



OVERVIEW AND SCRUTINY BOARD

6 APRIL 2010

FINAL REPORT OF THE ENVIRONMENT SCRUTINY PANEL - RECYCLING AND PACKAGING REDUCTION

PURPOSE OF THE REPORT

1. To present the Environment Scrutiny Panel's findings, conclusions and recommendations following its investigation of recycling and packaging reduction.

INTRODUCTION

2. In recent years, as scientific research has shown that the earth's resources are being depleted too fast to sustain a healthy balance, public awareness of the importance of recycling has increased. Recycling has increased in prominence and is recognised as one of the best ways for people to have a positive impact on the world in which we live.
3. The amount of rubbish we create has constantly increased because:
 - Increasing wealth means that people are buying more products and ultimately creating more waste.
 - Increasing populations mean that there are more people on the planet to create more waste.
 - New packaging and technological products are being developed and much of these products contain materials that are not biodegradable.
 - Lifestyle changes, such as eating more fast food, mean that additional waste is created, much of which is not biodegradable.
4. Recycling is important as, on a global scale, waste production has a negative impact on the natural environment. This is because:
 - Harmful chemicals and greenhouse gases are released from refuse in landfill sites. Recycling helps to reduce the pollution caused by waste.
 - Habitat destruction and global warming are some of the effects caused by deforestation. Recycling reduces the need for raw materials so that the world's rainforests can be preserved.

- Huge amounts of energy are used when making products from raw materials. Recycling requires much less energy and therefore helps to preserve natural resources.
5. Recycling is essential to address these issues as well as:
- Reducing financial expenditure in the economy. Making products from raw materials costs more than if they were made from recycled products.
 - Preserving natural resources for future generations. Recycling reduces the need for raw materials; it also uses less energy, therefore preserving natural resources for the future.
 - Helping to address the issue of UK landfill sites filling up fast.
6. Having undertaken a review of recycling in 2006, and given moves towards increased recycling targets for local authorities, the scrutiny panel sought to consider the updated position in respect of the topic. The panel also agreed that it would include an examination of packaging reduction in its work due to the close links between that issue and waste reduction/recycling - much of the packaging produced by the retail sector is passed on to consumers and ultimately finds its way into the municipal waste stream.

TERMS OF REFERENCE OF THE SCRUTINY INVESTIGATION

7. The terms of reference of the scrutiny investigation were as follows:
- To examine the updated position regarding recycling in Middlesbrough - including current levels and targets and materials collected.
 - To examine the local position regarding packaging reduction, in particular the Council's involvement in this area.

HOW INFORMATION AND EVIDENCE WAS OBTAINED

8. The scrutiny panel undertook a short examination of this topic and gathered evidence over the course of four meetings between 14 December 2009 and 12 February 2010.
9. A Scrutiny Support Officer from Legal and Democratic Services co-ordinated and arranged the submission of written and oral evidence and arranged witnesses for the review. Meetings administration, including preparation of agenda and minutes, was undertaken by a Governance Officer from Legal and Democratic Services.
10. A detailed record of the topics discussed at panel meetings, including agenda, minutes and reports, is available from the Council's Committee Management System (COMMIS), which can be accessed via the Council's website at www.middlesbrough.gov.uk.
11. Information was submitted by Council officers. The scrutiny panel also heard information from Stockton Borough Council. This report has been compiled on the basis of evidence gathered at the scrutiny panel meetings.

MEMBERSHIP OF THE SCRUTINY PANEL

12. The membership of the scrutiny panel was as follows:

Councillors Kerr (Chair); Carter (Vice-Chair), Clark, Davison, C Hobson, Hubbard, Lancaster, McPartland and Michna.

THE PANEL'S FINDINGS

13. The scrutiny panel's findings in respect of each of the terms of reference investigated are set out below.

TERM OF REFERENCE: "To examine the updated position regarding recycling in Middlesbrough - including current levels and targets and materials collected."

14. In examining this term of reference the scrutiny panel considered information in respect of:

- Conclusions and recommendations made by the Environment Scrutiny Panel following its 2006 review of recycling in Middlesbrough.
- The updated position since that time.
- The new recycling contract.
- The Waste and Resources Action Programme (WRAP) Commitment.
- Stockton Borough Council's recycling scheme

2006 Review of Recycling

15. The topic of recycling was initially examined by the Environment Scrutiny Panel in 2006. The conclusions and recommendations from that exercise were considered by the scrutiny panel and are attached at **Appendix 1** of this report. All of the recommendations were approved by The Executive (11 April 2006) and have since been implemented. Particular reference was made by the panel to recommendation 7. which read:

"That representations be made to DEFRA regarding the fact that waste materials which are recycled from the Energy From Waste incinerator cannot currently be included in recycling targets even though such use (for example the use of bottom ash in the construction industry) reduces the need to exploit natural resources."

16. The scrutiny panel understands that the current position is that, despite representations to DEFRA, the above position continues to be the case. This means that, in recycling terms, the Council receives no credit despite the fact that the Energy from Waste incinerator continues to have a major impact in diverting waste from landfill.

Updated position on recycling

17. Recycling in Middlesbrough has improved steadily over recent years. Prior to the introduction of kerbside recycling collections in 2005, less than 5% of total waste arising was recycled. At the end of 2008-09, the level had risen to 23% following the introduction and subsequent expansion of the green waste composting collection service in 2007 and 2008 respectively.

