re3 Partnership

Draft responses for three current consultations are included in this document. They are as follows:

1. “DIY” Charging
2. Booking Systems
3. UK Emissions Trading System

Draft partnership responses:

1.

‘Technical consultation on preventing charges to householders for the disposal of “DIY” waste at household waste recycling centres’.

This briefing note incorporates detail on the justification for the proposal, from the Department for the Environment Rural Affairs (DEFRA) and the Department for Levelling Up Housing and Communities (DLUCH), to prevent the levying of charges for some currently non-household and discretionary types of waste.

The re3 councils currently levy such a charge, to cover the treatment cost only of wastes such as soil, rubble, sinks and toilets. If the proposal results in a change to the Controlled Waste Regulations 2012 (to bring the relevant legislation in line with a stated Government aspiration), the re3 councils would be worse-off by c£170,000 per annum. DLUHC has stated that no normal ‘Net Burdens’ payment will be considered for this proposed change.

DEFRA and DLUHC explain their proposal as follows:

To clarify in legislation when construction waste should be treated as DIY waste and should therefore be classified as household waste. We have set out in Appendix A the types of waste materials that might be included in DIY waste, however, this is a non-exhaustive list.

We consider DIY activities to include any construction work, such as building, decorating, or repairing activities, carried out by householders by themselves in their own homes. This would not include, for example, a whole house renovation, or any work done by a tradesperson, but it might include the householder tiling a kitchen, plumbing in a sink, plastering a room, building and installing shelving, building a raised bed for a garden etc.

The Government’s policy is clear that householders should not be charged to dispose of DIY waste at HWRCs. We propose that construction waste should be considered DIY

Waste and classified as household waste in the 2012 Regulations when it meets certain criteria. We propose that these criteria are:

- *The construction waste is produced by householders whilst carrying out construction works themselves at their home. Construction is defined in the 2012 Regulations as including improvement, repair or alteration.*
- *The construction waste is not produced as a result of commercial activities or by a commercial contractor charging for work in a domestic premises.*
- *The construction waste is of a volume, which is no greater than 300L (based on the approximate boot size of a family car).*
- *The construction waste is not produced on a regular basis requiring HWRC visits more frequently than once a week.*

The proposed criteria are intended to allow householders to deposit DIY waste for free (as it should be treated as household waste) but for local authorities to still be able to charge for other construction waste, which is classified as industrial waste. For example, if a householder brought more than 300L of construction waste to the HWRC or brought 300L of construction waste to the HWRC on a regular basis, it would not be DIY waste and could be charged for. Equally, if a tradesperson brought any amount of construction waste, it would still be industrial waste.

The consultation then asks a short series of questions about the proposal. They are copied below and, in each case, are accompanied by a proposed re3 response, in blue type.

6. Do you agree or disagree with these technical principles when the Government amends the 2012 regulations?

We disagree with the technical principles. The new criteria for “DIY” waste are not sufficiently well defined, are individually and collectively problematic and impractical to apply.

7. Given the Government's stated policy, do you agree or disagree with these tests on whether construction waste should be treated as DIY waste and classified as household waste, and should not be charged for when disposed of at a HWRC, when:

	Agree (include)	Disagree (exclude)
The waste is produced by householders whilst carrying out small-scale construction or demolition works at their home		We think this should be excluded because this condition is impractical to assess and our charging system is already fair and works well. See responses (1-3) to Q8 below.
The waste does not arise from activities that generate an income for		We think this should be excluded because this

the person who carried them out		condition is impractical to assess and our existing charging system is fair and works well. See response (4) to Q8 below.
The waste is not produced on a regular basis requiring HWRC visits more frequently than once a week		We think this should be excluded because this condition is impractical to measure and via our charging system there is no need to limit visits to once per week. See response (5) to Q8 below.
The volume of waste is no greater than 300L (based on the approximate boot size of a family car)		We think this should be excluded because this condition has potential to encourage residents to overload their vehicles. See response (6) to Q8 below.

