



Cynulliad Cenedlaethol Cymru
The National Assembly for Wales

Pwyllgor Deddfwriaeth Rhif 4
Legislation Committee No. 4

Dydd Mercher, 21 Ebrill 2010
Wednesday, 21 April 2010

Cynnwys
Contents

- 3 Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions
- 4 Y Mesur Arfaethedig Ynghylch Gwastraff (Cymru)—Cyfnod 1: Sesiwn Dystiolaeth 3
The Proposed Waste (Wales) Measure—Stage 1: Evidence Session 3

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Chris Franks	Plaid Cymru The Party of Wales
Sandy Mewies	Llafur Labour
Jonathan Morgan	Ceidwadwyr Cymreig Welsh Conservatives
Jenny Randerson	Democratiaid Rhyddfrydol Cymru (Cadeirydd y Pwyllgor) Welsh Liberal Democrats (Committee Chair)
Joyce Watson	Llafur Labour
Kirsty Williams	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats

Eraill yn bresennol
Others in attendance

Richard Jenkins	Cyfarwyddwr Ffederasiwn y Meistr Adeiladwyr, Cymru Director, Federation of Master Builders, Wales
Tim Peppin	Cyfarwyddwr Adfywio a Datblygu Cynaliadwy, Cymdeithas Llywodraeth Leol Cymru Director of Regeneration and Sustainable Development, Welsh Local Government Association
Beth Winkley	Rheolwr Rhaglen Cymru, Rhaglen Gweithredu'r Cynllun Gwastraff ac Adnoddau Programme Manager Wales, Waste and Resources Action Programme

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Sarah Beasley	Clerc Clerk
Joanest Jackson	Cynghorydd Cyfreithiol Legal Adviser
Sarah Sargent	Dirprwy Glerc Deputy Clerk
Nia Seaton	Gwasanaeth Ymchwil yr Aelodau Members' Research Service

Dechreuodd y cyfarfod am 9.17 a.m.
The meeting began at 9.17 a.m.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions

[1] **Jenny Randerson:** Good morning, and welcome to this meeting of Legislation Committee No. 4. We have received apologies from Brian Gibbons, Christine Chapman and Bethan Jenkins. I welcome Sandy Mewies and Chris Franks, who are attending as substitutes. Joyce Watson is due to be here later. I have not been informed of any other changes. I remind

everyone that, in the event of a fire alarm, they should leave the room by the marked exits, following the instructions of the ushers and staff. No test is forecast for today. Please turn off all mobile phones, pagers and BlackBerrys, as they interfere with the broadcasting equipment. I remind you that the National Assembly for Wales operates through the media of Welsh and English, and headphones are provided for translation. If anyone has a hearing impediment, the headphones can also be used to amplify the sound. The interpretation is available on channel 1, and a verbatim broadcast is on channel 0.

9.18 a.m.

**Y Mesur Arfaethedig Ynghylch Gwastraff (Cymru)—Cyfnod 1: Sesiwn
Dystiolaeth 3
The Proposed Waste (Wales) Measure—Stage 1: Evidence Session 3**

[2] **Jenny Randerson:** The purpose of today's meeting is to take evidence from representatives of the waste and resources action programme Cymru—WRAP Cymru—the Federation of Master Builders Wales and the Welsh Local Government Association. I welcome our first witness, Beth Winkley, who is the programme manager for Wales for WRAP Cymru. Thank you for coming in, Beth. We will now move straight to questions, if that is all right with you. I will start with a general question. Could you outline briefly, for the record, your position as an organisation on the general principles of the proposed Measure?

[3] **Ms Winkley:** Certainly. The waste and resources action programme, known by the acronym WRAP, is pleased to offer evidence to Legislation Committee No. 4 on the Proposed Waste (Wales) Measure. To give you a little bit of background, WRAP was established as a not-for-profit company in 2000 and is backed by Government funding, including funding from the Welsh Assembly Government. It works across the UK to help businesses and individuals to reap the benefits of reducing waste, and to develop sustainable products and use resources efficiently.

9.20 a.m.

[4] The need for the proposed Measure is primarily a matter for the National Assembly for Wales and the Welsh Assembly Government. WRAP is a delivery body. We do not therefore campaign for changes in the law, and we work within existing regulatory arrangements. We are conscious, however, that the proposals in the draft waste strategy, 'Towards Zero Waste', contain ambitious targets, and the proposals in the proposed Measure to set statutory targets for local authorities to ban certain materials from landfill and to establish site waste management plans for the construction sector could be helpful to achieve the objectives set out in the draft strategy. In the event of a voluntary agreement not being successful, we note that there is a reserved power concerning the use of the revenue generated from single-use carrier bags.

[5] **Sandy Mewies:** Good morning, Beth. You touched on the development of voluntary agreements. I am quite sure that you have held talks with large retailers on single-use carrier bags, so what are their views on that voluntary approach?

[6] **Ms Winkley:** The voluntary approach that we have discussed with supermarkets has been to secure a reduction in carrier bag use and a reduction of their environmental impact. I can give you more information on that, if you want.

[7] **Sandy Mewies:** I am a substitute on this committee, but I think that, if the voluntary approach does not work, there is leeway to introduce mandatory charges. Do you know anything about retailers' views on that?

[8] **Ms Winkley:** My understanding of the proposed Measure is that the charge relates to whether there is a voluntary code for where the revenue generated from the levy on carrier bags goes, which is the retailers' choice, or whether it becomes mandatory and retailers are to be told where that revenue will go. Our voluntary agreement has very much been about reducing the use of carrier bags, and I can give you information on our success in the voluntary arrangement with retailers, which has resulted in a 48 per cent decrease in carrier bag use.

[9] **Sandy Mewies:** Do you want to explore that further, because we are particularly interested in the proposed Measure? Can you draw any conclusions from your past experience with the voluntary scheme?

[10] **Ms Winkley:** We have been involved in two voluntary arrangements with retailers on carrier bags in the UK. In both cases, WRAP's role was to monitor progress on the agreement through data collection and analysis, as well as to monitor the issues resulting from the industry. The first target was to reduce the environmental impact of all carrier bags by 25 per cent by the end of 2008, and results show that participants successfully achieved a 26 per cent reduction in the total use of carrier bags and a 40 per cent reduction in the environmental impact. That was measured by the reduction in the use of virgin materials.

[11] The second, subsequent agreement was in May 2009, and results were announced in July 2009, showing a 48 per cent reduction in the use of carrier bags against the 50 per cent target. So, we know that voluntary agreements with retailers on the use of carrier bags have been successful.

[12] **Jenny Randerson:** Do your voluntary agreements in any way encompass the very small stores?

[13] **Ms Winkley:** No, these have been voluntary agreements with supermarkets, essentially.

[14] **Sandy Mewies:** Do you think that the proposed Measure should make provision for a trigger mechanism to move to a mandatory charging scheme? If so, although you may have no view at all, which body do you think should be involved in determining this?

[15] **Ms Winkley:** Given the experience of the voluntary approach, we think that setting a trigger for a mandatory charging scheme is technically feasible. However, as to whether there should be provision for a trigger, we see that as a policy decision and not one for WRAP to comment on.