18. This figure has further improved, and the estimated performance at the end of September 2009 (Quarter 2) was reported at 26% recycling and composting.
19. The recycling figure is currently made up as follows:
 - 6% from kerbside collections
 - 8% from green waste collections
 - 12% from other facilities - such as the Haverton Hill Household Waste Recycling Centre, white and electrical goods, junk job recycling, and public bring sites
20. Of the 12% from 'other facilities,' public bring sites account for only 2% of the total recycling and composting performance, with well over half of this figure coming from two key sites.
21. Following the review of waste services which was carried out in 2008, recycling and green waste collections are now based on a fortnightly frequency, on the same day as the Council's refuse collection rounds. Previously, this was not always the case. The scrutiny panel queried whether, in practice, recycling and green waste are always collected on the same day as domestic refuse. The panel was informed that collection rounds are scheduled so that this does happen in all areas of the town, with any exceptions relating to operational reasons such as vehicle break down or staffing issues.
22. The current kerbside recycling service, provides collections for dry recyclables (paper, glass, and cans) utilising a blue bag for paper. This is provided by the contractor company which undertakes the collections. A 55 litre black box is provided by the Council for the collection of glass and cans. In addition, a limited number of properties use a clear plastic sack provided by the contractor for the collection of plastic bottles. There is also provision for the occasional collection of textiles. The fortnightly green waste collection service is extremely popular with the public and tonnages continue to increase. The service was extended during 2008 to cover the vast majority of properties with gardens across the town. However, properties which are not currently included on the scheme continue to be considered on request.
23. The Council also offers free collections (by appointment), for 'junk jobs' (ie bulky household waste, white and other electrical goods). Following the waste services review, these are now collected within five working days and all materials collected are sent for sorting and recycling.
24. Facilities to recycle materials which are not currently collected at the kerbside are available at the Haverton Hill Household Waste Recycling Centre. Materials such as cardboard and plastic, along with other difficult to dispose of materials such as paint, oil, and batteries can also be taken to this site. The most common issues which are received from public consultation and through calls to the contact centre, are residents wishes to recycle plastic and cardboard as part of the kerbside collection system.

25. The Council has a statutory duty to recycle, with Government targets produced for all local authorities. Recycling is part of a national waste reduction strategy, which aims to divert waste away from landfill. National strategy targets for local authorities of 40, 45 and 50 percent by 2010, 2015 and 2020 respectively, are currently aspirational - although it should be noted that Middlesbrough is currently meeting its landfill reduction targets through the disposal of waste via the energy from waste facility at Haverton Hill.
26. In response to queries from the scrutiny panel, it was indicated that the position regarding authorities which do not meet recycling targets is unclear. The Government has given no indication as to whether any sanctions or penalties are likely to apply in such cases.

New Recycling Contract

27. The scrutiny panel was informed that the current contract for the kerbside collection service will terminate on 31 March 2010. This contract was extended from its original end date of 31 October 2008 after successfully operating for three years.
28. At the time of information being presented to the panel (January 2010), a tendering exercise had been in progress for six months in line with European procurement rules. In drawing up the new contract specification, officers had considered the range of recycling collection systems currently employed nationwide and the differing effect on performance of those systems. Reference was also made to good practice guidance published by the Government's Waste Resources Action Programme (WRAP)¹.
29. It was decided to offer the new contract for a period of five years with the option to extend for a further two years. This is typical of recently awarded contracts elsewhere and is seen as being supportive of innovative collection solutions, which require greater capital investment by the contractor - and which is more likely to be recouped over a longer contract period. From research of best practice, it was concluded that the contract specification should have three main pricing components.
 - Contractors were firstly required to price for the current service specification for the kerbside collection service. Secondly, they were asked to provide a price to carry out the green waste collection service, which is currently undertaken by the Council's in-house service.
 - The pricing structures for these bids were as per the current contract, where a fixed monthly charge is paid to the contractor, with an additional charge applied for cost per tonne collected.
 - Contractors also had the opportunity to submit their own alternative service options. This was in order to maximise customer participation levels, and tonnages recovered. This option was included to take account of best practice and the fact that, nationally, Councils are being encouraged to continue to increase their recycling performance in line with the Government's National Waste Management Strategy 2007.

¹ See also the following section of the report re. the Council's participation in the Waste Resources Action Programme (WRAP) Waste Commitment.

30. The pricing structure for the alternative/innovative options was based purely on a tonnage charge, with no fixed monthly charges. This was because it was considered that this would be more beneficial to the Council - ie by offering an incentive to the contractor to increase performance, which could in turn result in a lower baseline tonnage charge payable by the authority.
31. It was decided to invite all nine respondents to participate in the full tendering process and tender documents were issued under the European Union procurement rules. Three companies subsequently informed the Council that they were withdrawing from the process and one company did not submit a bid. Five companies finally submitted contract bids for evaluation.
32. As part of the evaluation process, two bids were not fully evaluated. This was because an initial study of the tenders indicated that their values were deemed to be too high to be considered, having regard to the Council's budget. This was in accordance with the evaluation process contained in the contract documents.
33. At January 2010, the bids from the remaining three tenderers were in the final stages of evaluation, in accordance with the tender documentation. The evaluation process uses a scoring matrix to compare the submissions in terms of price (60%) and quality (40%). The quality section considers issues of methodology and service delivery, innovative processes, customer care, resources, health & safety, equal opportunities, environmental issues, community benefits and, finally, the overall quality of the company's response. During evaluation, consideration is also to be given to the value of investing in increased recycling performance while the Council is demonstrating sustainable waste management in terms of energy recovery and low levels of landfill.
34. The scrutiny panel was advised that, following the award of the contract, officers will work with the successful tenderer to maximise promotion and publicity for the new arrangements in advance of their introduction in April 2010.