8. If you have disagreed with the inclusion of any of the above criteria, please state why, indicating which part of the criteria you are referring to in your response.

The criteria for "DIY" waste are individually and collectively problematic, and impractical to apply, for the following reasons:

(1) There is no need to make this change to the 2012 Controlled Waste Regulations. Where the levy of a charge for some types of non-household waste is currently made at a re3 HWRC, it is legitimate and reasonable. As the consultation recognises, construction waste is defined in the 2012 Controlled Waste Regulations as including 'improvement, repair or alteration'.

References, within supporting documentation, to the Local Government (Prohibition of Charges at Household Waste Recycling Centres) (England) Order 2015 are erroneous. The Order was a response to the potential for 'discretionary' HWRCs and the potential for a charge to be levied upon access (not related to waste type). It was specifically not designed to address charging for non-household waste and the original DCLG discussion paper (January 2015) illustrates this point at paragraphs 2 and 5.

(2) Where a charge is currently levied by the re3 partnership, it asks the beneficiary of the works to pay for the waste they, or tradespeople on their behalf, have generated. The re3 charges are non-profit making and cover only the costs of treating the waste. In contrast, the proposal made by DEFRA and DLUHC would burden all taxpayers

with the (aggregated) costs of the waste from those residents who can afford to make improvements, repairs or alterations.

(3) Sensible and reasonable controls on the ingress of waste, from improvements, repairs or alterations, are a necessity, to control costs. The purpose of controlling costs is to preserve the sustainable delivery of the suite of essential services, currently offered by councils to local residents. The proposals, made by DEFRA and DLUHC, remove and deny some sensible and reasonable controls, and will likely increase the amount of waste deposited at HWRCs (to the financial detriment of councils and private waste contractors).

(4) Total amounts of waste received will likely increase because the proposal will clearly encourage tradespeople, Landlords and private businesses to seek to circumvent the new conditions. Even where waste has been generated as a result of commercial activities, it will be possible to present it as household waste without a practical basis for HWRC staff to query and/or prevent its acceptance. This will render uncontrollable a class of wastes which fall under the Controlled Waste Regulations.

(5) Assessment of how many times each week a resident, or representative of a commercial organisation masquerading as a resident, has deposited "DIY" waste at an HWRC will be costly and/or impractical. Nevertheless, councils will inevitably need to seek a means to apply that condition, or face potentially unaffordable increases in costs. Current conditions at re3 HWRC sites are more reasonable to residents and don't require a weekly limit on access in that way.

(6) There is a good chance that the conditions, as drafted, could encourage breaches of safe driving conditions and/or drivers being punished for overloading their vehicle.

The proposal is making a judgement on the basis of volume without apparently giving sufficient consideration to mass. This is important because, by its nature, so-called "DIY" waste is often heavy. The following simple example explains why:

The proposal specifies a limit for "DIY" waste of 300 litres ($0.3M^3$)

$0.3M^3$ of topsoil (moist) weighs c0.43t (430kg)

The permissible payload of a 2018 Ford Focus is 375kg

It is important to recognise that the permitted payload of a vehicle includes the driver and any passengers (at c60-80kg per person). Based on the above example, an average-sized vehicle, with a driver and a single passenger, may be at risk of exceeding the permissible payload (Gross Vehicle Weight (GVW)) of their car with even 50% of the proposed 300 litres of waste.

Vehicle roadworthiness will remain the responsibility of each driver, and/or employer. However, the proposals put forward by DEFRA and DLUHC will encourage residents to maximise what they can deliver to the HWRC. They will do so, to avoid any inconvenience from the condition which limits visits to 'more frequently than once a week', or simply because the definition mentions a limit of up to 300 litres as a guide to what residents should be entitled.