[16] **Sandy Mewies:** Do you have views on the proposal contained in the proposed Measure to limit the distribution of funds under future regulations to projects that have environmental purposes?

[17] **Ms Winkley:** I do not think that we are best placed to comment on the financing arrangements for the charging scheme. However, in principle, we agree that it is a good idea to ring-fence any future funds generated for environmental purposes, unless retailers have existing arrangements in place with charities.

[18] **Joyce Watson:** Good morning. I am sorry that I was late, but my watch must have been slow. Thank you for your paper. Do you think that the proposed Measure should include a definition of the phrase 'single-use carrier bag'?

[19] **Ms Winkley:** For the purpose of our voluntary arrangements, single-use bags are determined by bag gauge. That is, the thickness of the plastic used. That methodology works

well for supermarket carrier bags under the voluntary agreement, because few of the supermarkets use paper bags; they use bags made of other materials, which are heavier and sturdier and not deemed to be single-use carrier bags. However, the approach might not be suitable for all retailers because the bags used are so varied, and that makes defining a single-use carrier bag much more difficult. If the Welsh Assembly Government wanted to include a definition, it might help to make the proposed Measure more workable. WRAP would be happy to help by working with officials on that definition.

[20] **Joyce Watson:** Do you have any views on whether it is appropriate for individual retailers to administer the charging arrangements, or should there be an independent regulatory body to oversee that—for the voluntary scheme, the mandatory scheme, or both?

[21] **Ms Winkley:** We certainly feel that a voluntary scheme needs independent monitoring. That is what WRAP currently does for the voluntary scheme to reduce the number of carrier bags. For any mandatory scheme, it may be worth looking at the costs of each option or approach before reaching a decision.

[22] **Joyce Watson:** Do you have any views on whether the proposed Measure should make provision for the monitoring and enforcement of the charging arrangements in a mandatory scheme?

[23] **Ms Winkley:** It would seem sensible to introduce appropriate monitoring and enforcement should mandatory charging come into force.

[24] **Jenny Randerson:** We will now move on to sections 3 to 8 on waste targets. Kirsty has some questions.

[25] **Kirsty Williams:** Good morning, Beth. Do you believe that the proposal contained within the proposed Measure to set the same percentage targets for all local authorities is realistic and achievable?

[26] **Ms Winkley:** The proposal is understandable given the ambitious targets in the new draft waste strategy. However, some authorities will face more challenging circumstances and may need greater effort or require more support to help them to achieve those targets. Additional support and guidance needs to be offered to help local authorities to keep pace with those targets, to reach 70 per cent recycling by 2025.

[27] **Kirsty Williams:** From your experience, and in light of the comments that you have just made about working with local authorities in Wales, how much additional resource is needed by authorities facing the challenging circumstances that you have just described to enable them to reach the targets in the proposed Measure?

[28] **Ms Winkley:** WRAP does not currently work extensively with local authorities in Wales, but we have experience from the work that we do across the rest of the UK. So, it would be difficult to talk about specific resources today. However, we have developed a great deal of experience of working with local authorities, and we would be happy to work with the Welsh Assembly Government and the Welsh Local Government Association to support authorities to achieve those targets. We know that recycling outcomes are a mixture of system design and effective ongoing communication with residents, so it is about getting that balance right to ensure that the challenges can be met.

9.30 a.m.

[29] **Kirsty Williams:** From your experience of working in other parts of the United Kingdom, are there any lessons regarding resourcing that may be helpful to us in considering

this proposed Measure? If you cannot answer now, I am sure that we would be very happy to have something in writing.

[30] **Ms Winkley:** I can certainly get back to you with something.

[31] **Kirsty Williams:** Thank you. Could you clarify for the committee what you mean by the following?

[32] 'Formal recycling targets will also have the effect of constraining the way in which the Landfill Allowances in LAS are achieved by moving waste up the waste hierarchy.'

[33] Could you give us further explanation of that? What issues, if any, would this create for local authorities?

[34] **Ms Winkley:** To provide a bit of an explanation on this, the landfill allowances scheme, LAS, limits local authorities only with regard to the quantities of biodegradable material that they send to landfill. It does not directly incentivise the recycling of dry materials. Therefore, relying just on the landfill allowances scheme may put too much emphasis on the diversion of materials from landfill into alternative treatment solutions, such as energy from waste or mechanical or biological treatments. So, by relying on landfill allowances schemes alone, rather than moving up the hierarchy for waste—by which we mean, initially, waste prevention, then reuse, recycling, treatment and disposal—you may see an emphasis on materials being diverted from landfill to another treatment solution, which may be energy from waste or mechanical or biological treatment. However, having statutory targets in place as well as the LAS will mean that local authorities will need to find recycling and composting solutions that will ensure that landfill diversion is achieved through desired routes rather than other treatment routes.

[35] **Kirsty Williams:** Thank you. That is clear.

[36] **Jenny Randerson:** We will now move on to sections 9 to 11 on landfill. I will ask Jonathan to ask some questions.

[37] **Jonathan Morgan:** Good morning. Sections 9 to 11 provide powers to Welsh Ministers to introduce regulations under section 9, and sections 10 and 11 stipulate what may occur as a result of Welsh Ministers' introducing regulations and how those regulations would be restricted or provided for. Do you think that the powers in those sections are appropriate? Do you think that the regulatory powers being sought by the Welsh Assembly Government should be more specific?

[38] **Ms Winkley:** This is a policy issue, so it is not really an area for WRAP. However, WRAP has project-managed research on behalf of the UK and devolved Governments, including the Welsh Assembly Government. The research indicates that there are environmental benefits to be achieved by restricting specific materials from being put into landfill. The Welsh Assembly Government and the Department for Environment, Food and Rural Affairs are now consulting on that research.

[39] **Jonathan Morgan:** Is there sufficient capacity in the waste management sector in Wales to deal with the increased levels of recycle that would result from the introduction of landfill bans?

[40] **Ms Winkley:** This issue is being examined at the moment. It is part of the collections infrastructure and market sector plan, which WRAP is managing on behalf of the Welsh Assembly Government. Some work has already been undertaken, and preliminary findings suggest that there is additional capacity in the existing infrastructure. Where there is not

sufficient infrastructure at present, we see no reason why capacity cannot be put in place. We have challenging timescales, but if we have clarity and focus, which we believe we do, it can be done. It should also be noted that the potential additional capacity would also need to be linked to appropriate collections and sorting schemes. Sorting additional material to ensure quality levels to realise the potential benefits of these actions will be key, as will ensuring that we have end-user markets for these materials.

[41] **Jonathan Morgan:** Looking at the preliminary findings to do with capacity, are you confident that you will be at the point in the near future where those capacity issues will be completely resolved? You said that there was some capacity at the moment, but perhaps there is not sufficient capacity in other areas of the sector. Are you confident that once the legal issues around the proposed Measure are resolved and the proposed Measure and the regulations are introduced, the capacity will be at the correct level to be able to cope with this?

