



House of Commons
Environmental Audit
Committee

**Government Response
to the Committee's
Fifth Report, Session
2002–03, on Waste –
An Audit**

**Fourth Special Report of Session
2002–03**

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The Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

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Fourth Special Report

WASTE – AN AUDIT: GOVERNMENT RESPONSE TO THE COMMITTEE'S FIFTH REPORT OF SESSION 2002-03

1. The Environmental Audit Committee published its report on Waste–An Audit was published on 23 April 2003 as HC 99.
2. The Government's response to the Committee's Report was received on Thursday 17th July 2003 in the form of a memorandum to the Committee. It is reproduced as Appendix 1 to this Special Report.
3. We are grateful to all those who have provided commentaries on the Government's Response to our report. These are published as Appendices to this Special Report.

Appendix 1

GOVERNMENT RESPONSE TO THE ENVIRONMENTAL AUDIT COMMITTEE ON WASTE

INTRODUCTION

1. The Government is acutely aware of the challenges we face in relation to waste growth and waste management in this country. The Government welcomes the fact that this issue has attracted the interest of both the Environmental Audit Committee (EAC), and the Environment, Food and Rural Affairs Committee, which indicates its increasing importance in the political arena.

2. The EAC report on waste comes at a time when there is already a great deal of change in this area of policy, both in terms of the resource structure dedicated to this issue, and of the funding and measures being implemented to help meet challenging targets on waste.

3. In general terms, the Government accepts the premise of the report that there has not been enough progress on waste in the last few years, but does not accept that little or no attempt has been made by Government to solve this problem.

4. Since publication of the EAC report the Government has published its response to the Strategy Unit report¹ on waste. This set out the actions the Government is taking following that report.

5. The following response comments on each of the conclusions of the report, and sets out thoughts and plans on the recommendations that have been made by the EAC.

6. What follows echoes the Government's response to the Strategy Unit report. The latter supplements, but does not amend, the underlying principles and targets in the Waste Strategy, which continues to form the framework for our waste policy.

7. We will tackle the problem of waste in this country, with the help of your committee, local government, non-government organisations, business and individuals. It is a towering challenge, but it is one we must face together.

1. The UK's waste mountain, already large, is growing. Since 1996-97, the average annual rise in the amount of municipal waste arisings has been 3.4 per cent. The increase between 1999-00 and 2000-01 was 2.7 per cent, outstripping year on year growth in GDP (para 2).

8. Provisional results for 2001-02 from the Municipal Waste Management Survey were published on 22 May. These show some slowing in the rate of growth, although municipal waste has still grown faster than GDP. The increase between 2000-01 and 2001-02 was 2.4 per cent. Since 1996-97, the average annual rise in the amount of municipal waste arisings

¹ 'Waste not, Want not – A strategy for tackling the waste problem in England', Strategy Unit, November 2002

has been 3.2 per cent. Household waste which on average makes up 89 per cent of municipal waste has grown more slowly, and at a similar rate to the growth in GDP, data from 2000-01 and 2001-02 shows household waste growth to be lower than GDP in these years.

9. The growth in industrial and commercial waste is levelling off, and provisional estimates suggest that the country is on course to meet the target of reducing the amount of commercial and industrial waste going to landfill to 85% of 1998 levels by 2005-06. The next Commercial and Industrial Waste Survey is being conducted this year by the Environment Agency, and will give us a clearer picture of progress in these waste streams.

2. No target has been set for waste minimisation. The resources available under the National Waste Minimisation and Recycling Fund have been largely directed at recycling projects rather than waste minimisation efforts. Few other levers to stimulate waste minimisation exist to compensate for this. We agree with the OECD's assessment that UK measures to encourage waste minimisation are very weak (para 28).

10. The Government accepts that the best way to deal with waste is not to produce it in the first place. This is reflected in the waste hierarchy, which underpins the Waste Strategy. Policies so far have focussed in the main on promoting re-use and recycling, although the National Waste Minimisation and Recycling Fund has assisted some local authorities in waste minimisation activities. The most recent figures from the Municipal Waste Management Survey show that household waste growth has slowed, for the first time, down from 2.6% to 2.4%.

