



Preventing Household Waste in Scotland Consultation

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.

The Federation welcomes this opportunity to engage in the debate about waste minimisation, as businesses of all sizes (especially manufacturers and retailers) will have an important role to play in any future strategy. We have therefore limited our response to the questions dealing with issues which directly affect business (1-16, 19-20). However, the Federation remains concerned that households, unlike businesses, are not concerned with, or aware of, the amount of waste they throw away since they are not charged according to volume of waste. A move towards charging for 'wheelie' bins by weight would almost certainly focus public attention on reducing waste, despite some of the obvious difficulties with such a policy.

In discussing its response to the consultation, the Federation felt that while a waste minimisation strategy is required for Scotland; such a strategy should not disadvantage Scottish small businesses by placing new burdens on small manufacturers and retailers which would place them at a competitive disadvantage with the rest of the UK and Europe. Consequently, many of the issues raised in the paper would best be tackled at an EU or possibly UK level.

Lastly, while some of the questions in the consultation are clearly aimed at large retailers it is important to remember that many of the products designed, manufactured, packaged and sold in Scotland will usually involve small businesses and their needs should be at the core of any future strategy or guidance aimed at business.

Design of Products

Question 1 – *Do consultees consider that the Scottish Executive, SEPA and the Enterprise Networks, or other bodies sponsored by the Executive, such as Envirowise, should do more to promote eco-design in Scotland?*

Existing programmes should be evaluated to gauge success in encouraging more efficient design; however we believe that design is often largely driven by cost and the needs of the client company and its customers. It is worth considering to what extent products designed and manufactured in Scotland are already embracing more efficient design and whether problems with inefficient product design are more of a problem with imported products.

Question 2 – *Should the Scottish Executive and SEPA carry out further work on 'waste profiles' of products?*

We are not convinced that the benefits of Scottish 'waste profiles' would outweigh the costs associated with such a huge task, which would undoubtedly involve a great deal of public money and place further administrative burdens on small manufacturers. We therefore do not support such an approach.

Question 3 – *Do consultees consider that the Scottish Executive should take further action in relation to the life-span of products?*

Consumers already consider the life-span (and reliability) of products when making purchases and it is questionable to what extent government can influence consumer demand in this regard.

Question 4 – *Bearing in mind that some products are always likely to be disposable, do consultees consider any action should be taken at EU, UK or Scottish level to minimise waste from disposable products?*

Many disposable items respond to consumer demand because they are more convenient to use than traditional alternatives – such products are also generally more expensive than traditional alternatives. It is unlikely that any form of levy on producers would succeed, since it would be passed on to consumers who have already demonstrated that they are willing to pay a premium for such products.

The growth in sales of disposable products is not limited to Scotland and since it is doubtful that many of these products are either designed or manufactured in Scotland, this is an issue where action would best be taken at EU level.

Question 5 – *Would it be desirable and/or feasible to run an Integrated Product Policy pilot in Scotland? If so, for which products? Would any Scottish-based companies wish to run an IPP project in Scotland?*

While there are many small businesses in Scotland producing high-quality products which probably already consider some of the aspects of IPP, this is probably best-suited to large, global businesses. Since the sectors in which Scotland has world-leading producers are unlikely to be suitable for this type of project (though possibly electronics?), this might be an option best pursued at EU level.

Retailers

Question 6 – *Do consultees consider that there is a need for guidance and support for retailers to build waste considerations into their procurement process?*

In general terms costs will drive procurement processes for small businesses who already struggle to compete with the buying power (and associated benefits) of large retailers. It is unlikely small businesses have any influence over suppliers – particularly those outwith the UK.

Consumer demand is clearly important for retailers of all sizes but cost continues to be a key driver. If consumers begin to demand products manufactured in a more sustainable way it may be appropriate to consider whether smaller retailers require guidance or advice to respond to such demand. However this does not seem likely in the near future.

Question 7 – *Do consultees consider that retailers and their employees could do with further training, support and guidance on waste issues?*

There are already a variety of sources of advice available to businesses about waste issues – though not all are well-tailored to small businesses or, perhaps more importantly, offer practical solutions to waste problems of small businesses. It may be worth considering whether any of these existing schemes apply to retailers and whether existing scheme operators feel such a scheme would be worthwhile.