> Regardless of the likelihood of overloading, or the specific quantifiable characteristics of different waste types and vehicles, this specific approach to defining "DIY" waste appears to have been given insufficient consideration.

9. Do you have any other views on the technical circumstances in which construction waste should be considered DIY waste and classified as household waste?

The technical circumstances of the proposed change impact on the materiality of the proposal to both local government and residents (as recipients of a suite of essential services that are delivered by local government). Accordingly, it is an oversight that neither DEFRA nor DLUHC have explained the financial and economic impact of the proposed change in legislation (alongside other factors). In neither case has a justification, with evidence, been made.

The Controlled Waste Regulations 2012 appear to have worked well. The definitions have demonstrably supported the technical control of waste, through a time of great change. In combination with other proposed changes in legislation (such as anticipated Secondary Legislation in support of the Environment Act 2021 and that related to plans for a UK Emissions Trading System (ETS)), significant and repercussive financial and technical impacts can be anticipated. The individual and net impact of these combined changes do not appear to have been quantified. The impacts will certainly challenge the financial sustainability of local government waste services (and impact upon local government as a whole).

In that context, we predict that the choice of DLUHC to waive the New Burdens Doctrine (NBD) will prove particularly harmful for local government. The DLUHC justification for waiving NBD is wholly insufficient and is accompanied by no evidence. The current sum of payments by re3 residents for chargeable non-household waste, is c£170,000pa. DLUHC must recognise both the loss of that contribution to existing costs and the inevitable rise in costs, as more waste is attracted to HWRCs that can no longer apply effective agency over the ingress of commercial waste.

We would also refer you to the response statement of the LGA, to this consultation. It says:

> Responding to the Government's announcement on a consultation on charges for DIY waste and recycling centre booking systems, Councillor David Renard, Environment spokesperson for the Local Government Association said:
>
> "Councils, as the primary managers of environmental services are best placed to decide what works best for their areas.
>
> "The disposal of non-household waste, such as DIY waste and tyres, is a non-statutory duty. As a result, some councils have had to introduce charges for this waste due to the rising costs of providing the service and the financial pressure they are under.
>
> "Money raised from charges goes back into services so councils can continue to offer disposal facilities for these materials to residents, who would otherwise find them difficult to get rid of and will ensure that the system is not abused by those seeking to dispose of trade waste for free.

> "To deal with pressures and ensure social distancing compliance during the pandemic, more councils introduced booking systems for recycling centres. Many have continued this practice as they have found it best suits the needs of their area.
>
> "Manufacturers can improve recycling rates and deter fly-tipping by providing more take-back services so people can hand in old furniture and mattresses when they buy new ones.
>
> "Our own polling shows eight out of 10 people are happy with the way their local council collects their rubbish."

As the statement points out, councils are best placed to determine the delivery of services to residents at a local level. This proposal removes such discretion.

If a new definition, to identify "DIY" waste must occur, these conditions should be adopted:

- DIY Waste should be properly defined, recognising characteristics which are technically applicable and allow for operational management.
- Councils should be entitled to continue charging for the new DIY waste category, but:
  i. Charges should be at cost only, and totally non-profit making.
  ii. Charges should be limited to a much smaller list of waste types than is listed within this consultation. For example: re3 HWRC Charges and Access.
  iii. Charges should not be levied against waste types that can, and should, be recycled. This would include wood, guttering, drainage pipes.
  iv. Charges should be levied on all waste listed at (ii) above.

Those conditions are reasonable and would support the practical operation of HWRC access systems, unlike the current proposal. They would moderate the impact from the inevitable ingress of trade waste (that the current proposal will only encourage). These proposals seek to protect council taxpayers in general from rising costs.

DEFRA and DLUHC should take account of the considerable delivery experience that exists within local government. Prior consultation with local authorities could have helped to avoid the impractical aspects of the current proposal.

2.

Draft Partnership response:

‘Call for evidence on booking systems at household waste recycling centres’.