11. Government agrees that this is not enough and major steps are now being taken to address the issue of waste reduction. As part of the Government's response to the Strategy Unit report, the Waste and Resources Action Programme (WRAP) has been funded to take forward a package of measures to promote household waste minimisation. The package includes measures to help people reduce waste at home. Features include a big increase in home composting (providing 250,000 extra homes with a compost bin this year), reducing nappy waste by helping business start-ups in nappy washing services, working with the big retailers to reduce supermarket waste and a waste minimisation innovation research fund to help with this.

12. Government is also keen to investigate other methods of encouraging waste minimisation, and also to measure it. Producer responsibility is one important way in which waste can be dealt with on a 'polluter pays' basis, and officials are looking at ways that this principle could be adopted to promote waste minimisation. The Packaging Regulations, for example, require business to recover and recycle a growing percentage of packaging waste. This is an incentive to reduce packaging and therefore reduce the recovery and recycling burden.

13. On measurement, data are already collected from local authorities under the Best Value Performance Indicators regime. Some of these data could be used to measure waste minimisation. This is being considered as part of the review of Best Value Performance Indicators, which may lead to the introduction of a performance measure in 2004-05.

3. However the Waste Management Performance Fund is to be allocated and operated, we urge the Government to ensure that it becomes an effective instrument to stimulate waste minimisation (para 29).

14. The Waste Minimisation and Recycling Fund has awarded funds to 295 projects over the two rounds of bidding. Successful projects cover waste minimisation, re-use, kerbside recycling collections, bring recycling, infrastructure development and composting. It is anticipated that an additional 1.25 million tonnes of waste will be collected for recycling as a result of this investment. Government will continue to monitor the Fund's impact, and will seek to ensure that the successor arrangements are no less effective in driving up performance.

15. The Government announced in the Budget that it would replace the Waste Minimisation and Recycling Fund with a Performance Reward Fund. Final decisions on the start date of the Performance Reward Fund, and its operational details, will be announced following further consultation with local government stakeholders. The new Fund will need to take account of related activities, e.g. by WRAP, to ensure that they complement each other.

4. The proportion of municipal waste sent to landfill is declining but the overall amount sent to landfill is still increasing—from 21.9 million tonnes in 1999-00 to 22.1 million tonnes in 2000-01—and therefore we are moving further away from the requirements of the Landfill Directive (para 33).

16. The overall picture is confirmed by the latest Municipal Waste Management Survey figures. The *proportion* of municipal waste sent to landfill continues to decline (to 77 per cent in 2001-02) but the overall amount sent to landfill is still increasing, although only by a small amount, from 21.1 million tonnes in 2000-01 to 22.3 million tonnes in 2001-02.

5. The targets set for recycling and recovery are unambitious by European standards. Even so they pose a significant challenge for local authorities by demanding rapid improvement on traditionally low recycling rates (para 36).

17. It is not true to suggest that the targets that have been set for recycling and recovery are unambitious. Although they could be considered low by European standards they demand a step-change in waste management in this country over a short period, and if met, will constitute a solid foundation for further progress in the future. European experience indicates that high targets take a considerable time to achieve.

18. Differentiated targets have been set for all local authorities to ensure that they all improve their performance on recycling substantially. Targets for 2005-06 range from the lowest at 18% of household waste recycled, up to 40% for some authorities, which are comparable with some of the higher rates in Europe. Furthermore, the Government is committed to considering setting further targets for local authorities beyond those for 2005-06. It is essential that targets are sufficiently challenging to promote change in waste management, whilst being realistic and achievable.

19. It is not always possible to directly compare statistics with European rates, as definitions differ. For instance, the English local authority recycling targets are tightly defined to exclude rubble and incinerator bottom ash which are commonly included in recycling rates quoted for some European countries.