Whether or not to provide training to employees on waste issues is largely a matter for the employer but formal, off-premises training on waste is unlikely to be a realistic option for most small retailers.

The main waste problem facing small retailers usually relates to the lack of affordable, accessible recycling options for packaging waste e.g. cardboard and polythene. Whilst it is unlikely that this packaging waste could be avoided - either because the goods require packaging to reach the retailer undamaged or because small retailers have no power over large suppliers based outside the UK (or EU) - ensuring that there are options available to help small businesses effectively recycle this packaging would be helpful. It is also important to ensure that efforts to encourage consumers to reduce waste do not impact unfairly on retailers e.g. advising customers to leave coat hangers and polythene wrappers with retailers when the retailer has no option but to landfill the items. We cannot pretend that encouraging consumers to leave excess packaging with retailers will reduce the overall levels of waste in Scotland.

Question 8 – *Do consultees consider that food labelling requirements cause any conflicts with waste prevention?*

It seems likely that there is a certain degree of public confusion about different food labelling options and while a standard system sounds attractive, it is important that businesses have flexibility to sell products which are past their best but which pose no health risk. It is unlikely that small businesses are using food labelling to maximise volume of sales; however it might be worthwhile carrying out further research to discover whether consumer confusion with different food labelling does affect the amount they buy, how often and at what stage they throw away products and whether different labelling methods are used in small/large retailers.

Question 9 – *Do consultees consider that more could be done to collect and use surplus food from wholesalers, retailers, caterers and other outlets?*

Again, without adequate research it is hard to know whether food wastage from retailers (small or large) is a significant issue, or whether food wastage occurs at other stages in the process e.g. producer/farmer or consumer.

If it is felt that further work to encourage use of surplus food is necessary then it is worth considering any regulatory problems associated with this (e.g. animal by-products regulations) and the practicalities and effectiveness of collecting from large numbers of small retailers.

Question 10 – *Do consultees consider that action should be taken to reduce food waste in the home?*

It may be necessary to consider whether there is a need for more consumer advice on this issue as consumers should be responsible for deciding whether or not to take advantage of promotions, rather than legislating on how retailers promote goods. It is in the interests of retailers not to undertake ‘irresponsible’ promotional activity since this is a high-risk approach which could result in surplus unsold stock. Overall, we

would not support measures which seek to reduce the flexibility of retailers to determine how best to run their business.

Question 11 – *Do you think the Packaging (Essential Requirements) Regulations 2003 are working?*

We have no evidence on the effectiveness of the latest regulations however the Scottish Executive may find it useful to discuss the regulations with affected businesses to assess their impact and whether there is a problem with lack of awareness. It may be worth investigating, for example, whether higher quality packaging which extends the shelf life of a product is unfairly penalised under the regulations i.e. is the balance between ‘carrot’ and ‘stick’ approaches correct? It should be noted that lack of prosecutions alone is not necessarily an indication of an ineffective regulation.

Question 12 – *Could any further action be taken in Scotland to minimise household waste from packaging?*

Many of the actions suggested in the paper are worth considering but most would require radical change in households e.g. charging for waste by volume. Some of the options e.g. refillable packaging are worth considering but would probably require commitment from large retailers if they were to be successfully piloted.

Question 13 – *Do consultees consider more could be done to encourage re-use either through deposit and return schemes or more generally?*

We see no obstacles to trials for reverse-vending but deposit schemes (particularly for products manufactured outside Scotland) are clearly more costly and problematic. Such schemes would have to be convenient for consumers as well as offering some form of incentive – it may be that such schemes are best left to individual product manufacturers to initiate. We would also welcome the inclusion of some form of ‘handling fee’ for small businesses if they volunteered to take part in such a scheme.