[42] **Ms Winkley:** Much activity has already been undertaken on capacity with regard to the anaerobic digestion of municipal waste. There is also WRAP's own programme on commercial and industrial waste. We have a capital programme to help support the development of reprocessing infrastructure. With the focus that is being put on infrastructure at the moment, I am confident that there will be capacity in Wales to deal with the materials.

[43] **Jonathan Morgan:** One of the issues that we look at from time to time relates to the cross-border issues between England and Wales. It is a natural thing for people to do when there is such close proximity between two countries. If landfill bans were introduced in Wales for these types of materials, but not in England, what cross-border issues would this cause in your opinion? For example, would it encourage organisations to export their waste to England?

[44] **Ms Winkley:** In theory, yes, that is quite possible. It is hard to draw on prior and directly comparable experiences at this stage. If this should happen, there are measures that could be put in place, such as waste licensing and waste transfer notes. It is a difficult one to comment on at this stage, but it is a possibility.

[45] **Jenny Randerson:** Would you expand on the measures that could be put in place?

[46] **Ms Winkley:** Yes. When waste is being transferred from one site to another, a waste transfer note is required. Therefore, if a company in Wales would like to transfer waste over the border to England, you could put a restriction on that note excluding some materials—the materials that it is proposed will be banned in Wales, for example.

[47] **Jenny Randerson:** I see. Thank you for that explanation.

[48] **Jonathan Morgan:** I now turn to the issue of monitoring and the enforcement of landfill bans. Should legislation, and particularly the proposed Measure, contain the mechanism for monitoring and enforcement or do you think that that should be simply left to regulation?

[49] **Ms Winkley:** Our research report suggests that monitoring landfill restrictions using the duty of care system, with the addition of the requirement to sort the materials, would be the better option.

[50] **Jonathan Morgan:** How satisfied are you with the way in which the proposed Measure is currently drafted?

[51] **Ms Winkley:** I would need to consult my colleagues on that, I am afraid.

[52] **Jonathan Morgan:** If you wanted to provide a note to the committee on that, that might be quite useful.

[53] **Ms Winkley:** Okay.

[54] **Jenny Randerson:** That would be very helpful.

[55] **Jonathan Morgan:** Given that the civil sanctions issued against a company or an individual can be considered by an enforcement agency when considering the disposal of a matter and when waste management licences are being considered for renewal, do you, as an organisation, feel that the imposition of civil sanctions for failure to comply with a landfill ban is appropriate?

[56] **Ms Winkley:** This is not a matter that WRAP should comment on.

[57] **Jonathan Morgan:** That is fine, thank you.

[58] **Chris Franks:** There is a difference of opinion between your organisation and the Federation of Master Builders regarding the effectiveness of site waste management plans. Will you advise the committee of the evidence that you have to support your views?

[59] **Ms Winkley:** WRAP commissioned a site waste management plan impact survey in 2009. I will run through a few of the key findings of that survey. Sixty five per cent of respondents identified designing out waste as the action that resulted in the most cost savings. This is at the design stage of the project—looking at the waste issues at the very start of the design process. None of the projects where the site waste management plans were initiated at the design stage reported an increase in costs as a result of the preparation and implementation of site waste management plans.

[60] Projects where there was client involvement in the site waste management plan also tended to generate greater savings, with around 65 per cent of respondents reporting that implementing a site waste management plan improved resource efficiency for all projects.

9.40 a.m.

[61] Over half of the respondents reported that they had experienced reduced costs as a result of implementing a site waste management plan. Overall, 76 per cent of respondents stated that the benefits of implementing a site waste management plan outweighed the costs.

[62] **Chris Franks:** So, the message is that good initial project management pays dividends.

[63] **Ms Winkley:** It certainly does. Putting in the work at the design stage with the client and the contractor gives you your best results.

[64] **Chris Franks:** Could you expand on your views on the necessity to introduce a charging scheme to support the enforcement of the plans?

[65] **Ms Winkley:** We do not feel that the pricing structure and the level of it is something for us to comment on, but we would recommend the following in considering drawing up proposals: the more administrative the system, the more fees will have to be generated to manage that system. So, it should be made as simple a system as possible to administer and the pricing structure should not run counter to the aims of the site waste management plan. In other words, the cost of failing to comply should not be cheaper than the cost of compliance.

[66] **Jenny Randerson:** You have agreed to provide us with further information. In addition to that, are there any other points that you would like to make today?

[67] **Ms Winkley:** No, that is fine.

[68] **Jenny Randerson:** That is the end of your evidence session. Thank you very much for your contribution. A draft transcript of today's proceedings will be sent to you so that you can correct it. Thank you, again, for coming in.

[69] I welcome our next witness, Richard Jenkins, director of the Federation of Master Builders, Wales. Thank you for coming in. We will move straight to questions, and I will start with a very open question. Will you please outline briefly for the record the position of your organisation on the general principle of the proposed Measure or on the relevant sections of the proposed Measure?

[70] **Mr Jenkins:** Thank you for inviting me to give evidence. It is fair to say that the FMB thinks that this may be a little bit of a sledgehammer to crack a nut and that such a heavily legislated approach might not be necessary. At the moment, the building industry is still in deep recession. We have seen some, dare I say, green shoots, but we are still bumping along the bottom. We do not expect to see the construction industry in Wales having anything like a growth spurt until 2012. We are a little concerned that businesses are already under pressure daily to control staff, prices and costs and so on and are waiting for things to get better. Now, we will have more constraints on us that will cause those who are already compliant, such as members of the FMB, more grief and more trouble and make them less competitive with those who are already non-compliant and will not comply. We do not think that this will control fly-tipping, for example, because that is mainly done by the non-compliant, so-called cowboy or rogue builders, and they will just ignore these rules as they already ignore the rules that are currently in place.

[71] We would like to see a system where these regulations are made part of building regulations, which will hopefully be devolved completely in November 2011. We think that it should be part of a competent person scheme, which is under consultation at the moment in advance of being devolved next year. It will be run by the local authority building control as part of a competent person business scheme. That way, it will be less costly, more effective and get straight to the point of the matter. The control on it then will be that if you do not comply with any of the regulations, including this one, then you lose your competent person licence in effect, and that stops you from operating. That is the sort of road that we would like to see us going down. I know that there are problems with legal issues, in terms of this not being part of the building regulations, which are somewhere else in the legislation process, but we think that we should be looking at how we get over that and make it part of that scheme.

[72] **Jenny Randerson:** We will move on to Kirsty, who will ask questions in relation to sections 9 to 11 on landfill.

[73] **Kirsty Williams:** Thank you, Jenny, and good morning, Richard. Looking at landfill, will you give us your assessment of the impact on the construction industry of the introduction of landfill bans on certain waste materials from your industry?