This briefing note incorporates the questions, from the Department for the Environment Rural Affairs (DEFRA) and the Department for Levelling Up Housing and Communities (DLUCH), about booking systems for Household Waste Recycling Centres (HWRCs).

DEFRA and DLUHC explain their proposal as follows:

Government believes that it is important that local residents are able to dispose of their waste in a responsible and convenient manner. As we move away from restrictions caused by the pandemic, it is now important we move back to normality. There is increasing concern that in some cases booking systems are discouraging HWRC use, with a risk of both increased residual waste and fly-tipping as a result.

Our Resources and Waste Strategy (2018) commits to review HWRC guidance. The Environmental Protection Act 1990 requires Waste Disposal Authorities to provide HWRCs which are “available for the deposit of waste at all reasonable times”. This is potentially hard to reconcile with many booking systems, particularly those with a limited supply of appointments, or which seek to place additional burdens on local residents using them.

We are interested to understand the approach your authority intends to take in this respect, any rationale you have for maintaining the use of booking systems in place and any evidence you may have on the impacts on recycling levels in your area. We plan to review the number of booking systems which remain in place later in the year.

The consultation then asks a short series of questions about the proposal. They are copied below and, in each case, are accompanied by a proposed re3 response, in blue type.

11. Do you currently have a HWRC booking system in place?

Yes.

12. What type of booking system do you operate?

- Residents contact us to book a specific slot
- Residents use sites at certain times based on address, number plate etc.
- Other (please specify)

Other

The re3 partnership uses a booking system operated by Booking Lab. Residents are able to quickly and easily book a slot for their visit/s at either of our two HWRC sites. Same day

bookings are available. Information is shared with residents in advance of the booking and each booking can be cancelled if plans are changed.

13. Please outline the key reasons why you have a booking system in place

On March 23rd 2020, the day on which the first lockdown was announced, one of our sites had over 1500 visits (one new visitor every 20 seconds). Under those conditions, social distancing was impossible. The Booking system allowed us to moderate the flow of arrivals to support social distancing, meaning we could maximise the efficiency of the site throughout each day – rather than reaching saturation and/or gridlock at the busiest times.

Throughout 2020 and 2021, as guidance on social distancing (and other pandemic conditions) evolved, the booking system remained in place, to support service provision. At the same time, and particularly as social-distancing conditions were further released, it became increasingly apparent that there were wider benefits from the booking system.

Those benefits are as follows:

- Reduced queuing
- Improved conditions, on site, for users.
- Improved access to the waste facilities for council refuse freighters and other council users
- Reduced impact from queuing on neighbours of the two HWRCs
- Close to real-time assessment of patronage of the HWRCs, per council.

Alongside the benefits listed above, residents expressed their satisfaction with the booking system via annual User Satisfaction Surveys. 87% said they experienced shorter queues, 78% said it was easier to recycle and 94% of respondents said the booking system is easy to use. When asked, 9% of respondents said that it was hard to get a booking when they wanted one.

Comparing 2019/20 and 2021/22 there was a 34% reduction in visitors and only 13% reduction in waste. So, we feel confident that residents have made more efficient visits to the HWRC (and that perhaps some previous visits were not wholly necessary).

14. Please outline the key reasons why you do not have a booking system in place.

N/A

15. What are your future plans for the booking system?

- Retain indefinitely
- Retain until some point in 2022
- Unsure
- In the process of removing
- Will remove by a certain date
- Other (please specify)

Other

The re3 partnership has not yet decided on the future of the Booking System.

16. Please outline any evidence you have on the impacts of booking systems on recycling levels in your area

2019/20 HWRC Recycling Rate 73%
2021/22 HWRC Recycling Rate 71%

17. Please outline what other restrictions, if any, you impose on residents bringing waste to your HWRC? For example, limits on size, or on vehicles type can use.

Vehicles over 3.5t GVW are not allowed.