6. Projections based on the current rates of performance improvement indicate that we will not come close to meeting any of the national targets set for recycling or recovery. Under the current set of policies, the targets set for 2015 and 2020 in particular will be missed by a wide margin (para 37).

20. Both the Strategy Unit's and our own modelling also concluded that the shorter-term recycling and recovery targets would not be met if the then levels of performance continued. This is why, in responding to the Strategy Unit report, the Government is introducing a package of new measures to drive up performance.

- **Landfill Tax** will be increased by £3 per tonne in 2005-06 and by at least £3 per tonne in the years thereafter, on the way to a medium to long-term rate of £35 per tonne.
- The **Landfill Tax Credit Scheme** has been reformed and a proportion of the funding—£84/92/92m—will be re-directed to a new Sustainable Waste Management Programme in England in 2003-04, 2004-05 and 2005-06;
- A new **Waste Implementation Programme (WIP)** run by Defra will implement the package of strategic measures recommended by the Strategy Unit. WIP comprises seven workstreams, led by Defra and WRAP, which combine to move waste management up the waste hierarchy.
- New workstreams to be taken forward by Defra as part of WIP include:
 - **Local Authority Support** – to bridge the gap between Central Government and Local Authorities (LAs), and assist LAs to meet their targets.
 - **Local Authority Funding** – bringing together all additional funding from Central Government to LAs for improved performance on waste.
 - **Data and Research** – to provide a sound evidence base for better informed policy development, implementation, monitoring and evaluation, at both national and local levels.
 - **New Technologies** – to tackle barriers within the UK market to the successful development and take-up of new waste management and technologies.
- The role of WRAP will be expanded to take forward three specific workstreams under WIP, including:

- **Waste Minimisation** – including a home composting scheme, a reusable nappies scheme, a retailer initiative, and an innovation fund.
 - **Recycling** – through the establishment of a new kerbside recycling taskforce (the Recycling and Organics Technical Advisory Team – ROTATE)
 - **Education and Awareness** – at both a national and local level, in order to raise public awareness and support other workstreams.
- A new **Delivery Team** and **Steering Group** is being established in Defra to drive forward implementation of the Government's response to the Strategy Unit report and new programmes of work in Defra and WRAP. Government estimates that new WIP measures alone will contribute substantially to diverting biodegradable municipal waste from landfill, as well as to recycling and composting rates.
 - **Local authority funding** of £90m each year for 2004-05 and 2005-06 has been provided for the Waste Minimisation and Recycling Fund or its successor Performance Reward Fund.
 - The **Waste and Emissions Trading Bill** will introduce a system of **tradable landfill allowances** that will reduce year on year to encourage local authorities to reduce the amount of biodegradable waste sent to landfill. It also includes provisions to allow waste disposal authorities to direct waste collection authorities to **collect separated waste**. It will soon include measures to promote **more strategic waste planning at a local level in two tier authorities**.
 - A **review of the health and environmental effects of waste management and disposal options** has been commissioned. This work is well underway.
 - There will be a **review of the planning guidelines for waste management, Planning Policy Guidance 10**. The Government recognises that there will be an increasing need for waste management facilities to deal with our waste, in particular, for recycling. The review will aim to improve the guidance and help local authorities to make timely and appropriate decisions,

7. Inadequate funding and a lack of clear Government guidance have made it harder for local authorities to reach the targets they have been set. We are extremely concerned that the measures taken to date do not reflect the urgency of the need for improvement (para 48).

21. Government is committed to ensuring local authorities and the waste managers are equipped with the information, guidance and advice they need on all issues relating to delivery of waste services. Defra is currently setting up a wide-ranging programme of support for local authorities which will significantly increase the scale and breadth of support available to them, and will do so according to challenging timescales over the coming months. This will be a key activity from the new Taskforce, recommended by the Strategy Unit and being set up by Defra.

