

Environment, Food and Rural Affairs Committee

Oral evidence: Plastic Waste, HC 556

Tuesday 7 December 2021

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[Watch the meeting](#)

Members present: Neil Parish (Chair); Dave Doogan; Dr Neil Hudson; Robbie Moore; Mrs Sheryll Murray.

Questions 114 - 197

Witnesses

I: Sian Sutherland, Co-founder, A Plastic Planet; Jude Allan, Chair, IOM3 Packaging Society; and Kevin Vyse, Head of Technical, ProAmpac RAP.

II: Andrew Opie, Sustainability and Food Director, British Retail Consortium; Steven Butts, Head of Corporate Responsibility, Wm Morrison Supermarkets Limited; and Hellen Stirling-Baker, founder of Small Stuff and Lead Board member for Sustainability, British Independent Retailers Association.

Written evidence from witnesses:

– [A Plastic Planet](#)

– [British Retail Consortium](#)

Examination of witnesses

Witnesses: Sian Sutherland, Jude Allan and Kevin Vyse.

Q114 **Chair:** Welcome to the EFRA Select Committee. We are looking at plastics and reuse, reduction and replacement. It is good to have our panel of witnesses here this afternoon. Starting with Jude, would you like to introduce yourself, please?

Jude Allan: Certainly, and thank you for the invitation to contribute today. I chair the IOM3 Packaging Society, which is part of the Institute of Materials, Minerals and Mining. IOM3 is the professional body for individuals working across the materials sector and is incorporated by royal charter and is a registered charity.

Sian Sutherland: Good afternoon, everybody. I am co-founder of A Plastic Planet. My background is that of an entrepreneur, so I am a very unlikely ecowarrior sitting here in front of you today. We founded A Plastic Planet some five years ago to ignite and inspire the world to turn off the plastic tap. We work with industry and we hopefully encourage Governments to create fiscal policy and legislation to enable industry to change faster.

Chair: Thank you. I think ecowarriors come in all shapes, don't they? Kevin, please.

Kevin Vyse: Thank you for inviting me today. I am a packaging professional designer and engineer by training. I have worked for the retail trade and in manufacturing. I currently work for a company called ProAmpac, which is a manufacturer of packaging for the food services industry.

Q115 **Chair:** Very much welcome. Thank you, all three of you. As I was saying to you before we started the meeting, it is very much to go through and take evidence from you and come up with ideas where we can either help the Government to go in the right direction or possibly say to the Government that they are not going in the direction, so please feel free to say whatever you would like for the record.

The first question: by 2025 the Government aims for all plastics put on the market to be recyclable, compostable or reusable. Is this the right target to be aiming for or should the focus be on how much waste is recycled, composted or reused? Who would like to start with that? Shall we bring in Sian? Go on, you can have a shot at this one.

Sian Sutherland: Thank you. I would first like to start with a reality check of where we are right now. I would like to point out a couple of the perhaps weasel words. A word like "recyclable" should be banned from the English lexicon. It gives no responsibility to the person that chooses to manufacture with that material for its recyclability, because they don't have to recycle it. Coca-Cola is a great case in point: 120 billion plastic



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bottles every single year, zero responsibility for what happens to them and for the damage they cause the environment.

If we look at the reality of where we are right now, and if I quote from the WRAP report, which I know the Government takes a lot of advice from, we seem to be missing an awful lot of waste material. 1.5 million tonnes of plastic packaging was placed on the market from the grocery and the non-grocery sector in 2019 and 584 tonnes was collected from households. This is collected from households and obviously is not recycled because the commonly known stat for recycling within the UK is still stuck at 9%.

That leaves this remainder of 900,000 tonnes of plastic packaging that is not collected, not accounted for. Where is it? Has it ended up in the environment some place? You will have seen there is a huge amount of attention on plastic films right now. A number of supermarkets and places like Boots have decided that they will have in-store collection of plastic films. Only 7% of plastic films are collected, and that again doesn't mean recycled. Kerbside collection is down for plastic film, from 21% in 2015. However, the UK Plastics Pact that everybody has signed up to still declares plastic film as recyclable. This is what I mean by this little word of "recyclable". It is technically recyclable, however it is rarely recycled because it is valueless.

Chair: Whether it is actually recycled at the end of the day.