18. Do you use measures such as ANPR or similar approaches at your HWRCs?

No. We specifically do not use ANPR because the data it captures is not purposeful.

3.

Draft Partnership response:

‘Reducing emissions from waste – a call for evidence on expanding the UK ETS to include waste incineration and energy from waste’.

This briefing note incorporates the questions, from the Department for Business Energy and Industrial Strategy (BEIS), about the introduction of an emissions trading system (ETS) for the UK. The Government wishes to align its ETS, with its plans for net zero by 2050 and to ensure continuing progress as the UK replaces the European Union ETS.

The entire policy package for ETS covers areas such as trading in unallocated allowances, market stability, policies relating to the aviation and maritime sectors. This note, and the draft re3 response, relates to the proposal to include the combustion, for energy generation, of fossil-fuel based waste. It will consider only the questions that are specifically relevant to the waste sector.

BEIS introduce this section of the consultation as follows:

Why we are exploring expanding the UK ETS to cover emissions from waste incineration and EfW In their recently published progress report, the CCC stressed that Government needs to “address with urgency the rising emissions from, and use of, Energy from Waste”. The report recommended that Government consult in 2022 on the introduction of a carbon tax (either as part of the UK ETS or a separate instrument) aimed at curbing rising emissions from EfW.113 This call for evidence seeks to understand how the UK ETS could be expanded to cover waste incineration and EfW. The UK ETS may help raise the efficiency of conventional EfW plants by incentivising more plants to supply heat (i.e. heat offtake), or by potentially encouraging residual waste to be recovered in a way which lowers overall carbon emissions, such as chemical recycling.

The consultation then asks a series of questions about the proposal. They are copied below and, in each case, are accompanied by a proposed re3 response.

126) Do you agree that the UK ETS should be expanded to include waste incineration and EfW? (Y/N) Please outline your reasoning, including alternative options for decarbonisation of the sector outside of the UK ETS.

No.

Other plans must be in place before EFW could reasonably be added to a UK ETS.

Up to 90% of users of EfW plants in the UK are local government (or local government contractors). This proposal is accompanied by no firm plans to increase the capacity for the recycling of what is termed in the consultation, ‘fossil waste’. Without significant increases in processing and recycling capacity for materials such as plastics (that are produced using high carbon content materials), there may be insufficient alternatives, other than to continue

sending ‘fossil waste’ to EfW or landfill. In the absence of alternative (and far preferable) treatments, local government will be unable to avoid the proposed carbon price levy.

Those conditions will most likely apply to plastics in general, if as Government anticipates, measures introduced through the Environment Act 2021, increase the capture of high-quality plastics. But it will also be a problem for the lower value plastics that councils will be obligated to collect, and which also have a high fossil-fuel-based content.

Significant uncertainties remain, about whether there will be UK, or near continent, recycling capacity and sustainable markets for plastic films and other fossil-fuel based packaging.

As this measure is apparently directed at encouraging reductions in emitted carbon dioxide, alternatives to EFW must be available. Without sufficient recycling capacity, customers of EFW services will effectively be unable to avoid the levy. If those conditions transpire, the levy will effectively represent a tax only.

We understand the carbon price levy will amount to >£31.00p/t* or, for the re3 councils, equivalent to an additional cost of >£2.17mpa.

Until a more coherent, whole system and cross-Departmental, approach to waste management is in place, BEIS should not consider the introduction of a levy, which has the impact of another tax.

* WRAP estimates (2017) fossil component of residual waste is 47.97%, equivalent to 0.447t/t of CO2 emissions. At the current traded price for carbon of £69.37 p/t of CO2, an estimate for the carbon price levy, discussed herein, would be c£31.00

127) Do you agree that all types of waste incinerators should be included in the UK ETS? (Y/N) If you believe certain incineration activities should be exempt, e.g. incineration of hazardous or certain healthcare waste, please provide details and specify which waste stream.