[74] **Mr Jenkins:** At the moment, we feel that there are not enough alternatives, so a landfill ban would be a great constraint on the industry and make for extra costs and a great many problems. There are already builders who want and need to recycle and who will try to do so and who believe in it and think that there may even be a business case for doing so, although that has not been shown as yet. If there were to be a complete ban on landfill, there

are very few options for builders, and we should be looking at providing better recycling options for them. There are pretty good community sites now, but professionals and builders are not allowed to use those sites. So, we need other sites. There are some very good things going on in Wales. Constructing Excellence in Wales is conducting a pilot scheme with recycling or transfer depots in the yards of one or two builders' merchants. That makes a lot of sense. I represent small builders, not the big guys; they are your Welsh small and medium-sized enterprises. We think that those small businesses being able to go to a builders' merchant to pick up supplies, and, at the same time, dropping off stuff, would be helpful. However, a complete landfill ban at this time, or in the near future, would be disastrous until there are other avenues or methods to recycle in place.

[75] **Kirsty Williams:** You have anticipated my second question perfectly. We are clear about how you feel about the capacity in Wales at the moment. In your paper, you state that there are particular problems in south Wales at present, and that means that members are taking their waste across to England. I guess the logical conclusion would be that if there were a ban in Wales that that would increase.

[76] **Mr Jenkins:** I think that would happen to a certain extent, certainly among companies or builders near the borders. We are talking about hazardous waste here, and there are not enough hazardous waste disposal points in south Wales. We hear anecdotally that people are taking waste across the border. If there were a landfill ban in Wales, that would increase. However, there would probably be a cost balance with regard to distance, and whether it is worth travelling or taking other steps. It is about putting some choices out there for people and allowing them to recycle. They want to recycle. Most of our members are, like you, concerned about the situation regarding global warming, climate change, pollution, and so on, the same as everyone else. They would like to recycle, but sometimes it is just not that easy; the capacity is not there.

[77] **Jenny Randerson:** We will move on to Jonathan, who will be asking questions on sections 12 to 14 on site waste management plans.

[78] **Jonathan Morgan:** Looking at the Assembly Government's proposal for site waste management plans, the Government says that the introduction of plans in Wales would help increase resource efficiency, divert waste away from landfill and reduce the instances of fly tipping. Do you believe that the introduction of those plans would help achieve those aims?

9.50 a.m.

[79] **Mr Jenkins:** Not as they stand. As I said earlier, it would just put more pressure on the already compliant and make it easier for the non-compliant to be more competitive. They already break all the rules, do not pay the VAT and all the rest of it, and all that makes it very difficult for good builders to be competitive. We have always seen this whole issue of sustainability as another opportunity for the rogue builder to pretend that he is being sustainable and compliant. We do not see how that would stop him. I just cannot see how it would have any effect; he would break this rule just as he breaks all the other rules. However, if it were part of a competent persons scheme, the public would know to hire only those builders with a competent persons scheme card, and builders would have to comply or they would lose their livelihood. It would be risk-managed-based in the same way that the gas safe register is. If you broke the rules you would lose your card or get more and more inspections. The better you were, the fewer inspections you would get, which would reduce costs. That is the same way that the gas safe register works.

[80] **Jonathan Morgan:** In your evidence, you say that a survey was done in England of FMB members with regard to the implementation of the site waste management plans. You say:

[81] 'There is a strong view among FMB members that SWMPs have not been the driving force to bring about improvements in waste management and have not delivered the business benefits that were promised prior to implementation.'

[82] What business benefits were promised prior to implementation?

[83] **Mr Jenkins:** I think that builders were promised that the schemes would reduce costs with regard to moving waste off sites because there would be a more efficient system in place. I think that they were also promised that this would mean that they would be viewed by the public as sustainable builders, which would improve their employability, for want of a better word. That has not happened. It has caused more problems in England. That is the view that came across. I think that the process in England is slightly different from the one being proposed in Wales. I understand that it will be a criminal act in Wales not to comply. That is not the case in England. I stand to be corrected on that. However, it is a very convoluted process, which would make it a criminal act in Wales. From what I understand, that is not the case in England, and it is not terribly well policed in England. It seems that all you have to do is submit a plan. That plan could say that all waste would be moved to landfill. That would be fine, because it is a plan and has been submitted.

[84] **Jonathan Morgan:** If plans were introduced in Wales, who should be responsible for monitoring and enforcing those plans?

[85] **Mr Jenkins:** That should definitely be building control inspectors, because they have the experience and they understand the regulations. The proposals from Eunomia, which is doing a scan on this, suggest a number of options. Most of them use building control, and it is to be hoped that it would be part of the building regulation scheme.

[86] **Jonathan Morgan:** You have touched on my next question, but I will ask it anyway. In case of non-compliance, what sort of sanctions should be imposed?

[87] **Mr Jenkins:** As I said, if it could be part of a competent persons scheme, non-compliance should result in the person losing their competent persons scheme membership or having penalties against them, or having further inspections. Anything else would be difficult to police. We are concerned about how this will be policed. It is going to be costly. If you have to submit a site waste management plan to building control when you apply for planning, that would seem to be a good way to do it, and we would agree with that. However, it seems to us that policing that thereafter will be extremely costly, involving inspections and penalties. Those penalties and the fees will have to cover the cost of inspections and the whole administration of this process. Obviously, it will have to be cost-effective or the public purse will be paying out more money. Someone has to pay for it. If you can find a way to reduce the costs, that should happen. It should be done the best and cheapest way.

[88] **Chris Franks:** The federation says that it has alternative ideas regarding the objective of reducing waste and increasing resource efficiency. Can you go into more detail on how you would achieve those objectives?

[89] **Mr Jenkins:** I have touched on a couple of things. As I said, I think that it should be part of a competent persons scheme. There must also be more recycling depots available to builders, where they can recycle properly. We must look at the waste transfer tickets. We have anecdotal evidence of builders trying to recycle goods from one site to another and being taken to task by inspectors because they are transporting waste without a waste transfer ticket. That makes it very difficult for them to reuse their waste on their own sites. Some inspectors turn a blind eye to the letter of the law, but it is not allowed without a waste transfer ticket. That is a bit silly and we need to do something about it. The main thing is more transfer sites.

Local authorities should be making more transfer sites available to small builders, and to big builders as well, to recycle.

[90] **Chris Franks:** You have touched on this, but this question might give you an opportunity to expand on it further. What lessons have your members learned regarding the introduction of management plans in England that we can profit from in Wales?

[91] **Mr Jenkins:** They found that it is not cost-effective; it does not help them, it just creates more paperwork for them and takes more time. They already have to assess very clearly and precisely what a job is going to cost them and managing the waste is part of that. In a way, most of them are already doing that. They are already planning how they are going to get rid of the waste that they generate, because they cannot leave it on the site anyway. So, they have to have some sort of plan of getting rid of it at the end. So this has not been a great help because they are already doing it, in a way, as part of their contract application and tender bid. Also, as I just mentioned, there is the waste transfer situation, where they cannot transfer waste between sites. As I said earlier, in England, as we understand it, you just put in a plan, and there is no control over what the plan says. You can just say that your plan is to take everything to landfill. There is no-one to say, 'No, your plan is not good enough, it does not do anything'. That is not the case, as we understand it. Most people are not doing that; they are putting in a plan and saying that they are going to recycle their wood or whatever, but, as we understand it, you could do that, so it seems to be a complete waste of time. That is the feedback that we are getting in general: that it is ineffective and a waste of time; it is just bureaucracy.