Other recycling issues

35. The poor performance, and generally unkempt appearance of public bring sites, particularly the smaller sites, has prompted a review of those sites. This will be carried out during the coming financial year, when the outcome of the kerbside recycling tender is known, the new contract arrangements are underway, and residents become familiar with the new service, and the range of materials which can be recycled at the kerbside.

WRAP Waste Commitment

36. In October 2009, WRAP, which is the Government-funded Waste Resources Action Programme, contacted all waste collection authorities regarding its new Waste Commitment. WRAP has joined with the Local Government Association to invite local authorities to make a commitment to a set of principles for a good waste and recycling service, based on the views of the public. The Commitment, which is signed by participating authorities, aims to help local authorities improve residents' satisfaction about how their rubbish and recycling is collected and ultimately boost recycling rates.

37. WRAP conducted research of residents' views about what they like and dislike about their existing services, then, in consultation with local authorities, formulated the Waste Collection Commitment. The commitment sets out in plain English the ten principles that should underlie domestic waste and recycling collection services and means that the Council will:
1. Explain clearly what services residents can expect to receive.
 2. Provide regular collections.
 3. Provide a reliable collection service.
 4. Consider any special requests that individual households may have;
 5. Design services and carry out collections in a way that doesn't produce litter;
 6. Collect as many materials for recycling as we can and explain to residents you what happens to them;
 7. Explain clearly any service rules are and the reasons for them;
 8. Tell residents in good time if the Council has to make changes to services, even temporarily;
 9. Respond to complaints received about services; and
 10. Tell all residents about this commitment to collecting waste.
38. As lead authority for co-ordination of waste management in the Tees Valley Middlesbrough Council felt that all five Tees Valley Council should give consideration to signing up to this commitment. Consequently the matter was raised at the Tees Valley Waste Management Group meeting in November 2009. All five authorities (Middlesbrough, Stockton, Hartlepool, Redcar and Darlington) agreed to sign up to the commitment.
39. Although it is not possible to sign up as a group, the Tees Valley authorities collectively agreed to sign up at the same time and advise WRAP of their intention to do so. Signing up requires each council to have a designated officer or elected representative sign a copy of the commitment document. Councils can then decide how they wish to promote the commitment.
40. Within the Tees Valley all five councils have now signed the document and are planning the promotion process for early in 2010.
41. The panel was advised that there will be no formal monitoring of the Council's participation in the Waste Commitment. WRAP expects authorities who have signed up to the commitment to ensure that its principles are applied and adhered to. By publicising the ten principles involved, it is also possible that the public will monitor the Council's commitment to ensuring that all of these principles are delivered.

Stockton Borough Council's recycling scheme

42. The scrutiny panel agreed to invite representatives of Stockton Borough Council to attend a panel meeting. This was to enable Members to seek comparative information on the range of recyclable materials and levels of recycling in a neighbouring authority. Accordingly, Sheree Daniels, Service Development Manager from Stockton Council, and her colleague Dale Rowbotham, attended to provide information on this aspect of the panel's work and to answer Members' questions.
43. The panel was advised of how Stockton's recycling scheme operates, with details of materials collected also being presented. The main points arising from the discussion were as follows:
- a) Stockton expanded its recycling scheme to include plastic and cardboard in October 2008, gradually rolling out the service across the whole of its borough. There has since been a big increase in overall recycling levels (34.79% between July and September 2009 and 25.81% between October and December² 2009) while domestic refuse tonnages have decreased.
 - b) Green waste collections have also had a major impact on increasing recycling levels.
 - c) Although recycling participation rates are still being assessed, officers consider that these have increased overall, in all areas of Stockton.
 - d) The recycling scheme has been widely publicised, with the result that residents have been found to be more likely to recycle other items.
 - e) A no side waste policy has also increased recycling rates - as residents have now generally reduced the amount of materials that they put in their wheelie bins.
 - f) Since recycling was introduced in all terraced housing areas (which use black sacks for refuse collection), this has reduced the amount of black sacks left in back alleys.
 - g) Domestic refuse collections are made weekly, with recycling collected in every second week, on the same collection day as bin day.
 - h) Stockton charges £10 fee for bulky waste collection (eg furniture, white goods) - but has not seen an increase in fly-tipping as a result.
 - i) Its recycling service, like its domestic refuse collection, is carried out 'in-house.'
 - j) Stockton engaged a consultant to determine whether it was cost-effective to collect cardboard and plastic (as these are lightweight but high in volume). The conclusion was that, environmentally, it is beneficial to recycle cardboard and plastic, even when taking into account the CO₂ produced by vehicles used in collection rounds.

TERM OF REFERENCE: *"To examine the local position regarding packaging reduction, in particular the Council's involvement in this area."*

44. In examining this term of reference the scrutiny panel considered information in respect of:
- Why we should reduce packaging
 - Legislative Background
 - Council action and Enforcement
 - Packaging Reduction Initiatives

(Cont....)

² Due to less green waste being collected during the autumn/winter months.

- Waste Minimisation
- Action taken by retailers

Why reduce packaging?