Sian Sutherland: Exactly, so my recommendation would always be, let's stop focusing on that problem; let's focus on the right end of the pipe. For us, that is always that plastic production is forecast to treble by 2040 in the systemic Pew Foundation report, "Breaking the Plastic Wave". We are focusing on the wrong end of the pipe, trying to mop up the mess that that is creating, and we are not looking at how we can seriously incentivise industry and control big gas, big oil—AKA the plastics industry—to turn off that plastic tap. There is—

Chair: Can we leave it there? It was a very good answer, but I am conscious that we have to let everybody in. There will be more questions, don't worry, which you can expand on. Thank you for that. Kevin, what would you like to add?

Kevin Vyse: Following on from what Sian said, it is about systemic design. We have failed miserably to think through a process. We do it all the time. We don't think about the consequences of actions. We are wedded to a linear economy. Plastic has been absolutely the gift to the linear economy and essentially we have undervalued it. You think back the Second World War, where all those materials—metal, cardboard, wood—were valued and used over and over again. If you go to the Brands Museum in Ladbroke Grove you will see evidence of that.

Plastic somehow has got outside of the framework, but it is an incredibly valuable material. The point about flexible films is, if you want to reduce



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plastic, use flexibles for a lot of your packaging, but you have to design a recycling system to go with it. You can't just put flexibles there as an alternative.

Chair: You can't really reuse it, can you, so you have to recycle it?

Kevin Vyse: You have to recycle it and you have to think of a way of recycling it that makes meaningful sense to the industry it has been serving. We have yet to get to grips with that. There are forays into chemical recycling and into mechanical recycling, none of which is very appealing because the weight of a piece—and I think this point was made last week—of flexible packaging is so light, for a guy to bother collecting it, there is no value. We have to get past that bit.

Q116 **Chair:** Also you see £250 a tonne for plastic tax, a little bit of wrapping around it. What is the tax on that? Miniscule, because there is no weight to it, is there? That is another issue.

Kevin Vyse: Exactly. The Government are about to make £50 million a day out of the plastic tax until there is a system in place to record whether we are using recycle or not. People are going to move very rapidly into flexible films to try to avoid that but they are not thinking about what then happens once the customer has finished dispensing the contents. We should have had the opportunity to say, "This is what we do with that when we have finished".

There is the flexible packaging fund, which has been set up. I am very proud to say I was the originator of that. That will now appear in the new year, but it is a private initiative. This is brands and retailers saying, "We have to get ahead of the local authority and the APR and do something now, rather than wait".

Q117 **Chair:** Jude, as you come in to make your comment, I have another part to the question. Should reuse be a higher priority than recycling or composting? I am not entirely sure how environmentally friendly some of the industrial composting is either.

Jude Allan: First, just to add it is not just about plastic waste, it is about waste in general. One of the things that is important to remember is the fact that well-designed packaging is able to have a positive impact on the reduction of waste overall. I think it is important to make sure that we don't forget that and risk throwing the baby out with the bathwater sometimes.

I absolutely agree that going further up the waste hierarchy and looking at reuse and refill is very important and is a very important direction of travel. Currently the EMF say that only 2% of people really engage with reuse/refill and that needs to increase significantly. There are a number of barriers towards doing that, which I am sure we will discuss this afternoon, but yes, working towards a more circular design of packaging use and product consumption that allows for refill and reuse is very important.



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Q118 Chair: I think there is a challenge now, isn't there, with Covid? Naturally people are very concerned about everything being clean and it having not been touched by anybody else or whatever. We have to make sure we have a proper cleaning system that people are confident with so that they are happy to reuse it. I don't know if you have any magic solutions to that one. I think we will have to live with Covid over the years. Hopefully we will have the vaccines so that we can live with it, but I think we will have to get on with what I call normal life again, but I am not sure we are there yet, are we? How do we change people's attitudes at this moment on reusing? Plastic has gone mad really, hasn't it? Plastic use over Covid has gone berserk. I can understand why, but even if it is PPE, can we reuse that? Can it be properly cleaned? What are we going to do about this or are we just going to carry on manufacturing more and more?

Sian Sutherland: I think this is where design has an incredible opportunity. I wanted to show the Committee this, which is a very everyday product, a deodorant, from the company that has a 50% market share of global deodorant. One billion people use Unilever deodorant. This is a refill made out of stainless steel. Every single month, the only bit that you need to buy and replace is the bit you have consumed, the deodorant. What I love about this is how it has elevated sustainability to something that isn't perhaps your zero-waste store, a little bit like a 1950s milk float; instead it is the Tesla experience, it is the Apple experience of what refill I wanted and then it happens to be better.

