



Sustainable Management of Waste from Business and Public Sector Organisations in Scotland

Response from the Federation of Small Businesses in Scotland

Introduction

The Federation of Small Businesses is Scotland's largest direct-member business organisation, representing over 18,000 members. The FSB campaigns for an economic and social environment which allows small businesses to prosper.

We welcome this opportunity to comment on the consultation paper from SEPA and the Scottish Executive and we are grateful for the ongoing dialogue on this issue however we have consistently highlighted the need to make progress on solutions – we believe that there is already broad consensus on many of the problems and solutions outlined in the paper.

Over the last few years businesses have seen increases in waste costs as pressure on landfill capacity, new waste regulations and the landfill tax drive up the price of disposal. In the short term, business waste costs will continue to rise - almost certainly annual increases will be well above inflation and in the medium to longer term SEPA is predicting that these costs will rise between 400 and 800 per cent. Increases of this magnitude would result in waste becoming a significant overhead for every business in Scotland.

The FSB is keen to ensure that small businesses are aware of the rising cost of waste and that suitable advice and alternative options are available to them in order to minimise future costs. We are aware that a competitive waste management market operates in many urban areas of Scotland but we are particularly concerned at the very patchy availability of affordable and convenient recycling options for business waste offered by local authorities who we believe play a key role in business waste collection for SMEs in many areas of Scotland.

As a business organisation we accept that the Scottish Executive is concerned about subsidising commercial waste collection by local authorities but with many small businesses disposing of small amounts of waste, similar to household waste it seems nonsensical from a wider environmental perspective to move towards further segregation between the two types of collection. Rather, we believe that more work needs to be done to clarify the nature of any cross-subsidy so that we do not shy away from strategic, practical, cost-effective options for our communities.

As we move towards the development of a framework we believe that actions required at local level are clearly signposted by the Scottish Executive. This means not just highlighting examples of best practice but ensuring that actions to tackle business waste are considered strategically with domestic waste, rather than as a separate strategy.

We also accept the general principle of "the polluter pays" however we do not think it is particularly helpful for the Scottish Executive to bluntly set out at this stage that they expect business "to foot the bill". Although businesses pay for the disposal of waste they produce the more strategic issue of how Scotland deals with that waste is undoubtedly of national importance and as such it may require some degree of funding to find solutions. Given the vast

sums of money which have been allocated to tackle 25% of Scotland's waste it does not seem unreasonable for the Scottish Executive to acknowledge it has a responsibility to commit some funding to tackling the other 75%.

1. NBPPs

- 1.1 The FSB is primarily concerned with ensuring the availability of affordable waste disposal options for the majority of small businesses, most of which are producing small amounts of non-hazardous waste, similar to household waste. Consequently, most of the NBPPs will not affect the majority of small businesses however it does seem reasonable to continue to tailor specific projects to address key waste streams which account for the majority of Scotland's waste e.g. construction and demolition waste.
- 1.2 We cannot provide any specific guidance on how to proceed with any future NBPP or which sectors should be covered however analysis of the existing projects should indicate which approaches have been successful.

2. Collecting Data on Waste

- 2.1 There is an obvious concern about developing future waste management strategy without robust statistics on existing waste arisings however from a business perspective it does appear that there is already a large amount of paperwork associated with waste disposal.
- 2.2 We are unsure exactly what type of additional information SEPA requires from waste producers but we would have concerns about any further bureaucratic requirements being placed on small businesses.
- 2.3 It may be worth giving further consideration to what level of analysis is carried out on existing data gathered from businesses e.g. waste management licensing regime reporting, waste transfer notes etc. In addition there may be issues of resources within SEPA to consider, i.e. there is little point in collecting more data if we do not have the resources to effectively monitor the data.
- 2.4 We note the proposed changes in waste data collection due to come into force in England and Wales in 2006 and would suggest that the Scottish Executive monitors this closely. Whilst a system similar to that in England and Wales may be desirable we would encourage the Scottish Executive and SEPA to consider systems used by other counties to comply with waste statistics regulations – it may be there are examples of best practice which could be implemented in Scotland (and which may not have been suitable for England and Wales).