45. The Government's Department for Environment, Food and Rural Affairs (DEFRA) estimated that 10.5 million tonnes of packaging entered the UK waste stream in 2006; according to Envirowise³ the food and drink industry is responsible for over 50% of this.
46. Over five million tonnes of food industry packaging enters the waste stream every year. In cost terms, Envirowise estimates the raw materials alone used to produce this packaging cost £4 billion, but this figure does not include costs of disposal or recovery, or any wider social costs (e.g. greenhouse gas emissions).
47. As much of the packaging from food and grocery is used to protect food products, it is passed on to consumers. This means that it is disposed of by households via the municipal waste stream. Historically a large proportion of household waste has been disposed of in landfill, with the environmental and social consequences of this.
48. As many materials used in packaging (e.g. glass, cardboard and some plastics) can be reused or recycled, disposal to landfill is not an efficient use of these scarce resources.

Legislative Background

49. Given the amount of packaging entering the UK (and other EU nations') waste streams, particularly the large proportions going to landfill, government has intervened both at an European Union (EU) and UK level. The main Government initiatives have focused on reducing the impact of packaging and packaging waste on the environment:
 - By influencing packaging recovery and recycling rates, and so reduce the amount of packaging disposed into landfill; and
 - By influencing the amount of packaging actually used in the supply chain.
50. The applicable legislation regarding packaging reduction is the Packaging (Essential Requirements) Regulations 2003. These Regulations apply to anyone packing or filling products into packaging, or importing packed or filled packaging into the United Kingdom. Trading Standards have a duty to enforce the Regulations, which require the following;
 - Packaging weight and volume must be kept to the minimum amount necessary to maintain the integrity of goods in transit/storage.
 - Packaging must be manufactured so as to allow re-use or recovery in accordance with technical requirements.
 - Noxious and hazardous chemicals in packaging must be kept to a minimum.
 - Packaging must be acceptable to the consumer.

³ Envirowise is a Government-funded organisation which offers environmental policy advice and free, independent support to businesses to help them to become more resource efficient and save money. Advice is also offered on managing unavoidable waste.

51. The ultimate aim of the 2003 Regulation is to ensure that the UK attains the recovery and recycling targets set out in the EU's Council Directive 94/62/EC on packaging and packaging waste. The amount of packaging waste producers have to recover and recycle is determined, in part, by the amount and type of packaging they handle.
52. Further regulations were produced in 2007. The Producer Responsibility Obligations (Packaging Waste) Regulations seek to:
 - Encourage the minimisation of packaging and packaging waste.
 - Incentivise re-use and increase the recovery and recycling of packaging waste.

Council action and enforcement

53. One of the main issues for Trading Standards is the ambiguity of the legislation in that businesses are able to claim that excessive packaging is necessary due to customer demand or acceptance, or for marketing purposes. For example, it may be claimed that a consumer will expect a gift to be packaged in a more elaborate and potentially wasteful way than utilitarian goods. This is particularly the case with goods such as cosmetics, gift items at Christmas, or for items such as easter eggs.
54. At present if a Trading Standards Service identifies a product that is excessively packed (this would normally need to be confirmed by an expert in this field), then an authority can require a 'responsible person' to demonstrate compliance with the Regulations. The 'responsible person' may be the packer, the person affixing their name to the packaging, the person who reconditions the packaging or the importer, although the responsible person must be based in the European Community.
55. The responsible person must ensure that the packaging satisfies all the essential requirements of the relevant regulations (as outlined above) and produce and retain a technical file on the product's packaging for a period of four years from the date that the packaging is placed on the market. An enforcement authority can make a written request for the technical file, or for documentation which demonstrates compliance with the essential requirements. The responsible person should respond with this information within 28 days.
56. It is an offence if packaging is found to fail to comply with the essential requirements; further offences are created by failing to retain the technical documentation; and failing to provide the documentation in the prescribed time. A person found guilty of the above offences is liable to a fine up to the statutory maximum.
57. A defence of 'due diligence' is available to a person to show that they took all reasonable steps and exercised all due diligence to avoid committing the offence. Further, where it is alleged that commission of the offence was down to the act or default of another, or to reliance on information given by another, proceedings can be taken against persons other than the principal offender. Local authorities have 12 months from the time the offence is committed in which to begin proceedings.
58. In 2007 Middlesbrough Council began to survey packaging. Trading Standards officers purchased a number of sample goods which appeared to be examples of excessive packaging. These were mostly gifts (toys, cosmetics, luxury foods electrical goods etc.) The items were submitted to a packaging expert who provided reports on the items.