[92] **Sandy Mewies:** I think that you have already answered the first part of my question.

[93] **Mr Jenkins:** Sorry, I seem to be doing that quite a bit. I beg your pardon.

[94] **Sandy Mewies:** I think that it is just that you have been very clear in what you are saying. My question was on the economic impact of the introduction of these plans on the construction industry in Wales. I think that what are you saying is that, at this stage, when the construction industry is facing some difficulties, it would have a negative impact. I did not think that you were saying that there would be a time in the future when this scheme would work, because you have been talking about a competent person scheme and building regulations as an alternative. Am I right in that?

[95] **Mr Jenkins:** Yes, I think so. We do not see anything wrong with site waste management plans per se, but they should be part of a different process. It is almost going to be a standalone legislation, which will operate by itself. It is outside building control regulations; it is another animal, which is operating somewhere else, and we think that it should be within the constraints of building control and building regulations, which would make it far more effective.

[96] **Sandy Mewies:** Have you any evidence at present of the additional cost that companies have faced because of management plans, such as increased administrative costs perhaps? A level of development has been mentioned—£300,000 in England, I think. Do you think that that is adequate, or should it be different?

[97] **Mr Jenkins:** We do not have actual costs, because most of our members are the smaller guys, and all that they would say is that it takes another three or four hours of their time and that there is the extra administrative burden of putting in a site waste management plan. The £300,000 level is just a decent size single house build.

[98] As we state in the paper, £500,000 would be two or three houses, perhaps. So, you are getting down to quite small sites. I think that we need more discussion. If it becomes part of

the competent person scheme, if we did get into building rates, we would probably cover all sites. There would not be a limit; it would cover everything.

10.00 a.m.

[99] **Sandy Mewies:** I am aware of your advice, Chair. I have been listening to you very carefully. Although I think that most county councillors or former county councillors know that this happens, one thing that is of concern to me is that there seems to be a high level of ignoring the rules without any penalty whatsoever. You say that that is not in every case, and I thought that you were very clear but fair about site management plans. One could say, 'There it is. It does not mean anything; ignore it'. How high is the level of ignoring the rules in Wales? There are rules in place now about fly-tipping and getting rid of waste. Even before this proposed Measure comes in, do you think that action should be taken to strengthen what is happening now?

[100] **Mr Jenkins:** Yes. I think so. FMB members hate rogue builders and cowboy builders, because our reputation is at an all-time low. The cowboy builder scenario is everywhere. It makes it very difficult to operate legitimately and efficiently. There are estimates that 40 per cent of the activity in Wales is illegal, which is a huge percentage. That is not to say that those people are causing huge problems to clients, but there is a huge lack of income to the state that is being missed because no VAT is paid for that. They are not paying any attention to any rules. We generally find that fly-tippers are opportunists. They may have good intentions to take the material somewhere, but if there is an opportunity they will say to themselves, 'I will tip it here'. Going around the countryside, the evidence is there for us to see with our own eyes that it is occurring.

[101] **Sandy Mewies:** I think that you are a generous spirit in your assessment of opportunism.

[102] **Mr Jenkins:** I think that some of them do it deliberately but most of them are opportunists. They have to be opportunists, because if there is someone around they will not do it. They have to take the opportunity when it arises. If they cannot do that, they have to take it elsewhere, perhaps.

[103] **Sandy Mewies:** Is it your conclusion that you need a competent person built in more strongly into building regulations, and that that is a strong way of dealing with these problems?

[104] **Mr Jenkins:** We have all of these regulations, most of which are good and work very well, but they are all easily ignored, except for planning permission and some building controls. Many of them are easily covered over and ignored. There is no licensing system in the UK. We are one of the few countries in the western world that does not have a licensing system of some sort for builders. Anyone in this room can set themselves up as a builder today and, tomorrow, be in someone's house making structural alterations. There is absolutely nothing to stop them. There may be problems afterwards, but there is nothing to stop you from doing that. We are one of the few western countries that will allow that to happen. We need some sort of a system that regulates the building industry—licences, in effect—but we think that the competent person scheme would do a pretty good job.

[105] **Sandy Mewies:** Thank you for your indulgence, Chair.

[106] **Jenny Randerson:** Finally, we move on to Joyce.

[107] **Joyce Watson:** Good morning, Richard.

[108] **Mr Jenkins:** Good morning, Joyce.

[109] **Joyce Watson:** You have probably answered this question, but does the Federation of Master Builders believe that there is sufficient knowledge and capacity in the sector in Wales to cope with the requirements of administering the management plans?

[110] **Mr Jenkins:** Not at the moment; we would have to put in force some sort of training schemes. I do not think that it will be particularly difficult to get people's heads around them. They are already doing some of it. It would just be a matter of how you handle the administrative purpose of the plan, what it must contain, what it should look like, what its aims are and what it should achieve. I think that we can cope with short training courses. I do not think that there will be big issues in that respect.

[111] **Joyce Watson:** To what extent do you believe, as an organisation, that it might be necessary to introduce fees and charging schemes to support the enforcement of site waste management plans?

[112] **Mr Jenkins:** As I said earlier—I apologise if I pre-empted your question—as it stands, there is going to be a need for quite high fees to cover the costs of inspection and people poring over site waste management plans to make sure that they will be effective. So, there will probably be quite extensive fees. I do not think that we are too bothered about non-compliance, because we want to see people who are not compliant getting hammered—that suits us, because, in general, our members are compliant. So, contrary to what you may believe, they want to see the non-compliant given a good kicking, so you can put the level of the fines that you impose for non-compliance where you like. However, you should make it easy as you can to comply by making sites available, training people and so on.

[113] **Jenny Randerson:** I will take you back to something that you said right at the beginning of your evidence, when you talked about the problems that the industry is facing at the moment. What would be your view if the provisions were included in the legislation, but that the implementation of those particular provisions was delayed until the sector recovers from the recession?

[114] **Mr Jenkins:** That is much to be desired. That would be very helpful. Of course, we have to balance it; we know that landfill will have to cease eventually, because we will not have any room left for landfill. We need to put other provisions in place, but putting more strain and stress on the small building industry at this time would not be helpful. It would be helpful if there was a delay, or a way of cushioning it or bringing it in gradually, or whatever, so that is was ameliorated.

[115] **Jenny Randerson:** Thank you. Are there any other points that you want to make?

[116] **Mr Jenkins:** There probably are, but I cannot think of them right now.

[117] **Jenny Randerson:** You are very welcome to write to us with any further points that you want to raise. Thank you for coming to give evidence; it has proved to be very interesting and thought-provoking. I remind you that a draft transcript of proceedings will be sent to you so that you can correct any details; you will get that in the next few days.

[118] **Mr Jenkins:** Thank you. Diolch yn fawr iawn.

[119] **Jenny Randerson:** We will now have a break. Our next witness is due at 10.30 a.m., but if the witness arrives early I propose that we come back early.