22. Moreover, funding for waste management has increased substantially in recent years. The Spending Reviews in 2000 and 2002 secured an extra £1.7 billion for the Environmental Protection and Culture Services spending block from which waste management is funded, and the funding available for waste PFIs has also increased substantially. £200 million of PFI credits were provided for in SR 2000 for waste projects, increasing by 60% to £355 million in SR 2002. £140 million has also been allocated to local authorities through the National Waste Minimisation and Recycling Fund. Funds of at least £90 million per year will be made available to local authorities in 2004-05 - 2005-06, for the Fund or its successor Performance Reward Fund.

8. There is some evidence of good progress diverting waste from landfill on the part of industry and commerce but in the absence of up to date statistics it is not possible to be certain (para 53).

23. This conclusion is based on evidence supplied by Defra. Data on industrial and commercial waste are not up to date but the next Industrial and Commercial Waste Survey is being carried out this year. The information produced will be similar in nature to the last set of data.

24. In addition, in relation to hazardous waste, the Government intends to consult on a system of waste producer registration. Along with streamlined procedures for the submission of consignment note data to the Environment Agency. These measures should improve data collection in relation to hazardous waste arisings, recovery and disposal.

25. To help improve waste data collection and management more generally, a new data team within the Waste Implementation Programme will deal exclusively with designing and delivering a three year data strategy, in conjunction with the Environment Agency, and under the guidance of an Information Advisory Group.

9. As with municipal waste, there are significant barriers hindering greater diversion from landfill on the part of industry and commerce. Rather than developing a specific strategy covering industrial and commercial waste, we recommend that the Government concentrates its efforts on removing those barriers by clarifying the definition and interpretation of waste to be used by Government agencies, ensuring consistent and where appropriate consultative decision-making, and providing cohesion across all aspects of policy (para 59).

26. "Waste" is defined in Article 1(a) of the Waste Framework Directive. All Member States are required to transpose and implement this definition; and it has been in force in the UK since May 1994. It is not within the Government's discretion to exclude any particular material from the definition of waste. Any such action would place the UK in contravention of the Directive.

27. The interpretation of the definition of waste has been the subject of several judgments by the European Court of Justice (ECJ). These judgments are binding on Member States and their competent authorities (e.g. the Environment Agency). The most recent of these judgments was issued on 19 June 2003 in a case involving Mayer Parry Recycling Ltd,

which was referred to the ECJ by the High Court (Case C-444/00). In the light of this, and other ECJ judgments, the Government proposes to revise its existing guidance on the definition of waste – with the aim of ensuring the adoption of a correct, consistent and proportionate approach to the interpretation of those judgments.

28. The European Commission has also recently published a Communication entitled “*Towards a thematic strategy on the prevention and recycling of waste*” with an invitation to stakeholders to comment by 30 November 2003. The definition of waste is one of the issues addressed in the Communication and the Commission has confirmed its readiness to hold a debate on the issue. The Government intends to respond to the Commission’s Communication and, in so doing, to contribute to the debate on the definition of waste.

10. We repeat our earlier recommendation that the Government increases the rate of the Landfill Tax more steeply than is currently proposed (para 61).

29. The Government has stated that the standard rate of Landfill Tax will reach a level of £35 per tonne in the medium to long term, rising by at least £3 per year from 2005-06. The Government’s own analysis and the recommendations of other reports suggest that a standard rate of tax at this level will result in alternatives to landfill being made available and being an economically viable option. The Government will keep under review the rate of increase in landfill tax and the target £35 per tonne tax rate, taking account of the impact of all measures being introduced.

30. Waste producers and the waste management industry need sufficient warning of the tax rises to be able to invest in alternatives to landfill. The most important factor in stimulating a shift in behaviour away from landfill is not the current rate of tax, but the confidence and knowledge that the rate of tax will reach a level of around £35 per tonne.

31. The increase in the Landfill Tax is only one of the Government’s package of measures to tackle the waste problem. Increasing the Landfill Tax ahead of the rest of the package would run the risk of imposing unnecessary costs on the economy.