59. This exercise showed that 70% of the items were found to occupy less than 20% of the packaging that contained them. Those identified as non-compliant were brought to the attention of the respective manufacturers and their Home Authority⁴ Trading Standards services. Working jointly, methods of reducing the packaging were discussed on the understanding that further samples would be taken during 2009/10 with a view to prosecution if things did not improve.
60. However, problems with the 'consumer acceptance' argument came to light early on in the survey in that the responsible persons who were contacted would often use this as the reason for excessive packaging. For example, retailers typically indicated that their product would not be acceptable to customers and would not sell as well if its packaging were to be reduced. It was also apparent that some manufacturers/importers are better at producing and maintaining a technical file than some smaller suppliers, where these files were found to be virtually non-existent. This in itself constitutes an offence.
61. The scrutiny panel was advised that a number of the problems identified during the first product survey were addressed by manufacturers etc. However, the virtually infinite scale of goods on sale means that significant problems remain. This is particularly the case with cosmetics and luxury gifts, where extremely small amounts of a product are enclosed in disproportionately large containers. Not only does this increase the amount of disposable packaging in circulation, it also necessitates increased storage and transportation, which also have an adverse environmental effect.
62. It was agreed to repeat the survey again during the 2009/10 financial year. At the time of the scrutiny panel's investigation (January 2010) results of the latest survey were awaited, although it was indicated that where excessive packaging is identified, approaches to the respective companies will be made to obtain the relevant technical file on the product.
63. Various products were purchased over the summer of 2009, with toys and gift-type items being purchased in the run up to Christmas. The goods purchased were then appraised by packaging experts. At the time of the report submitted to the scrutiny panel, the outcome of those appraisals were under review, as indicated above. Where instances of gross over packaging are identified, a request to the responsible person will be made and enforcement action taken where breaches are identified.
64. Considering the national position, to date, there have been only six prosecutions since the introduction of the legislation in 1999. Fines have also been at low levels, which are therefore unlikely to deter major manufacturers and retailers. As a result, calls have been made by the Local Government Association and Lacors⁵ to amend the legislation - particularly the 'consumer acceptance' element as this is viewed as allowing retailers/packers to use this as an explanation for all excessive packaging.

⁴ The 'Home Authority' principle is supported by local authority trading standards services throughout the country. A local authority acting as a home authority is concerned with the legality of goods and services originating within its area – so in taking action against a manufacturer using excess packaging, Middlesbrough Council would involve the local authority where the company's head office is based.

⁵ LACORS : The 'Local Authorities Co-ordinators of Regulatory Services' is the central body which works with, and on behalf of, local government on regulatory functions such as trading standards, food safety etc.

65. The scrutiny panel heard, however, that there are no planned proposals to amend the current legislation.

Packaging Reduction Initiatives

66. The initiatives to seek reduction in the amount of packaging waste can be subdivided into two areas:

- Those aimed at householders - as part of the authority's waste minimisation programme.
- Those to reduce packaging at source - for example by raising awareness by working with businesses.

67. In both cases work is taking place within the Council's Environment Service - with teams from Waste Policy tackling waste minimisation and Trading Standards officers working with businesses. The two teams work together and share information on their work. Work undertaken in these areas is closely linked to waste minimisation, which is covered in the following section of the report.

Waste Minimisation

68. The Recycling staff in Waste Policy regularly promote the theme of waste minimisation, seeking to raise awareness among residents of their role in limiting the amount of waste they produce as a result of their actions. This includes consideration of what they buy and how their 'buying power' can help to encourage manufacturers to re-package goods so that there is less waste material to go into the domestic waste stream. Probably the most recent example of this is the move away from the use of plastic carrier bags by supermarkets, and their declining use by shoppers.
69. For its part, the Council's recycling staff run a series of awareness workshops, ten of which took place in 2009. At the workshops, the impact of waste is explained and residents are encouraged to not only recycle, but to reduce their waste. Given the nature of what households throw away, this does cover a broad spectrum of items from packaging to food wastes - although there is an emphasis on packaging materials. For example, participants are encouraged to buy unwrapped items as opposed to those which are pre-packed.
70. A series of links on the Council's web pages support the work of the team. A list of actions that householders should consider is shown under the heading "Shop Smart." In addition, the Council in conjunction with its Tees Valley neighbours supports The Courtauld Commitment - which is a voluntary agreement adopted by a number of retailers and manufacturers to reduce the amount of packaging that they use.

Industry and retailer initiatives

71. Legislation is only one way to encourage reductions in packaging and packaging waste. While packaging is often essential (for safety, containment etc) Envirowise estimates that on average it accounts for 13% of production costs. As this is a significant cost to the food and grocery sector, the sector has become more proactive in seeking ways to reduce the amount of packaging used - both in packaging which is not seen by shoppers (e.g. boxes used to transport goods) and packaging used in goods which appear on the shelves of shops.