No.

Incinerators that combust household waste should be exempt until sufficient treatment options exist for the ‘fossil waste’ portion to be treated.

128) Do you believe ATT should be included in the UK ETS? (Y/N) What challenges could arise as a result of including ATT, if any, that are different to conventional waste incineration plants?

Yes.

129) Do you agree that the point of MRV obligation for the UK ETS should be placed on the operators of waste incinerators and EfW plants? (Y/N) Please outline your reasoning in as much detail as possible and provide evidence to support your views.

Monitoring, reporting and verification (MRV) of emissions, should be undertaken where it is most practical to do so. Since the point of the proposal is to measure the emissions from an

EFW plant, it would seem most likely that the operators of the plants (whose emissions are already monitored) should be held responsible.

130) If the point of MRV obligation is placed on operators of waste plants, should waste companies/operators or customers (either LAs or commercial and industrial customers) be responsible for meeting compliance obligations? (Y/N) Please outline your reasoning in as much detail as possible and provide evidence to support your views.

Responsibility for compliance obligations will likely be a matter for each individual, commercial contract. Given the specific, and sector-specific, nature of the changes proposed, it is likely that they will represent a Qualifying Change In Law. Whether MRV costs (assuming that is what is meant by 'compliance obligations') could be passed to a client, will need to be determined on a contract-to-contract basis.

131) Do you believe that the Small and Ultra Small Emitter schemes that are currently available to eligible UK ETS participants should also be available to waste incinerators and EfW plants? (Y/N) Please provide details including, where relevant, whether your organisation is likely to be eligible for these schemes based on current rules.

Yes.

132) Which MRV proposal do you believe should be implemented to determine the UK ETS obligation for waste incinerators and EfW plants?

i) If Option A, please provide your views on which methods could be used, along with any information on the practicality of their implementation and likely costs.
ii) If Option B, please provide your views on how these emissions factors should be calculated, along with any information on the practicality of implementation and likely costs.

In your answer, please outline how frequently fossil emissions should be monitored under both options and consider whether there are other suitable MRV options that we have not identified.

Option A would seem to be the most effective method – not least for the reasons given in the consultation document, and specifically:

- That the heterogeneity of waste may vary significantly between plants, and thus plant by plant measurement would likely be more accurate as a means of reflecting emissions for the purposes of a carbon price levy and encouraging specific and targeted steps to reduce emissions.
- To best support behaviour change, sampling should be of emissions rather than waste inputs. That will recognise the relative efficiency of each plant (and its inputs) whereas a composition-based form of assessment would not reflect the plant itself.
- That radiocarbon measurement has been in use for similar sampling for a long period of time and is supported by an ISO standard.

MRV should be scheduled to an extent that balances the needs of stakeholders with the practical steps required to capture an accurate sample.

In some similar situations, a schedule for sampling is established, for example at six-monthly intervals, but an additional opportunity to commission a further sample is available to each party (at their cost) if they feel that a scheduled sample was not accurate. Such a facility may not be needed in the case of radiocarbon measurement, which one would assume is accurate and objective.

133) Do you believe that one of the MRV options proposed is more likely to lead to perverse incentives (e.g. more waste diverted to landfill) or to unintended consequences as a result of applying the UK ETS to waste incineration and EfW? Please consider different scenarios and provide evidence to support your views where possible.

The MRV proposals themselves are unlikely to prompt perverse incentives or unintended consequences. However, the wider proposal could do so. If the cost of the levy is too high, or there are no ways to sustainably avoid the levy (as discussed at 126, above) then there would be a case for considering alternatives to continued use of EFW to the same extent.

EFW is a destruction treatment, which is designed to unlock and capture the embodied energy within waste. The process can only be undertaken once. In contrast, the environmental impact from the landfilling of, for example, plastic packaging might be far less than from the burning of the same material. In theory, the controlled landfilling of sorted plastic may have very little impact on the environment and may allow the waste to be recovered at a later date.