*Gohiriwyd y cyfarfod rhwng 10.08 a.m. a 10.20 a.m.
The meeting adjourned between 10.08 a.m. and 10.20 a.m.*

[120] **Jenny Randerson:** Welcome back, everyone, to the second half of our evidence session. I welcome Tim Peppin, director of regeneration and sustainable development for the Welsh Local Government Association. Thank you for coming in to give evidence. I will start with a few broad questions, if that is all right. Could you outline briefly, for the record, your position on the general principles of the proposed Measure?

[121] **Mr Peppin:** Good morning. Our general position is that we question the need for the proposed Measure, given the range of works that are currently in hand that are working towards the same ends. I suppose that there is an issue regarding what the proposed Measure says about the nature of the joint working. Over the years we have developed a good relationship with the Welsh Assembly Government on the waste front. The proposed Measure seems to be taking us into territory relating to statutory targets and penalties, whereas our position is that we would prefer to work through it collaboratively. We would prefer to see co-production—to use the ‘in’ word—of waste policy.

[122] We would like to see more of a focus on waste prevention rather than a continued emphasis on recycling targets. Yes, they are part of the solution, but in respect of the waste hierarchy, we would like to see the effort being directed at tackling that top end and stopping that waste from being created in the first place.

[123] My final comment is that a number of aspects of the proposed Measure require enforcement and monitoring arrangements to be put in place if they are to be done properly. That raises issues about whether that is a good use of resources, whether we need to be going there, especially in the current climate, recognising that we do need to take a long-term perspective.

[124] **Jenny Randerson:** I believe that you have some concerns about the provisions for consultation contained in the proposed Measure. Could you outline those concerns for us?

[125] **Mr Peppin:** We have just flagged up a couple of points; there is nothing too major. They related to consistency in the proposed Measure. Sections 7 and 11 are on consultation. They are, essentially, identical, except that one of them refers to representative bodies. I was just wondering why the same set of consultation arrangements was not under both sections. Equally, on the way in which the proposed Measure is set out, there is an inconsistent format, and there is no reference to consultation in the proposed Measure on the site waste management plans, although that is referred to in the explanatory memorandum.

[126] The final point on the consultation is that sections 7 and 8 talk about consultation and then go on to talk about guidance. We would want the guidance to be part of the consultation so that there is an opportunity to discuss that. So, those were the main issues on consultation.

[127] **Jenny Randerson:** We will now move on to sections 1 and 2, on single-use carrier bags. I will ask Chris Franks to ask you some questions on that.

[128] **Chris Franks:** Good morning. I take it from your introductory remarks and your other comments that you have doubts about the need for sections 1 and 2. Is that a correct interpretation of what you are telling us?

[129] **Mr Peppin:** Yes.

[130] **Chris Franks:** Okay, that is clear. Thank you.

[131] Do you believe that a voluntary agreement will provide sufficient transparency and openness for consumers regarding where the funds raised from the charge on carrier bags are spent?

[132] **Mr Peppin:** Under a voluntary arrangement, you would imagine, hopefully, that the retailers would be only too keen to publicise and to promote where their funds were going. It is in their interests to make it clear that they are using their funds in a socially useful way. On that, the real purpose behind the proposed Measure seems to be to have the ability to direct where the funds go and what the funds are used for. Again on sustainable development, if the funds were being put towards a socially useful outcome, be that a health purpose or whatever, I would have thought that that would be acceptable to most people. So, I suppose that we would question why it needs to prescribe that the proceeds must be applied to an environmental cause.

[133] **Chris Franks:** What are your views on the administration of the charging arrangements? Should that be in the hands of the supermarkets and retailers, or should an independent regulatory body be created to oversee this aspect of the matter?

[134] **Mr Peppin:** That depends on the extent of coverage. If it were limited to larger retailers, I am sure that they would be more than capable of putting systems in place, although you would probably want some sort of independent overview of the system. The more that that is widened out to encompass smaller retailers, the more likely you are to need some extra support for that.

[135] **Chris Franks:** Where would the boundary be? To interpret what you said, you could apply that to the big four or five supermarkets, but not corner shops, but there is a range in between, is there not?

[136] **Mr Peppin:** Yes, but it is difficult to say, is it not? The more you extend it beyond the larger retailers, the more issues are raised about what support would be available for some of the smaller businesses. There is a mix there, because there are so many different retail chains, independent retailers and parts of larger chains, and it would require quite a bit of work to identify what is really required, depending on the extent of coverage.

[137] **Chris Franks:** Okay. Finally, should the proposed Measure have a provision for a trigger mechanism to move to mandatory charging? If so, who should determine that?

[138] **Mr Peppin:** If there is a voluntary system in place, you would want some sort of reporting on that system—possibly an annual reporting arrangement. At annual report time, I would have thought that a review should be undertaken of how the system is working. That would provide the trigger. For example, if the feeling at that annual review was that the system did not seem to be delivering the desired results, you would want to consider whether steps were needed to tighten up the arrangements.

[139] **Chris Franks:** So, should that be in the hands of the appropriate Minister or should another person or body receive that report and make that decision?

[140] **Mr Peppin:** It would be useful to have some sort of public, private and voluntary inter-agency group look at how the system is operating and produce a report. However, I have no problem with that report going to the Minister to take a view on whether satisfactory progress is being made.

[141] **Kirsty Williams:** Good morning. What resources do you anticipate that local authorities across Wales would need to monitor and enforce any mandatory agreement, if that were introduced?

[142] **Mr Peppin:** That is a difficult question to answer. The explanatory text talks about 0.5 per cent—

[143] **Kirsty Williams:** It is 5 per cent of a full-time equivalent.

[144] **Mr Peppin:** Sorry, yes.

[145] **Kirsty Williams:** Is that reasonable, or is it way off beam?

[146] **Mr Peppin:** That would equate to fewer than two hours for a person per week. That would not even scratch the surface. If you think of some of the larger authority areas, for example, you will appreciate that they could lose that time just from travelling. If you want to do a serious piece of work on this and you really wanted to go to town on it, you could have a full-time person in every authority working on it. More realistically, perhaps it could be someone working for half a week. However, if that person is to spend time going into facilities to see how things operate, that will be quite time consuming with larger authorities that have a number of large stores in their area. So, the amount of resource needed depends on how far we want to go, and whether we want to take a light or a heavy touch. If we really wanted to put people out in the field, for them to go out regularly to assess whether this is working, it could be very resource-intensive. If the intention is to have a complaints-driven system, whereby an enforcement officer checks up on any complaints about a particular store not charging, that would involve fewer resources. So, a lot of the detail on how that would be taken forward would be in the regulations.

10.30 a.m.

[147] **Kirsty Williams:** Thank you. With 5 per cent of a full-time equivalent, I guess that we are not even talking about a light touch, but perhaps a feather touch. Do you believe that it is appropriate for local authorities to undertake this role, or are you of the view that the role should be carried out by an independent regulatory body?