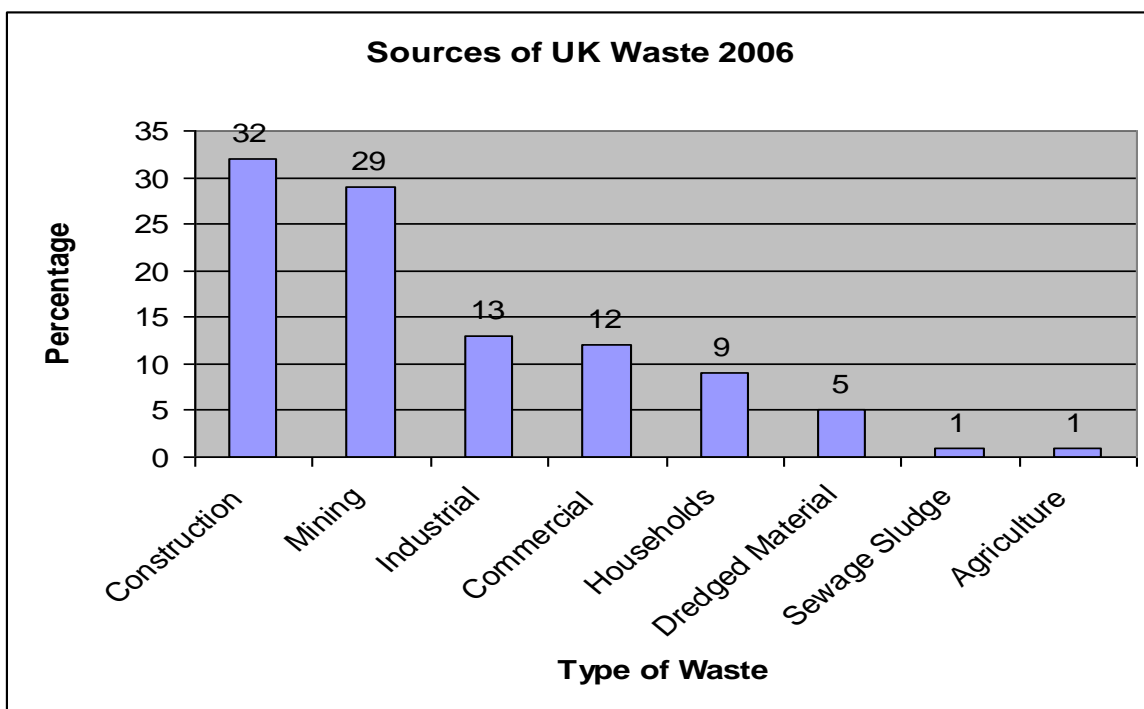
72. As part of its investigations, the scrutiny panel agreed that a selection of national retailers should be contacted to ascertain their views, and any action that they were taking, on packaging reduction. Accordingly Aldi, Morrison's, Marks and Spencer, Sainsbury's and the Co-op were contacted by letter. Although Aldi responded to say that the company was considering the issue and would respond further, nothing further was received. No responses were initially received from the other retailers, although following consideration of the draft final report by the Environment Scrutiny Panel, a response was received from the Co-op. Following agreement from the panel's Chair, Vice Chair and Members, this report now includes information relating to the Co-op's packaging reduction policy.
73. The scrutiny panel was informed that the Co-op has produced a Packaging Reduction Policy, which relates to own brand goods. This has resulted in improvements in a number of areas, including:
- Use of the lightest available ale bottle - up to 28% thinner than older bottles.
 - Use of thinner gauge salad bags.
 - Strengthening the concentration of laundry products, such as washing powder, in order to reduce box sizes.
 - Selling punnets of strawberries without plastic lids.
74. Further information, in respect of the Co-op's Packaging Policy, is attached at **Appendix 2**.
75. The scrutiny panel was disappointed at the overall lack of response from the retailers contacted, particularly given that those contacted are major names. In this context, the information provided by the Co-op is particularly appreciated by the panel.
76. Despite the overall lack of responses from retailers, the scrutiny panel did ascertain that, at a national level, steps have been taken by some retailers to reduce the amount of packaging which is being used.
77. Packaging reduction has become a key initiative for the food and grocery sector, driven by consumer demand, corporate responsibility considerations, media exposure and legislation. Most important are retailer packaging reduction initiatives - for example the following targets were produced by retailers in 2007:
- ASDA: 25% reduction in own-labelling packaging by 2008
 - Morrisons: use of 15% less own-brand packaging by 2010
 - Sainsburys: 5% reduction in packaging by 2008
 - Tesco: 25% reduction in own-label and branded packaging by 2010
 - Marks & Spencer: 25% reduction in packaging by 2012
78. It was also ascertained that Marks and Spencer is actively promoting a current packaging reduction campaign. Customers who have used their online ordering service were sent an e-mail in January 2010 which highlighted the company's 'Plan A' campaign - which includes packaging reduction as one of its aspects. The Plan covers a wide range of issues, such as climate change, reducing waste and increasing recycling

79. WRAP and Envirowise have provided illustrative examples of real progress in reductions to packaging in recent years. Taking just three:

- A well known brand of beer has reduced its bottle weight by 23% since 2005.
- The average weight of glass containers has been reduced by about 30% since 1980.
- Projects have shown that there is a potential to reduce the weight of the 500 ml plastic bottle from 25g to 20g and the 2 litre bottle from 42g to 40g. WRAP point out that if these new 'Best in Class' plastic bottle weights were adopted across the UK carbonated soft drinks industry this would result in a saving of 3,400 tonnes of plastic per year. This would generate a material cost saving of £2.7m and an energy saving of 2,811 million kWh.

ADDITIONAL INFORMATION

80. This relates to information which was relevant to the scrutiny review but which is not covered directly by the terms of reference of the panel's investigations. This is in respect of the sources of waste that is produced in the UK. The following graph (based on 2006 information from DEFRA) shows that household waste accounts for only 9% of total waste produced. While household waste reduction is clearly a laudable aim, this illustrates the scale of the overall problem and the need to also take action to reduce waste in other areas.



CONCLUSIONS

81. Based on the evidence gathered throughout the scrutiny investigation the panel concluded that:

1. There has been a significant increase in recycling levels in Middlesbrough in recent years, albeit from a low starting point. However, national target levels remain aspirational. There are, however, presently no sanctions against local authorities which do not meet recycling targets.