From the perspective of individual councils, the concept of 'perverse incentives' may be different to that meant by BEIS. Local Government is under severe financial and funding pressure. If the application of a levy on EFW meant that landfill became the cheaper option, then the diversion of waste to landfill might not be perverse (in the context of overall financial outcomes and the sustainability of other services). To avoid the 'unintended consequence' of more waste going to landfill, BEIS should act now. Any measures which can help the ultimate recipients of the levy (principally local government) to avoid it, would be welcomed. Such measures (tapering from a very low level, support for the reprocessors of 'fossil waste', particularly plastic) would help to guard against the unintended consequences referred to in this consultation.

It is important to state that the re3 partnership has no intention of landfilling plastic. The re3 partnership has an excellent record of recycling a wide range of plastics within the UK.

134) Do you believe any additional greenhouse gases, other than CO2, that are emitted by EfW plants or incinerators, should be covered by the UK ETS? (Y/N) If so, please provide details on which gases and how it could work in practice.

N/A

135) How would the application of an ETS to waste incineration and EfW impact stakeholders (including operators of waste incinerators, operators of EfW plants, LAs, consumers, customers)?

An ETS will make increase the cost of EFW services.

An ETS will add obligations for monitoring and reporting which may be materially significant, when compared to current obligations.

An ETS will most likely lead to Local Authorities paying far higher costs for EFW than they are at present, with little prospect (at the outset) of avoiding the levy.

An ETS will likely impact on the cost of the alternative forms of treatment that the proposal is designed to increase. As we have seen with EFW prices (which, over many years, often tracked the annual Landfill Tax escalator) the price for processing (including recycling) 'fossil waste' will refer to the cost of the EFW levy (which may not reflect a reasonable cost for processing that material).

136) Could the introduction of a carbon price incentivise waste operators and/or LAs to improve their operations or processes to reduce fossil waste being incinerated? (Y/N) Please outline your reasoning in as much detail as possible and provide evidence to support your views.

Yes.

If alternative means of treatment are available, the current customers of EFWs may be encouraged to utilise the alternatives. This principal certainly seemed to work in relation to landfill avoidance, following the introduction of the Landfill Tax.

Has BEIS done enough practical preparation to support the development of alternative treatments? If not, the process of transition will be extended and unduly costly for stakeholders. Preparing the conditions to support the change would be incredibly helpful (as opposed to simply assuming that the change will eventually ensue, by virtue of market forces). That might take the form of incentives and support for UK plastics reprocessors, particularly those of hard (e.g. garden furniture, toys) and soft plastics (e.g. film), which have not relied-upon sustainable markets thus far.

137) Could the introduction of a carbon price incentivise LAs to support households to improve recycling practices? (Y/N) Please outline your reasoning in as much detail as possible and provide evidence to support your views.

Such measures probably won't make a material difference to LAs, relative to current conditions. There are already many reasons to improve recycling collections and LAs are motivated to do so. However:

i. There is considerable uncertainty over the requirements of the Environment Act and what conditions it will place upon councils.
ii. There is an expectation that the requirements of the Environment Act will increase the service burden on councils and result in a net reduction in funding.
iii. As above, if the carbon price levy (Departmentally applied but locally realised) cannot be avoided, because sustainable markets for 'fossil waste' don't exist, the cost of paying the levy will place further financial pressure on LAs and lessen the funds and resources available to engage with residents to improve recycling, and may lead to reductions in other services.

138) Is there opportunity (in the medium-long term) for the carbon price to incentivise waste operators and/or LAs to invest in carbon capture and storage infrastructure, to reduce fossil carbon emissions? (Y/N) Please outline your reasoning in as much detail as possible and provide evidence to support your views.

Potentially, yes.