11. The Treasury's behaviour over the Landfill Tax, and the absence of any further environmental measures in the Budget, reinforces our view, expressed in our report on the Pre-Budget Report 2002, that it remains timid in its use of fiscal instruments to tackle environmental issues (para 62).

32. The Government remains committed to using taxes as one of the policy mechanisms for improving the environment, where they can help in tackling market failures. This commitment was set out in the 1997 Statement of Intent on environmental taxation, and was reiterated in *Tax and the environment: using economic instruments*, which was published with the 2002 Pre-Budget Report.

33. *Tax and the environment: using economic instruments* sets out the principles which the Government believes should underpin the use of environmental taxes, and the approach which the Government takes in introducing measures. This approach involves early signalling of objectives, careful analysis of the costs and benefits of intervention, and extensive consultation on possible measures before their introduction.

34. The Budget describes a number of further measures, which the Government has taken, including the reform of the Landfill Tax Credit Scheme and the review of the environmental and health effects of waste management and disposal, which is now under way.

12. The Government has commissioned a review of the "environmental and health effects of all waste management and disposal options. It aims to report on findings of this review later in the year. The case for using economic instruments for incineration will be considered in the light of this work". We recommend a moratorium on permissions for all large-scale municipal incinerators until this work is complete (para 63).

35. Reviews by such bodies as the independent expert Committee on the Carcinogenicity of Chemicals in Food, Consumer Products and the environment (in 2000), the Medical Research Council Institute for Environment and Health (in 1997), and the United States National Research Council (in 1999) all agreed that there was no convincing evidence of an excess of disease in studies of populations living near municipal waste incinerators. Most of these studies concerned incinerators which were not required to comply with the more stringent emission standards now in place. These standards should ensure that any risk to the environment and human health is lower than previously.

36. Nevertheless, the Government is very aware of continuing public concerns over the safety of mass burn incineration. There are also, however, grounds for concern about the other options for waste management. For example, several studies have found an association between living near to landfill sites and the risk of adverse birth outcomes. This does not necessarily mean that landfill sites cause these effects—more research is in progress to try to clarify this. Another example is the possible increased risk of effects on the lungs from microbiological particles released to the air from composting sites.

37. The scientific information on the health effects of waste management options is patchy. It is because the Government recognises that all waste management and disposal options may increase risks to the environment and human health that it has commissioned a wide-ranging review. The review is intended to examine the information and, as far as possible, to compare the risks from the various options. At this stage, there is no reason to assume that it will find against any one option and for any other. There is no justification for a moratorium on large-scale municipal incinerators or any other form of properly controlled waste management or disposal.

13. We remain concerned that the Government saw the Landfill Tax Credit Scheme as a means of financing its own policies for which it would otherwise have had to find additional funding (para 66).

38. The reform of the LTCS from 1 April 2003 was announced in the Pre Budget Statement in November 2002. The aim of the reform was to provide funding (£100 million in 2003/04) for a more strategic approach to sustainable waste management (SWM), through a new public expenditure scheme. While accepting that the LTCS had achieved a

considerable amount by funding local environmental and community projects, it was the Government's considered view that if the UK was to be best placed to achieve EU obligations to make substantial reductions in landfill from 2010 onwards, this more strategic approach was necessary. The reforms introduced by the Government also respond to previous criticisms of the scheme by the Public Accounts Committee, the Environment, Transport and Regional Affairs Select Committee, and the National Audit Office.

39. The Government has provided transitional funding for the year 2003-04 for waste management and recycling projects currently supported through the LTCS. The responsibility for this funding arrangement, known as the Legacy Fund, lies with Defra and it is being administered by ENTRUST. The fund is now closed for applications.

40. The level of expenditure of £47 million (increasing in line with inflation), on local environmental and community projects, is comparable with that of the pre-1 April scheme. As a result, those types of projects currently carried out through the scheme should be largely unaffected. Regulations will be introduced to extend the scope of the scheme to include habitat creation projects on land that need not have public access, in order to support biodiversity. The Government will also continue to work with ENTRUST and other stakeholders to improve the scheme's operation. Local environmental and community projects may also be able to attract a significant level of funding under the National Lottery's New Opportunities and Heritage Funds.