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2. The Council's new recycling contract, operational from spring 2010, presents an opportunity to increase recycling levels further, with additional materials such as plastic and cardboard to be collected across the whole of Middlesbrough.
3. Although the use of the energy from waste plant by the Council produces recyclable material (ie 'bottom ash' which is used in the construction industry), this material still cannot be counted towards recycling targets. This is despite representations having been made to appropriate bodies at a national level following the review of recycling which was undertaken by this scrutiny panel in 2006.
4. The Council continues to be well placed to lead on measures to promote overall waste reduction - including participation in recycling. Depending on future recycling levels, consideration may need to be given as to how this is undertaken and what steps can be taken to encourage participation. Greater recycling of materials from Council buildings should also be encouraged - although it is recognised that these cannot be included in recycling targets.
5. Local authority action alone cannot address the problem of packaging reduction - enforcement powers are weak in practice and low levels of fines against major retailers are ineffective.
6. Consumers have a powerful part to play in waste reduction overall. While awareness of recycling has grown in recent years, with this being reflected in increasing recycling levels, the issue of packaging reduction (which is also an important element of reducing waste overall) is not as well recognised among the public. Action taken by some retailers to reduce packaging materials is to be welcomed.
7. Nationally, over 90% of waste is produced from sources other than households/domestic sources. A debate needs to be encouraged regarding how waste from these other sources can be reduced.

RECOMMENDATIONS

82. Following the submitted evidence, and based on the conclusions above, the scrutiny panel's recommendations for consideration by the Overview and Scrutiny board and the Executive are as follows:
 1. That, following the introduction of the Council's new recycling contract in April 2010, the Environment Scrutiny Panel monitors recycling levels and, considers what action, if any, is needed to further increase levels.
 2. That the Council continues to press, at a national level, for the inclusion of recyclable materials from the energy from waste plant in recycling levels.
 3. That the Environment Scrutiny Panel's 2006 recommendation relating to recycling from Council buildings⁶ is revisited, with such recycling being further developed and encouraged.
 4. That the Environment Scrutiny Panel is consulted in respect of the exercise to review Middlesbrough's recycling "bring sites."
 5. That an awareness campaign is undertaken in relation to the issue of packaging reduction. This should highlight the importance of this issue in reducing overall waste levels and the part that the public can play in bringing pressure to bear on producers to use less packaging.

(Cont....)

⁶ Recommendation 6 from 2006 review of recycling - as approved by The Executive on 11 April 2006:

"That the possibility of developing a programme to maximise waste recycled from Council buildings and services is examined."

6. That the Council lobbies relevant national bodies in pressing producers and retailers to reduce the amount of packaging that they produce and in pressing the Government to consider how sources of waste other than household/domestic can be reduced.
7. That representations are also made to Government to strengthen the powers available to trading standards authorities to take action in respect of excessive packaging.

ACKNOWLEDGEMENTS

83. The Panel is grateful to all those who have presented evidence during the course of this investigation, and who have assisted in its work, and would like to place on record its thanks for the willingness and co-operation of the following:

Middlesbrough Council Officers:

- G Field - Business Development Manager, Environment
- T Punton - Head of Streetscene
- K Sherwood - Waste Policy and Performance Manager, Environment.
- J Wells - Group Leader, Community Protection

and;

- S Daniels - Stockton on Tees Borough Council
- I Ferguson - Co-operative Wholesale Society
- K Rowbotham - Stockton on Tees Borough Council

BACKGROUND AND REFERENCE MATERIAL

84. The following sources were consulted or referred to in preparing this report:
- Reports to, and minutes of, the following Environment Scrutiny Panel Meetings: 14 December 2009, 7 and 25 January, 12 February and 11 March 2010.
 - Department for Environment and Rural Affairs (DEFRA) Publication - 'Waste Strategy for England 2007.'
 - Waste Resources Action Programme (WRAP) website (see www.wrap.org.uk.)
 - LACORS : The 'Local Authorities Co-ordinators of Regulatory Services ' website (see www.lacors.gov.uk).
 - Marks and Spencer 'Plan A Campaign' website (see <http://plana.marksandspencer.com/about>)

**COUNCILLOR BOB KERR
CHAIR OF THE ENVIRONMENT SCRUTINY PANEL**

25 March 2010

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Findings from the Environment Scrutiny Panel's 2006 Review of Recycling

As Approved by The Executive on 11 April 2006

Conclusions

1. Action is necessary to address the increasing levels of waste being produced nationally.
2. Local policy and waste reduction and recycling targets are governed by national policies and directives. This has resulted in the current recycling regime being driven principally by the need to meet Government targets and performance indicators.
3. Waste minimisation is the optimum means of reducing levels of waste for disposal but, as producing goods from recycled materials uses less energy than using raw materials, recycling is also important and should be supported.
4. Due to a focus on reducing landfill by the use of waste incineration, Middlesbrough is not meeting recycling targets. However, expansion of the kerbside recycling scheme will increase recycling rates.
5. The Council is in a strong position to act as a "recycling champion" to promote recycling locally and deliver a clear message to the public on the benefits of recycling.
6. The Council should aim to set an example on recycling - although recycled materials from Council Buildings etc cannot be included in recycling targets, every effort should be made to recycle this material.
7. Although nationally the aim is to encourage recycling to reduce levels of landfill from an average of 80% of waste disposed of via that method, Middlesbrough currently disposes of less than 20% of waste via landfill due to use of the energy from waste incinerator. Materials recovered from incineration at the energy from waste plant cannot currently be included in recycling rates even though a high volume of materials from the incinerator is recycled (although this may be subject to change/clarification depending on the content of the forthcoming Waste Strategy 2006).
8. A number of good recycling schemes and initiatives are already in place in the borough but additional facilities are needed to increase recycling rates. It is anticipated that the extension of the kerbside recycling scheme across the Borough will achieve this.
9. Every effort should be made to maximise participation rates in the kerbside recycling scheme - education, promotion and publicity will be key elements of this and of increasing recycling rates in general. Participation and collection rates will need to be closely monitored.
10. Recycling rates could be increased further by the introduction of a Green Waste Strategy - although an assessment would need to be made of costs and benefits.
11. The cost-effectiveness of increasing recycling rates will also need to be considered - there is a need to ensure that a balance is struck between expenditure and increasing recycling rates.

