

EAST LONDON WASTE AUTHORITY

16 OCTOBER 2006

GENERAL MANAGER'S REPORT

WEEE CONSULTATION	FOR APPROVAL
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1. Introduction

- 1.1 The government issued a consultation document on 25th July 2006 entitled "Implementing the Directives 2002/96/EC and 2003/108/EC on Waste Electrical and Electronic Equipment in the United Kingdom. The consultation invites the views on the Government's proposals for the draft legislation to implement directives on the Waste Electrical and Electronic Equipment ("the WEEE Directive") and on the draft non-statutory guidance.
- 1.2 Response to the consultation document is required by 17th October 2006

2. Background

- 2.1 Following earlier consultations in 2003 and 2004, the Government in December 2005 undertook a review of the implementation of the Directive which was published in March 2006. This further consultation (the government say) takes account of informal discussions held with the stakeholder community. Much of the new consultation (over 100 pages) does not differ significantly to previous drafts in relation to the collection of WEEE.
- 2.2 This is still a producer responsibility led piece of legislation which, under the EU legislation, requires producers to meet the costs of collection, treatment, recovery and recycling of a share of household WEEE delivered to authorised treatment facilities in line with their market share. Producers have to produce evidence of their own take-back performance or purchase 'vouchers' on the market place that someone else has done the take back.
- 2.3 In that it is proposed that in-store take back is still an option but rather than make individual take-back schemes mandatory it is proposed that:
- a) a national distributor take back scheme which establishes a network of Designated Collection Facilities ("DCFs") is set up;
 - b) Other producer obligations are:-
 - obligatory registration for producers through approved compliance schemes;
 - a code of practice covering the collection of WEEE from DCFs;

- authorised Treatment Facilities which will process WEEE received for treatment;
- accredited reprocessing facilities will provide evidence of reprocessing to producers;
- an end of year settlement to ensure producers are able to meet their obligations via an “exchange” system. (This will be based on a similar scheme to that for Landfill Allowances where buying and selling of quotas will take place). The Secretary of State will appoint an appropriate organisation for administer an Exchange which will establish a system which allows schemes to buy evidence or sell surplus evidence.
- a voluntary approach for producers to show the cost of handling historical WEEE.

2.4 However, the consultation still does not properly address the costs of collection for it says “Producer Compliance Schemes will manage collection treatment and reprocessing of deposited WEEE in partnership with DCFs”. This implies that DCFs are being based around the network of Civic Amenity Sites (Reuse & Recycling Centres) throughout the country and any extra cost of having to segregate the 5 main categories of WEEE at a Civic Amenity site/RRC will be met by the local authorities. The cost of providing the containers and hard standing will be met from a “one-off” payment by the British Retail Consortium to each DCF. The total sum available was being suggested as £8m with a payment per site of perhaps £6000. Ongoing revenue costs, insurance, Health & Safety, etc, will remain the responsibility of local authorities, as per the normal operation of sites. This ongoing cost appears to be the only disadvantage that local authorities will suffer. The advantages are:-

- they will get free collection of the WEEE from their sites;
- save costs of land filling of captured WEEE. Local Authorities can claim recycling performance of recycled WEEE;
- if sites are not cleared by a producer compliance scheme, the site managers will be able to recover their costs through the “exchange” system.
- Designated collection facilities such as Local Authority sites with which Producer Compliance Schemes have not contracted for collection from their sites will receive reimbursement for their costs incurred in handling WEEE. (However such sites would need to show that they had offered their WEEE to Producer Compliance Schemes before the Exchange would purchase evidence from them. The Government expect that the acceptance of the allocation arrangement for Producer Compliance Scheme will greatly reduce the need to use the Exchange).
- the legislation encourages a much more environmentally friendly system of disposal than the current landfill option.

2.5 Collection protocols from DCFs are still to be worked on but these are detail rather than principle.

3. Implications for ELWA

- 3.1 ELWA should support this advance in wastes management and, indeed, within its new infrastructure, built under our Integrated Wastes Management Strategy ("IWMS") contract, it can offer a great advantage to managing WEEE in the east of London.
- 3.2 This consultation does not refer to the amount or application of the British Retail Consortium's financial offer outlined in 2.4 above. The Government have encouraged local authorities to register the Civic Amenity sites /RRCs as DCFs and have outlined the perceived advantages to the local authorities but the financial 'offer' for the use of local authority sites does not recognise the high value of the land (particularly in London) or the continuing revenue costs of site arrangements.
- 3.3 The reason ELWA may feel disadvantaged is that, under our contract, Shanks are paid per tonne of materials managed. Using our RRC sites as DCFs, will still require ELWA to pay Shanks per tonne of WEEE received. Although Shanks will have to meet any extra management costs at the RRCs, the disposal costs no longer rest with Shanks but will be met by the Producer Compliance Scheme.
- 3.4 This does not increase the cost of the contract to ELWA but equally, it does not produce ELWA any savings that may have arisen from the waste being reduced (diverted by take back schemes). However the gain will be better environmental management of WEEE and an increase towards meeting the statutory recycling targets.
- 3.5 Another option is for ELWA not to agree that Shanks use its RRC sites as DCFs. This might provoke the retailers to have their own take back schemes or their own local facilities, but that is unlikely to occur, as many are committed to the collective scheme. The non designation of sites could cause confusion to our residents as many will not take an old TV or fridge with them when buying a new one. Residents expect to be able to deposit them at the RRC sites and not to have to take their WEEE to some other location, distinct from their other wastes.
- 3.6 However, ELWA must guard against commercial WEEE coming into the RRC (designated DCFs) as household waste. We are required by law to accept household waste free at the RRC sites. Commercial waste we are not. Commercial (Non contract waste) is the remit of Shanks and within the terms of the contract Shanks can charge their own rate and keep the income of any non contract waste delivered to the RRC sites. ELWA is not charged for this waste. If the RRC sites eventually become DCFs increased monitoring of the WEEE waste stream will be essential.

4. Conclusion

- 4.1 ELWA is generally supportive of the main thrust of WEEE consultation proposals but is surprised and concerned with the ease with which the Government has accepted that local authority facilities be used for depositing and sorting WEEE materials. This removes the need for Producers to purchase costly land (especially in London) and meet the cost of in house 'take back schemes'.
- 4.2 The Government consider using local authority facilities as the best practical option for the United Kingdom meeting its WEEE obligations.
- 4.3 ELWA's concern is therefore:
- a) that, unless the producers operate significant 'take-back' schemes themselves (and WEEE does not therefore enter the household waste stream) much of the initial cost of collection and management of WEEE will fall on Local Authorities,
 - b) the British Retail Consortium's financial offer to Local Authorities for the provision and management of extra facilities at C.A. sites (provisionally agreed with DTI) is not considered to be sufficient to either cover the capital costs or the ongoing revenue costs likely to be incurred by Local Authorities in separately managing WEEE.

5. Recommendation

- 5.1 It is recommend that ELWA responds to the consultation along the lines of the conclusions in paragraph 4.

John Wilson
GENERAL MANAGER

Appendix
None

Background Papers

- WEEE Consultation paper.....
- Part I The Draft Implementation of Directories 2002/96/EC and 2003/108/EC on waste electrical and electronic equipment
 - Part II Draft guidance to the waste electrical and electronic equipment regulation
 - Part III Partial regulatory impact assessment for the WEEE regulations

Draft WEEE Regulations