14. We recommend that the Government considers extending the duration of WRAP's funding now to secure its medium term future (para 68).

41. The Government shares the Committee's perspective that there are encouraging signs that WRAP is having a positive impact in improving the prospects for recycling. We are currently discussing with WRAP what a future business plan after 2004 might address and what funding the government needs to provide to deliver this. The Government has nevertheless made clear, through its response to the SU report, that it considers WRAP will have a substantial role to play after its initial three-year period.

15. The Waste Strategy 2000 is not so much a waste strategy but a strategy for complying with some of the requirements developed in the European Union. Even with that interpretation, it has still not proved effective in delivery (para 70).

42. Waste Strategy 2000 continues to be the backbone of the Government's policy on waste management in this country. It looks ahead 20 years, and offers a strategic overview of waste policy, outlining the scale of the task faced, and the tools that could be brought to bear on that challenge. Subsequent enhancements and new measures have provided the economic and regulatory 'meat on the bones' that will help to ensure that not only are targets met, but that they are exceeded. It is anticipated that targets set at both a local and national level are minima, and that there is the will and the capacity to go beyond them.

43. A key example of one of these policies is the Waste and Emissions Trading Bill. This will introduce a system of tradable landfill allowances that will reduce year on year to encourage local authorities to reduce the amount of biodegradable waste sent to landfill.

This scheme is unique in Europe, and is evidence of the Government's commitment to changing the face of waste management, and ultimately surpassing the requirements of European Directives.

16. Implicit in the Government's decisions to call a Waste Summit, held in November 2001, and then to initiate a year long review of Waste by the Strategy Unit, is a recognition of the problems inherent with the existing Waste Strategy and the unsatisfactory level of progress made to date. While we welcome the attention that these events have brought the waste issue, the bald fact is that no major new initiatives or mechanisms to drive progress or solutions to the problems identified have yet resulted (para 71).

44. Since the EAC report on waste was published, the Government has published its response to the Strategy Unit report on waste. The Government accepted the majority of the Strategy Unit's recommendations, and supports the direction or intent of many of the others.

45. The response included details of the Waste Implementation Programme, a major new programme of strategic measures that aims to deliver real progress on municipal waste. The Waste and Resources Action Programme (WRAP) has also secured additional funding to enable it to develop measures that will address the issue of waste minimisation.

46. As set out earlier under recommendation 6, the Waste Implementation Programme (WIP) will concentrate on improving waste minimisation, recycling and composting, and researching new technologies for dealing with those wastes that are not readily reduced, reused or recycled. A Local Authority Delivery Taskforce will assist local authorities to meet their recycling and composting targets.

47. The new Delivery Team and Steering Group will drive forward implementation of the Government's response and new programmes of work in Defra and WRAP. A programme budget of at least £30m has been allocated to these new programmes.

48. As announced in the response, some recommendations require further consideration, a key example being the introduction of household incentive schemes to encourage households to reduce waste and increase re-use and recycling. The Government considers that further work is needed before any decision is taken on whether to extend the powers of local authorities and introduce pilot schemes. This will be carried out in cooperation with the Local Government Association and other stakeholders.

49. The Government has made a commitment to substantially increase the landfill tax to a medium to long-term level of £35 per tonne. This will drive innovation and change in a number of industries.

50. The Waste and Emissions Trading Bill, which has completed Committee stage in the House of Commons, will put in place the legal framework to enable the UK to meet the Landfill Directive targets of reducing the amount of biodegradable municipal waste which is sent to landfill. In England it is intended to set up system of tradable landfill allowances for waste disposal authorities. This is the most cost effective way for the England to meet its targets. Other countries in the UK are considering similar systems and together these will

reduce the amount of BMW the UK sends to landfill to 75% of 1995 levels by 2010, 50% by 2013 and 35% by 2020.