Question 14 – *Could more action be taken to reduce waste from the retailing of products?*

It is already in the interests of retailers to minimise the amount of waste produced as part of their business – whether through excess stock or packaging. It would be impractical for government to intervene unnecessarily to encourage greater use of services, as a replacement for products – experience suggests that consumers make such decisions based on the effectiveness and availability of technology. However this may not always bring the desired environmental outcome e.g. packaging for mail ordered goods.

Question 15 – *Do consultees consider that retailers and manufacturers could provide more and better information on waste issues to their customers?*

Most small retailers would be happy to provide further information to customers if asked; however we have yet to see any real consumer demand for such information. There is also some degree of concern about the possible repercussions for the retailer if they passed on incorrect information.

This issue should be considered within the context of increasing amounts of information (particularly about food) being conveyed to consumers both in store, in

advertising, labelling and packaging and the issues discussed in question 8 regarding confusion about food labelling.

Basic recycling information about the packaging and the product is usually already included on product packaging and is useful to retailer and consumer alike; however recycling options are limited for many products, as outlined above.

Question 16 – *Do consultees consider that an annual Waste Aware Scotland award for the retail sector would be useful?*

The FSB is not convinced that an award is a worthwhile approach and is not likely to have much impact on the behaviour of most small businesses.

Consumers

Question 19 – *Which of the above options would consultees prefer in relation to the use of plastic bags?*

In written evidence to the Environment and Rural Development Committee's consideration of the Environmental Levy on Plastic Bags (Scotland) Bill¹ the Federation outlined its opposition to a levy and suggested that although seemingly an environmentally attractive option, the Bill was a distraction from the more fundamental waste minimisation issues discussed in this consultation.

We concluded that on the basis of the evidence available the Bill would not meet its stated aim of 'protecting the environment' as the Lifecycle Analysis commissioned by the Scottish Executive shows that the Bill would actually increase the weight of waste sent to landfill each year as consumers switch to paper bags. Not only would the Bill create more landfill, it would result in more pollution and greenhouse gas emissions as a consequence of greater manufacture of paper bags and the increasing quantities of these breaking down in landfill sites. The increased expenditure of retailers on paper bags would also negate the potential benefit of any savings made as a result of a reduction in expenditure on plastic bags, as paper bags can be anywhere between six and twenty-seven times more expensive than plastic ones.

In addition, the Extended Impact Assessment prepared for the Scottish Executive demonstrated that non-food, small retailers would suffer most negatively from the introduction of the Bill, whereas larger food retailers would benefit. Since it seems logical that the latter group is responsible for distributing the majority of plastic carrier bags (up to 80%) this would seem to represent a rough deal for the smaller, non-food retailers who are already struggling in a difficult trading environment.

However, if the Scottish Executive decides that action is required to reduce the number of carrier bags in circulation and given the unacceptable and disproportionate impact of a levy, then the most appropriate option would be to introduce some form of voluntary code of practice in relation to plastic bags, as successfully trialled in Australia.

Such a code would require commitment from large and small retailers, plastic bag manufacturers/suppliers and the Scottish Executive and would propose, for example, that small retailers agree to keep plastic bags behind the counter and ensure that customers are always asked whether or not they require a bag. The Scottish

¹ <http://www.fsb.org.uk/documentstore/filedetails.asp?id=298>

Executive could have responsibility for establishing baselines, setting targets and monitoring the implementation and impact of the code of practice.

The FSB would be happy to discuss the practical details of such a Code of Practice with the Scottish Executive and some form of working group might be an appropriate way to make progress on this matter if this approach were adopted by the Scottish Executive.

Question 20 – *What priority do consultees consider the Executive should give to reducing the use of plastic bags in the context of work to promote household waste prevention generally?*

The consultation document outlines the Scottish Executive's commitment to reducing the growth in municipal waste. Since plastic bags account for a tiny percentage of municipal waste (0.3%) there are surely more important aspects to consider if we are to reduce the level of waste produced in Scotland. In comparison to plastic bags as a proportion of the waste stream, waste collected from businesses already accounts for approximately 20% of all waste sent to landfill by our councils – tackling this problem and focusing attention on the provision of effective, affordable alternative waste disposal options for businesses would be far more productive in helping Scotland face its landfill problems.

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