3. Issues for SMEs

- 3.1 As outlined in the consultation paper, the FSB has identified a number of barriers to improving sustainable waste management by SMEs. Largely these barriers can be summarised as: lack of awareness of potential benefits of reducing, re-using, recycling; low volume of waste; storage of waste; lack of alternatives to landfill depending on type of waste and/or location.
- 3.2 Much of the current focus encourages SMEs to consider how they can reduce the amount of waste they produce by focusing on processes in the business, as opposed to concentrating on how they dispose of waste. For some businesses, particularly those involved in some kind of manufacturing this can result in real benefits in resource efficiency and subsequent cost savings however significant capital expenditure is often required in order to realise these savings and this may not always be appropriate.

- 3.3 Whilst businesses should be encouraged to consider how they can reduce their waste arising inevitably most businesses will still have to consider how to dispose of remaining waste and it is options for this group of businesses which must be considered in this consultation.
- 3.4 In order to encourage SMEs to move away from landfill, alternatives must be consistent, convenient and cost-effective.
- 3.5 As a first step the Federation would like to see greater consistency across Scotland in terms of access to civic amenity sites (or 'recycling centres') for SMEs. This would involve ensuring recycling options at these sites comply with the 'three Cs' outlined above. We are aware of examples of good and bad practice - some sites are able to advertise exact costs of recycling certain materials whereas others cannot ensure that certain facilities will be available, or when access will be allowed for SMEs. This may raise issues about capacity and resources at these sites.
- 3.6 It may be that certain aspects of the regulatory regime need to be considered if businesses are to be encouraged to transport waste to these sites for recycling but we would be happy to discuss this further with SEPA and the Scottish Executive.
- 3.7 Work carried out by the FSB – and mentioned in the consultation paper – identified that the majority of FSB members have their waste collected by local authorities. This will obviously vary depending on the size of business and location. It also suggested that, on average, low volumes of waste similar to household waste are being disposed of.
- 3.8 We fail to see why there cannot be greater integration between household recycling schemes and collection from small businesses – particularly in more rural areas. We are keenly aware of the concerns in relation to cross-subsidies within local authorities and believe that this must be examined by the Scottish Executive in more detail so that we can confidently move forward on this issue.
- 3.9 Again, we are aware of examples of best practice across Scotland and would like to see greater consistency in the performance of local authorities. The Scottish Executive is aware of the commercial waste scheme in operation at Perth & Kinross Council – this is one example of best practice but there may be others.

4. Local Authorities

- 4.1 Please refer to question 3. In addition we must add that we cannot understand why more is not being done by local authorities to engage with SMEs regarding waste management, particularly when around 15-20% of what is sent to landfill by local authorities is non-household waste. In our view it is likely to become less attractive, as costs rise, for the private waste industry to compete in certain areas in Scotland and local authorities will have no choice but to collect from many small businesses.

5. Trade Associations

- 5.1 Where particular sectors are 'responsible' for certain waste streams e.g. glaziers, it would seem to make sense for trade associations to play a bigger role.
- 5.2 The FSB represents all sectors of small business and our role is therefore much broader. We have instead concentrated our efforts on highlighting awareness of wider environmental issues. The FSB has worked hard over the last two years to increase small businesses' awareness of the benefits of resource efficiency in particular and we have worked with Envirowise to produce an SME toolkit which gives practical advice to small businesses (this is being updated at present). We have also provided advice to the Scottish

Waste Awareness Group (SWAG) on the development of a national recycling directory for business.

- 5.3 It is worth noting that many of our members feel that whilst it is helpful to promote awareness of opportunities to businesses there is little point in discussing awareness-raising until we first have SME-friendly facilities and options in place and, as outlined above, Scotland still has some way to go on this respect.

6. Shared Storage and Collection Facilities

- 6.1 The Federation is clear that access for SMEs to civic amenity sites for the purposes of recycling must be improved as discussed above.
- 6.2 On the wider point of shared collection facilities we believe that opportunities exist in smaller rural areas and in industrial estates. We are aware of regulatory issues regarding the movement of waste and these would, of course, have to be considered. Indeed, regulation does seem to crop up regularly in relation to solutions to reduce waste – both from the producer, the collector and the regulator point of view. In light of this we feel that a wider review of existing waste management regulation should take place.
- 6.3 Many of the problems with previous projects have arisen from a lack of time on the part of the businesses to manage the process with no single business wanting to take on responsibilities for others. This is why some kind of intervention, either by the public sector, or by the private sector (who may become involved if there is an opportunity to create volume) could become involved.
- 6.4 We are aware of various trial schemes which have taken place across Scotland and are unsure whether the Scottish Executive or SEPA has carried out any combined analysis of these projects– this would surely be a useful exercise.
- 6.5 We are also aware of new proposals e.g. the BEP NE proposal in Ballater and Perth & Kinross Council experimenting with a shared ‘drop-off’ point for glazier’s waste glass and timber.