17. The difficulties associated with the UK's waste problem are compounded by the fact that the Government's record in dealing with EU legislation on waste is poor. Further EU measures are due to come into effect in the next five or so years. The Government will need to anticipate and plan for the consequences of these measures more effectively than it has done in the past both to avoid further chaos and to ensure that UK business is able to exploit the business opportunities presented (para 77).

51. The Government sees “producer responsibility” as an important way forward in dealing with waste on the basis of the “polluter pays principle”. The Strategy Unit report also took the view that producer responsibility schemes are beneficial in taking a life-cycle approach to waste management by making the producer meet at least some of the costs of disposing of their products after use.

52. The UK has participated fully in negotiations in the European Community on a range of measures based on the principles of producer responsibility and has fully supported the Packaging and Packaging Waste, the End of Life Vehicles and Waste Electrical and electronic Equipment Directives.

53. When implementing Directives in the UK, the Government seeks to achieve the environmental benefits in the Directives through the most cost-effective producer responsibility approach, trying to ensure that the burden on business is the minimum consistent with achieving the environmental objectives. In each case, industry has the opportunity to contribute to the development of the particular producer responsibility system to be adopted, and consultation with the relevant industry and other interested parties is always undertaken. On packaging, an industry Advisory Committee on Packaging was set up providing a forum for Ministers to communicate with the industry.

54. The UK did have some difficulties with the introduction of the Ozone Depleting Substances Regulations (2037/00), although we have always been in compliance. When the Regulations came into force for domestic fridges in January 2002, the UK had limited capacity for specialist reprocessing. Consequently many refrigerators had to be stored pending installation of new plant or were exported for treatment. Since that time, UK based capacity for treatment of waste refrigerators has come on stream and there is now sufficient capacity to deal with UK arisings.

55. Further capacity will need to be developed in light of the requirements set out in the Waste Electrical and Electronic Equipment (WEEE) Directive for the recycling and recovery of electrical and electronic equipment. Discussion is underway with the waste management, dismantling and recycling industries, and other stakeholder groups, including charities, local authorities, retailers and producers to ensure that systems will be in place to deal with the anticipated increase in separately collected WEEE. The Directive will require producers to meet the costs for the collection, treatment and recovery of WEEE. The recent Discussion Paper on the WEEE Directive, sought views from stakeholders on implementation options that would ensure environmental benefits are

maximised in the most cost effective manner. Responses are currently being collated and analysed, and will be fed into the next round of consultation due to be issued later this year.

18. The planning system is cumbersome. It takes too long to make decisions and, in the absence of effective waste management strategies in some areas, the decisions which are made are too often inconsistent. This increases the risk presented to those seeking to attract investment in waste management facilities and results in much nugatory work (para 85).

56. The Government accepts that the planning system can be complex, slow and variable between local authorities, but equally it recognises that it is fundamental to the way our towns and cities look and the way we live our lives. That is why the Green Paper "Planning: delivering a fundamental change", published in December 2001, highlighted the good aspects of the planning system which are to remain untouched, but proposed changes which would reduce the complexity of development plans and national planning guidance, speed up decision-making and engage local communities more in the planning process.

57. Some of these matters are being taken forward in the Planning and Compulsory Purchase Bill—for example the proposed strengthening of the arrangements for preparing regional strategies, including those on waste, to ensure they provide a strong strategic policy framework within which the new style development plans—the Local Development Frameworks—can be prepared. The Government has also put forward proposals for speeding up the processing of planning applications because it recognises the particular impact this has on business in terms of the timing and nature of investment decisions.

58. Other proposals in the Green Paper have already been taken forward—for example the revision of all planning policy guidance. This includes PPG10 "Planning and Waste Management" on which preliminary review work has started and which will set out the Government's clear planning policy messages for the management of waste. It is envisaged that these initiatives will result in a faster and more predictable planning system that should provide business with greater certainty and confidence in making waste management investment decisions.

