence of potential investors in the industry.

Following a slow progression and long wait for the Draft Bill, the Bill could be introduced sooner than initially thought after the commencement of the Report Stage was brought forward to the first week in June. The Bill could pass through Government by the end of the summer.

### Defra Pulls PFI Funding

Government has pulled the plug on the three remaining Energy-from-Waste projects still under procurement. The three contracts now under jeopardy are the Bradford and Calderdale deal which was expected to be signed with Pennine Resource Recovery in early summer, the £1.4b North Yorkshire waste recovery plant at the Allerton Waste Recovery Park, and the Merseyside Recycling and Waste Authority EfW facilities.

### Scottish Independence Uncertainty for Renewables

Ed Davey, Energy & Climate Change Secretary, has suggested the rest of the UK would not be willing to subsidise Scottish Renewables if the country gains independence. Figures show that out of £29b invested in UK Renewables, £13.1b of the money went to Scotland, creating >9,000 jobs. 37% of the Renewables Obligation support currently is given to Scotland although only 9% of UK electricity sales originate in the want-away country. There is doubt whether an independent Scotland could support its own industry but Davey confirmed that England, Wales and Northern Ireland would be unlikely to help out. The break-away is likened to that of the UK leaving the EU and reducing its levels of security and prosperity.