7. Large Companies

- 7.1 It is reasonable to conclude that since larger companies are likely to be larger waste producers, it makes sense to continue to raise awareness of waste issues with these companies. However the approach to waste management will depend on, for example, the presence of environmental management staff, which sector the companies operate in and whether they are multi-site, global companies or single-site Scottish companies.

8. Infrastructure and Synergies with Domestic Waste

- 8.1 We are aware from discussions with the private waste industry that lack of facilities e.g. reprocessing or waste transfer stations, is a major problem but they are best placed to advise on this issue, though we note the Scottish Executive’s comments on progress particularly in relation to planning.
- 8.2 We are also aware that the recycle market needs to be greatly developed before recycling of certain materials becomes a realistic, affordable option. It may also be the case that more work needs to be carried out with local authorities to make best use of their collection of recycle.
- 8.3 We outlined in response to question 3 the clear synergy between household waste and much waste from SMEs. Since this is still technically municipal waste we believe there is more work to be done in more efficient collection and recycling between these two groups.

Beyond this there is almost certainly a need for a more holistic, Scotland-wide view of waste and better linkages between household and commercial waste but this will require strong, focused leadership and better engagement, facilitated by the Scottish Executive, between local authorities and the private waste industry. Again, it may be worth examining how other small countries have approached this issue.

9. Site Management Plans

- 9.1 It seems likely that new developments will increasingly take account of future changes in waste management (e.g. that new houses have space for more than 1 wheelie bin) though as planning has to address a range of considerations it is not surprising that waste management may not yet be top of the list.
- 9.2 Waste minimisation/management issues are also likely to become more prevalent in construction contracts however it is crucial to consider the role of small developers and/or sub-contractors and ensure that costs of this are not simply passed down from the large developer to smaller sub-contractors or that contracts (particularly from the public sector) become too complex for small businesses to become involved in. For that reason we would probably support the use of a financial threshold to exclude smaller contracts from tighter rules.

10. Targets

- 10.1 We are unclear what new targets (in addition to the existing landfill targets) would add to this process until we have a clearer understanding of where the 'problems' lie though it is clearly more logical to set targets for the public sector as the Scottish Executive and/or SEPA has a degree of control over these waste arisings. We accept that since non-municipal waste accounts for 75% of Scotland's waste, the Scottish Executive needs to set out some parameters for tackling this figure though in setting out targets it must be clear what the consequences/sanctions of not achieving targets would be.

11. Voluntary Agreements

- 11.1 This may be an appropriate route for particular industries/sectors but is not something we would generally support for most small businesses.

12. PPC Regime

- 12.1 PPC permits do not affect the majority of small businesses and while we recognise that the implementation of PPC was developed with business in Scotland we would be concerned about any extension to environmental legislation particularly where it was seen to be extending the scope of the regulation far beyond what was agreed in the original legislation. To consider an approach whereby businesses covered by (and complying with) one piece of regulation feel that they will be subjected to examination of various other types of environmental regulation will only build up further mistrust between businesses and environmental regulators and will ultimately dissuade compliance.

13. Landfill Bans

- 13.1 The Federation recognises the need to alter Scotland's approach to landfill, but until alternative uses are found for the materials in question and/or adequate facilities are in

place across the country to recycle the materials, it seems premature to discuss further landfill bans. Whilst we do not condone illegal fly-tipping, this is an obvious consequence of landfill bans and since we are currently finding it difficult to deal with the increase in fly-tipping then it makes little sense to discuss further landfill bans.

For further information on any of the points raised in this submission, please contact Susan Love, Policy Development Officer, on scotpu.policy@fsb.org.uk or 01259 723713