139) In the event of the carbon price being applied to waste operators, will waste operators be able to pass through their costs to customers (including LAs)? (Y/N) Please explain in as much detail as possible why, how, and to what extent this may or may not occur.

As above, given the specific, and sector-specific, nature of the changes proposed, it is likely that the changes will represent a Qualifying Change In Law. However, whether costs could be passed to a client, will need to be determined on a contract-to-contract basis.

140) For LA owned plants, would unitary authorities and waste disposal authorities be the only authorities exposed to the carbon price – in the event of waste operators passing through costs? (Y/N) Please explain in as much detail as possible and provide evidence to support your views.

N/A

141) Do you believe that government should consider phasing in ETS obligations to the sector over time? (Y/N) If yes, please outline why, how, and to what extent phasing options could be provided.

Yes. An escalator, as used with Landfill Tax, could provide much needed headroom, to enable alternative treatments (and potentially carbon capture and storage) to be developed and introduced.

We understand that the introduction of a similar levy in Sweden was commenced, in 2012, at a rate equivalent to £3p/t and escalated over the course of 10 years to a current rate of c£28p/t (similar to the UK estimates quoted at Q126).

A carbon pricing levy which started at a rate no higher than £3 (as in Sweden), could help to encourage the desired investment, developments and behaviour change, needed to support the drive to net zero that this initiative is directed towards.

142) Would operators of incineration/EfW plants be exposed to competitiveness impacts abroad and carbon leakage risk, in the event of being exposed to the carbon price? (Y/N) Please explain in as much detail as possible and provide evidence to support your views.

We anticipate that EFW plants in other countries, particularly the EU, will be subject to similar obligations. If so, then the likelihood of competitiveness issues would be reduced.

143) Have you identified any other distributional impacts (including wider environmental or social impacts) arising from this proposal? (Y/N) Do you have views on how government could address these concerns?

The waste industry, and LAs in particular, is subject to a significant amount of legislative uncertainty at present. It remains unclear whether the impacts of the Environment Act and other policy changes, including this one, have been assessed holistically by sponsoring Departments (BEIS, DEFRA, HMT and DLUHC). If they have not, we should expect outcomes those departments have perhaps not sufficiently foreseen. Some examples of avoidable outcomes could include: (i) significantly longer lead-in times for compliance, (ii) LAs choosing to prioritise local imperatives (e.g. adult social care, child safe-guarding) over these obligations, potentially leading to (iv) waste being diverted to landfill.

144) What additional policies would be needed to support the UK ETS in decarbonising waste incineration and EfW? How would this change over time?

The UK has prioritised EFW as a means of reducing previous historic reliance on landfill. That has helped to reduce significant environmental impacts, including climate change impacts. However, there is now a reliance on EFW.

Carbon capture and storage, if retrospectively fitted to the EFW process could help all stakeholders during a transition. It could ensure the planned operational life of EFW plants was realised.

Thereafter, sustainable means of avoiding the need for EFW would most likely need to be developed. Increased recycling (including of food waste), increased reuse of waste and significant avoidance of waste would all help.

145) How would the expansion of the UK ETS to waste incineration and EfW interact with existing and planned policies in waste incineration, EfW, and waste management more broadly, as well as any other relevant non-decarbonisation policies?

This is something that Government (in the form of the aforementioned sponsoring Departments) should be able to explain to the waste management industry, LAs and the general public.

There is no doubt that the policies proposed here *could* have a positive impact, in concert with the wider legislative package being promised for waste management.

However, if Departmental assumptions are wrong, or have simply not been sense-checked against each other and across departments, then the outcomes could be very damaging indeed. The costs associated with this policy alone could cause significant financial pressure on LAs. The repercussions of that pressure could be damaging to LAs themselves but could also have impacts on residents.

146) Are there other parts of the waste management system that should be included in the scope of the UK ETS? For example, landfill or wastewater. (Y/N) Please explain in as much detail as possible and provide evidence to support your views.

N/A

END.