(Cont....)

Recommendations

1. That the Council endorses the objectives (as contained in the Department for Environment, Food and Rural Affairs (DEFRA) Waste Hierarchy) of waste minimisation and re-use as the best waste management options but also recognises and promotes the environmental benefits of recycling.
2. That these objectives are supported principally on environmental grounds and not solely due to the need for local authorities to meet Government targets/performance indicators on recycling.
3. That a targeted, borough-wide education programme is established to promote these objectives.
4. That the importance of recycling, and also all local recycling schemes, is/are publicised via all appropriate means, including the Council's website, Middlesbrough News, press releases, posters and leaflets.
5. That the impact of extending the kerbside recycling scheme on recycling levels and participation rates is assessed before determining whether the introduction of further recycling initiatives (including a green waste strategy) are necessary to meet Government targets, or whether other measures to increase recycling rates should be considered.
6. That detailed options for dealing with green waste - including potential costs - are considered following action at 5. above.
7. That the forthcoming DEFRA Waste Strategy 2006 is awaited, together with any resultant changes in the recycling regime. Following this, and if necessary, representations be made to DEFRA regarding the fact that waste materials which are recycled from the Energy From Waste incinerator cannot currently be included in recycling targets even though such use (for example the use of bottom ash in the construction industry) reduces the need to exploit natural resources.
8. That the possibility of developing a programme to maximise waste recycled from Council buildings and services is examined.

SUMMARY OF THE CO-OPERATIVE WHOLESALE SOCIETY'S 'OWN BRAND' PACKAGING POLICY (VERSION 8 - JULY 2009)

NB: As at March 2010 the policy is in the process of being updated to reflect the new 'Courtauld Commitment 2'.

Key points of the policy, which applies to Co-op own brand goods, include:

- Minimise packaging weight
- Minimise packaging layers
- Maximise recycled content
- Maximise recyclability
- Do not use PVC
- Do not use GM materials
- Do not use animal ingredients
- No animal testing

General

Since the Packaging Regulations of 1998, we are required to minimise packaging, facilitate recycling and take account of safety, hygiene and customer requirements. We are also responsible for the cost of recycling our packaging, and we have to pay a levy based on how much packaging we use. In addition to any Environmental considerations, we therefore have a positive commercial incentive to use less packaging, more recycled/recyclable materials and innovative formats and materials.

Aim of Policy

The aim of this policy is to continually improve the sustainability of the packaging used for Co-operative Brand products.

In this context, improving sustainability will be defined as "Reducing the environmental impacts of the packaging while maintaining fitness for purpose and cost effectiveness."

Along with other major retailers, the Co-operative Group has joined forces with WRAP, pledging our commitment at executive level to achieve the following objectives;

- To design out packaging waste growth by 2008
- To deliver absolute reductions in packaging waste by March 2010
- To identify ways to tackle the problem of food waste

This agreement is known as the Courtauld Commitment, which was agreed in 2005.

This policy will be delivered principally by moving packaging up the waste management hierarchy. The headings used below are taken directly from the waste management hierarchy and are presented in order of preference.

Reduction (Waste Reduction)

The Co-operative Group is committed to minimising the amount of packaging it uses. We are working closely with WRAP (the Government sponsored Waste & Resources Action Programme) to reduce the amount of packaging used for Co-operative Brand. It is a requirement for Co-operative Brand that buyers and suppliers must ensure that the amount of packaging used is minimised.

Re-use

Returnable packaging may provide a major environmental advantage over one trip/single use packaging. A feasibility study & Life Cycle Analysis may be advisable to establish benefits and comparisons for different applications.

Recycling

Materials used for packaging should be selected to maximise recyclability and minimise materials sent to landfill. In some cases, this aim may work against the aim of weight reduction. Weight reduction will usually take precedence.

Recycled Materials

Recycled materials should be used for all non food-contact applications where it is feasible to do so. There is an increasing potential for using recycled materials in food contact packaging which should be exploited. As well as the well established recycling of glass, steel and aluminium, we now have recycled PET and PE available. The amount of recycled material used should be maximised. Where a product or product range has been developed and marketed with a stated recycled content, this recycled content must be maintained.

Recovery (Composting)

Recovery through composting is considered by some to be equivalent to recycling. It is our belief that recycling is usually a better proposition. Home compostable packaging that meets the requirements of the OK Compost Home standard should be used where there is no established recycling stream. Home composting is a very cost effective and energy efficient method of waste disposal as it requires no collection infrastructure and entails no labour costs on the part of local authorities. Ideally, all components in the pack should meet the standard for a claim on pack to be made.

Energy Recovery with Heat and Power

The current waste collection infrastructure precludes basing any part of this policy on energy recovery. If this situation changes to a significant degree, the policy should be reviewed.

Landfill with Energy Recovery

Oxobiodegradable packaging should be considered for use on packaging materials for which there is no established recycling stream or recovery of biomass through composting. This option does not have the equivalent status of recycling or composting. If a recycling stream for these materials is established and is widely available to consumers, this option should be abandoned.