19. We welcome the fact that DEFRA is "currently examining the possibility of future staff resource increases alongside the Government's official response to the Strategy Unit report". Such resources are essential if DEFRA is to co-ordinate the delivery of consistent messages on waste from all Government departments (para 87).

59. The Government has confirmed an additional £1.5m will be made available for administrative resource in Defra to implement delivery. This is part of the new strategic investment programme announced in the Budget 2003. Recruitment for additional posts within the strategy and delivery teams is underway.

60. Waste is a beacon area in Defra, and as such, the new WIP Programme is being delivered using Programme and Project Management (PPM) procedures, being promoted across Government to improve delivery. Staff implementing the programme will benefit from professional development, and recognition through a PPM reporting mechanism.

61. Along with the creation of the Waste Implementation Programme, Defra's Waste Strategy Division is also being restructured. The modified administrative arrangements should improve coherence and efficiency, helping to deliver more progress on waste policy in the future.

20. We urge the Government to ensure that the Agency is adequately resourced to meet the challenge of changing forms of regulation and increasing numbers of waste management facilities (para 88).

62. The Government agrees that the Environment Agency should be adequately resourced. The Agency has continued to receive significant grant-in-aid from the Department. This has increased from £103.7m in 1999/2000 to a budgeted £123.7m in 2003/04.

63. In total, the Agency's budget, comprising grant plus charges and levies, has increased from £620m in 1999/2000 to £805m in 2003/04. These are substantial resources, and in the Government's view, the Agency is sufficiently funded to deliver its statutory responsibilities.

64. It is for the Agency to organise those resources so that its waste function is adequately resourced but the Government is confident that the Agency has been provided with adequate means to do so.

21. The Environment Agency has recently applied to DEFRA for additional funding to support a Fly Tipping Abatement Task Force (£14 million start up costs plus annual running costs of £1 million). We recommend that DEFRA gives this application urgent and sympathetic consideration (para 89).

65. Defra is supportive of the Agency's bid for their Fly Tipping Abatement Force as we agree that more resources are needed for enforcement. Funds will however need to be found through the normal spending process and so no commitments can be given at this time.

22. Both the Environment Agency and local authorities need more defined responsibilities and improved powers to help combat the growth in fly-tipping. We recommend that DEFRA takes the opportunity presented by the Anti-Social Behaviour Bill to address the weaknesses in the anti fly tipping regime (para 90).

66. Several measures have been included in the Anti-Social Behaviour Bill currently before Parliament. These are:

- Powers for the Secretary of State to issue statutory directions to the Environment Agency and local authorities on their respective roles and responsibilities. These will clarify the division of responsibilities for dealing with fly tipping. The provision also includes a requirement for annual data returns to be sent to Defra

and should ensure the problems caused by the current lack of national data are overcome.

- Local authorities will be given the Agency's powers to stop, search and seize vehicles suspected of being used for fly tipping.
- Local authorities will also be given the Agency's powers to investigate incidents in the level of detail required to pursue successful prosecutions.

Defra is also considering other options for tackling fly tipping that will be brought forward at the next legislative opportunity.

23. The Environment Agency has also applied to DEFRA for additional funding to support a National Waste Data Centre for England and Wales. We recommend that DEFRA supports its establishment (para 91).

67. The Strategy Unit recommended that Defra and the Environment Agency jointly draw up a data and research strategy for delivery over the next three years. It is intended this will provide a sound evidence base for better-informed policy development, implementation, monitoring and evaluation, at both national and local levels.

68. The first stage of delivery will include a review of research and data needs and the establishment of an advisory group of key stakeholders to oversee development of the detailed data and research programmes and ensure effective co-ordination and delivery.

69. The Environment Agency have submitted initial proposals for a National Waste Strategy Support Centre to deliver elements of this programme. These will be subject to further discussion and development before firm decisions on funding transfers are taken at the end of the summer.

July 2003

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