[148] **Mr Peppin:** I have no strong views on that. At the time of our submitting evidence on the single-use carrier bag consultation, our trading standards officers' view was that it was not necessarily a matter for them to pick up, but that it could be part of a wider enforcement role within a local authority. If it were to come to local authorities, our position was that it should be left open for each authority to determine the best way of doing it. However, equally, if there were a different way of operating the enforcement, I am sure that we could accommodate that. One proposal in our submission to the single-use carrier bag consultation was that it could be looked at on a regional or even a national basis, if that was a more cost-effective way of doing it. Local authorities would be happy to work to look at that as a possible way forward.

[149] **Kirsty Williams:** Finally, you talk about the lack of detail and that you cannot work out how many resources are needed until the Government has a clear view of the kind of enforcement that it anticipates. Does the proposed Measure make specific provision for the monitoring and enforcement of the mandatory scheme?

[150] **Mr Peppin:** It could, but we would also want to retain the flexibility. So, more could be included within it to set out the requirements, as long as there is that flexibility at the local level to determine how that is put into practice.

[151] **Jenny Randerson:** We now move on to sections 3 to 8 on waste targets, and I ask Joyce to ask the first questions.

[152] **Joyce Watson:** Good morning. Does the Welsh Local Government Association believe that the introduction of statutory recycling, reuse and composting targets are necessary to achieve the Welsh Government's aims on waste policy?

[153] **Mr Peppin:** We do not think that statutory targets are necessary. We already have a set of statutory waste targets in relation to the landfill allowance scheme, and the discussion is on recycling targets as a performance indicator. We feel that that would be more than adequate.

[154] **Joyce Watson:** Why does the WLGA believe that the statutory target should be applied to all sectors, and not just to the municipal waste sector?

[155] **Mr Peppin:** It is a question of the logic of the argument: if a statutory target is applied to local authorities, why not to other sectors? It is a consistency issue. We do not believe that there is a need for a statutory target, but if the argument is that you must have a target to make it work, why is it applied only to the local authority sector? That was our question.

[156] **Joyce Watson:** Why does the WLGA have concerns about the provisions contained in section 4 of the proposed Measure, which would allow the Welsh Government to introduce other statutory waste targets at a later date?

[157] **Mr Peppin:** That goes back to my introductory comments. It is about the nature of the way in which we work together on the waste agenda. We are serious about joint working arrangements and sitting around a table to agree the best way forward on the waste agenda. Local authorities are up for that. They are aware that we need to change the way in which we run the waste service, and there is a lot of goodwill to that. If you start bringing in a whole series of statutory targets with penalties attached to them, it changes the nature of the relationship. The concern that we hear from local authorities is that the provision in the proposed Measure to allow a whole series of other potential statutory targets to come about starts to make it look more like micromanagement, and that local government is there as a service delivery agent to be told what to do, as opposed to a partner working together with the Assembly Government on the waste agenda.

[158] **Kirsty Williams:** Do you believe that the provisions in the proposed Measure to penalise local authorities financially for failing to meet statutory targets are proportionate?

[159] **Mr Peppin:** I suppose that our starting position is that we do not want the penalties at all, so, in that sense, they are not proportionate. The reference in the explanatory text is to the £200 a tonne, which is the penalty that applies to the landfill allowance scheme. So, in that sense, it is a figure that we are familiar with that can potentially be used in other scenarios. Our concern is that we do not want to see scarce resources being tied up in paying penalties. It is a far better idea for the public money available to be used to deliver the service. I think that authorities are putting efforts in. We have seen improvements in the recycling and composting levels of authorities across the board, and we would like to see our efforts continuing to be directed towards service provision, rather than having to make potential provision to pay penalties.

[160] **Kirsty Williams:** The Welsh Assembly Government has stated that penalties will be used as a matter of last resort. Are you reassured by those words?

[161] **Mr Peppin:** At the ministerial waste programme broad, the Minister was very clear that penalties would be brought in as a last resort. I think that there was some reassurance from that, but things can change. Over time, administrations change, as can the personnel and the Minister. Having that provision in there would cause some concern, because although we

have that reassurance currently, things can change over time.

[162] **Kirsty Williams:** Could you give us some idea of whether the introduction of statutory targets is likely to result in additional financial implications for local authorities throughout Wales? What resources would local authorities need to deliver the statutory recycling, reusing and composting targets, as set out in the proposed Measure?

[163] **Mr Peppin:** In theory, if we are working towards the 70 per cent target for recycling and composting and the 30 per cent target for energy from waste, the statutory targets should not impose any additional burdens on us. If we are achieving those targets, the statutory targets do not have any additional impact on us. In practice, the threat of the penalty could well lead to expenditure having to be incurred, which, I guess, is part of the thinking behind it: if there is a statutory penalty, it forces you to do some of the more unpalatable things. It might drive authorities in some areas to become quite sensitive and contentious, and it could lead to closer scrutiny of what households put out in their waste to make sure that we do not incur any penalties.

[164] **Kirsty Williams:** So, it is quite clear that you anticipate additional financial implications.

[165] **Mr Peppin:** The statutory nature of it should not require additional financial implications, but it is clear that local authorities will require additional resources to deliver the target. Some time ago, when we did the work on affordability, we were looking at a figure of more than £100 million per annum, which is the additional revenue requirement per year, to run the services that will now be required. Provided that that funding comes through and that treatment facilities are put in place so that we can achieve the targets, the penalties should not require extra expenditure.

[166] **Jonathan Morgan:** Tim, looking at the proposals for landfill under sections 9 to 11, I wonder whether you have an opinion about the infrastructure and the capacity of the waste management infrastructure in Wales. Is the capacity there to allow the infrastructure in Wales to deal with the changes that may arise as a result of the introductory landfill bans? If not, what additional financial implications would this have?

[167] **Mr Peppin:** There are a number of issues, one of which is having the facilities to deal with the materials that we are collecting. At the moment, the infrastructure is not there. However, there is a joint working group looking at the infrastructure implications of the current changes in the waste service. There is work to be done to develop that infrastructure, but the other big issue is the market for the recyclate. Even if we develop the treatment facilities, and the materials go there and are recycled, we still need an outlet for this product if this approach is to work effectively. I know that there is a lot of good work going on to look at the development of those markets, and it is highly important that that work continues.

[168] Linking into the green jobs strategy, there is a real opportunity here, if we get this right, and local authorities are very keen to develop that economic potential as well. However, the actual work to develop those markets is at an early stage, so we are talking about investing in facilities before we have any certainty that those markets will be developed and will operate successfully in a Wales context. At the moment, a lot of these are international commodity markets, and a lot of the recyclate will go overseas, so there is a lot to be done to change the way that that operates.

10.40 a.m.

[169] **Jonathan Morgan:** It is interesting that, in exploring the potential impact of the landfill bans on local authorities in your evidence, you express concern that those bans could

increase the amount of recyclate currently available on the market, which could in turn affect the price that local authorities receive for their recyclate. Those proceeds are often used to develop their waste infrastructure. Beyond that, has the Welsh Local Government Association done any work on what the practical consequences of the bans could be?

[170] **Mr Peppin:** Not a detailed piece of work as yet. Obviously, there is a consultation between the Department of Environment, Food and Rural Affairs and the Welsh Assembly Government on the landfill ban, which we will be responding to, so we will look into it in detail as part of that evidence.

[171] **Jonathan Morgan:** If at any point you are able to flesh out particular details on that, it might be useful if the committee could have a note, if that is okay with you, Chair. Some of that detail might be quite informative, and I certainly have a specific interest in that.

[172] **Mr Peppin:** Yes, I can certainly provide any such detail.

[173] **Jonathan Morgan:** Thank you. If the landfill bans were introduced in Wales and not in England, what cross-border issues might occur as a result? For example, would that impact on Welsh local authorities that have waste management contracts with English companies?

[174] **Mr Peppin:** Yes, it could. We know that a considerable amount of material already goes to England for landfill. Possibly, the bigger implications could be in the non-local authority sector, because if we do the work that is required and put facilities in place, we would hope to see those contracts coming to an end anyway, and more of the waste being dealt with locally through the facilities that are being developed as part of the current procurement exercises. So, if that is the case, then you would hope that local authorities would start to wind down contracts with more distant companies and deal with waste locally. The issues could be more pronounced with some of the other sectors that may want to increase the amount of material that they are taking to landfill outside Wales, which could have an impact on the landfill operators within Wales.

[175] **Jonathan Morgan:** The proposed Measure also provides for civil sanctions to be introduced, and given that civil sanctions can be examined already, particularly when an enforcement agency is looking to renew a waste management licence, for example, would the use of civil sanctions be appropriate where an organisation has failed to comply with the landfill ban?

[176] **Mr Peppin:** A lot would depend on the levels and the thresholds that are set for those sanctions. The explanatory note talks about stop notices and penalties, and while it would probably be appropriate to have civil sanctions, our concern would be about the level of those penalties and the thresholds that would trigger them.

[177] **Jenny Randerson:** We now turn to Sandy and the last sections, 12 to 14, on site waste management plans.

[178] **Sandy Mewies:** To what extent does the WLGA believe that the introduction of the management plans will achieve the Welsh Government's aims of reducing construction waste, increasing resources and efficiency, and tackling fly-tipping? We have heard some evidence previously on the extent to which current regulations are not being enforced; I wondered if you had any evidence of that. Who should be responsible for enforcing and monitoring the management plans?

[179] **Mr Peppin continues:** First, I think that the site waste management plans are a good idea, and they seem to be delivering good results. In particular, there is this focus from the very start of the process on the design as well as the build—it is important that it is looked at

in the round. Some good work has come on the back of the site waste management plans. In terms of the enforcement of those plans, we have had some initial discussions with the Environment Agency on this. I think that, in England, this is a joint responsibility, which has not worked particularly well—there is a bit of a muddle over who does what. So, we would want some clarity over who is responsible. Local authorities have some involvement through the building control function, but that is not for all sites, so it would not necessarily be appropriate. Also, local authorities do not have a waste regulatory role in any other sense, whereas the Environment Agency does, so there are some issues there that we need to talk through with the EA. We have had some initial discussions with the EA, but we would need to spend some more time thinking through the implications, really.

[180] **Jenny Randerson:** Before you go on, Sandy, Joyce wants to ask a supplementary question.

[181] **Joyce Watson:** I want to probe a bit more, because as Sandy quite rightly said, we took evidence from the Federation of Master Builders, and we really need to get both sides of this. The FMB said that site waste management plans would exist anyway, as any good builder would know that they had to get rid of their waste. The FMB also said that a site waste management plan would not necessarily reduce fly-tipping, because people who fly-tip will not produce plans; they will just fly-tip anyway. Moreover, the plan in its current form only asks the builder where they will get rid of their waste, and does not do anything else. Could you respond to some of those points, where I reiterated what we were told this morning?

[182] **Mr Peppin:** I would agree with the FMB to a large extent. We need to be careful that we do not introduce a lot of additional bureaucracy that would tend to be complied with by the companies that operate above board, and ignored by the ones that do the fly-tipping anyway. There are some issues around that. Sorry, what was the other question?

[183] **Joyce Watson:** The other thing is that the plan only asks how builders will get rid of their waste, and there were two issues around that. The first is how we could help small and medium-sized builders to get rid of their waste, because that is the kind of builder the FMB represents, rather than the large-scale builders. So, the FMB was concerned about how we would help them, putting facilities in place so that it members can recycle. Also, the plan only asks where you will dispose of waste, rather than informing you of how you should do it.

[184] **Mr Peppin:** Those are fair points. The site waste management plan can only be one part of a bigger picture of support for companies to help them to operate in more sustainable ways. You made the point that the plans do not necessarily prevent waste, and I think that that depends on how they are tackled. If the plan is done properly from the outset, and it is part of the way that the scheme is designed and thought through, then waste prevention should be built in to the whole concept, so that the amount of waste generated by the work will be less. If it is done that way, then there is a waste prevention element to the plan, but if the plan just amounts to saying, 'We have this waste; what are we going to do with it?', it will be less effective in that sense. Certainly for the smaller companies, a lot of this becomes very confusing red tape. So, if more support and more help with the design end of things can be given, identifying how waste can be designed out of projects, and if there is more support for builders about where they might be able to take their waste, that would certainly be beneficial.

[185] **Sandy Mewies:** Does the WLGA believe that the introduction of a fees and charging scheme alongside mandatory site waste management plans is necessary?

10.50 a.m.

[186] **Mr Peppin:** If you are to have a mandatory scheme, then someone has to administer

it, and its administration costs have to be covered from somewhere. So, in the same way as you pay your planning and building regulations fees, it would mean a fee for the administration of the site waste management plan, because if you make it mandatory and someone has to enforce it, you will need some income to cover the cost of that. The issue is whether it has to be mandatory or whether a voluntary system can work and costs kept down in that way.

[187] **Jenny Randerson:** That is the end of our questions for you. Is there anything else that you would like to add to the points that you have already made?

[188] **Mr Peppin:** The only other point that I should perhaps have made when we were discussing the landfill ban was that concerns have been raised with me by a number of authorities over that issue and the way that it will work in practice, because if individuals put items into their residual waste bin that come under the ban, it is difficult for the local authority to deal with them once they have been delivered to a residual waste facility, unless the authority operates what are called 'dirty MRFs', where someone has to sort all the stuff to take out the banned material, which is a messy business. Penalising local authorities for that aspect is not seen as the best way forward on this. Authorities have powers under the Environmental Protection Act 1990 to prevent individuals from putting certain things in their bags, and that may be a better way of progressing.

[189] **Jenny Randerson:** That is very helpful. Thank you very much for your evidence. A draft transcript of today's proceedings will be sent to you in the next few days for you to correct prior to its final publication. Thank you very much for coming.

[190] To move to the final items for today, I draw Members' attention to the paper to note, namely the minutes of the previous meeting. The next meeting of the committee will take place on 28 April, next Wednesday, during which we will take evidence from Keep Wales Tidy, Cylch, Waste Awareness Wales, Environment Agency Wales and the Co-operative. Please note that next week's evidence session will be a heavy one.

*Daeth y cyfarfod i ben am 10.52 a.m.
The meeting ended at 10.52 a.m.*