This you buy once. It is guaranteed for a lifetime. It launched in the US in February of this year. It is a Unilever project we have been working on with it for the last two years. It is the most successful launch that it has ever had. It is mass market, so this is not an elitist product that only a few can afford. The very important news is people buy things once. Everyone has a juicer at home that they never use and it is at the end of the cupboard because it is a lot of effort to use it. I was a little concerned people would buy this once and they would not buy the refills, but they have sold many times more percentage-wise—hundreds of a percentage increase on the amount it had originally forecast of the refills.

It has changed consumer behaviour through the use of good design. I think this is where we have a tremendous opportunity, particularly in the UK, where we are a highly creative, highly design-led nation. If we can reinvent refill so that it feels incredible as an experience for the shopper that isn't inconvenient, we can change the way we shop for ever.

Chair: You raise an interesting point over refill. Again, if you use my Covid analogy, you are buying a refill, so therefore it is clean when you have it, it is a new refill but goes into an original actual dispenser. I get that entirely, yes.

Q119 Mrs Sheryll Murray: That is obviously a very personal item and so you wouldn't necessarily worry about other people touching it and that sort of thing. Do you have any examples of other things where perhaps people



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would share?

Sian Sutherland: In the world of personal care, most things are shared in your bathroom, aren't they? I would love my husband not to use my shampoo.

Mrs Sheryll Murray: I don't think my husband would use my deodorant.

Sian Sutherland: I think it is things like refillable in personal care, that is a massive opportunity that is about to happen. You see it in homecare already. We buy homecare very easily using a refill station. Many supermarkets—Waitrose, Aldi—are introducing refill stations. I think the Government have a tremendous opportunity here to encourage refill.

Chair: Yes, shampoos and all those sorts of things. My wife and I use the same shampoo. It has more effect on her hair than it does mine, I think, but seriously, it is a very interesting point. Yes, Kevin and Jude, please.

Kevin Vyse: I would make a distinction between personal care, toiletries and household. I have done both sides of it. I have worked for SC Johnson; I have also worked for food manufacturers. There is a huge difference in the supply chains between both. The supply chain in the food industry can be as little as three days and you do need packaging to keep things fresh. The most iniquitous thing is avocados. We bring avocados in from abroad and we have to use packaging to get them to us so they can be eaten, because otherwise they go off on the ship. Do we stop eating avocados? That would be the most sensible thing to do, but nobody will bite that one.

Chair: The consumer will not want that. Again, cucumbers last a lot longer by being wrapped. We want to perhaps wrap things less in some respects but there are some very good environmental and food waste reasons for wrapping others, aren't there? Dave.

Q120 **Dave Doogan:** Do our witnesses agree—and I think you touched on it yourself—that the operative word in plastic waste isn't plastic, it is waste? People get very hot and bothered about plastic waste and we all understand why, but in actual fact, if you create substantial costly—in carbon and in other terms—waste elsewhere in the supply chain, you are just going around the circles. Is that the case?

Jude Allan: Absolutely. If you look at food waste, within the whole food and drink spectrum I think the packaging is 3% of the carbon footprint. In order to reduce waste, the classic cucumber being wrapped in film in order to extend its life does make a massive difference. We do need to look at that and we need to look at the whole picture. Packaging and plastic packaging in particular has a real negative connotation in people's minds because they find it confusing because it is complicated. Our job, as people who work within the industry, is to try to make it less complicated for them, so we almost do the hard work up front. Then it needs to be easier to recycle so that people are able to do the right thing, so that it goes through the right waste disposal route. Yes, well-designed



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packaging will help to reduce food waste and that is incredibly important to our net zero targets and just not wasting food, which we need to make sure we are doing.

- Q121 **Chair:** We were talking in a previous inquiry about reusing coffee cups, getting food and having your own plastic container or a container to put that food in. How do we get confidence back with the public, but also with those supplying food that they can be sure that it is clean? That is the other issue: people supplying food are always worried that if they refill a container and there is a problem with that food, is it their food or is it the container? Not an easy solution, but putting your brains together, what solutions do you have? Jude.

Jude Allan: The University of Sheffield and Grantham Centre for Sustainable Futures have a project, which is part-funded by the smart sustainable plastic packaging challenge, that is looking at exactly that. It is looking at reusable takeaway containers and how to make sure it is acceptable from a consumer perspective, how to make sure it is workable from the food producer's perspective. It is complicated because at the end of the day takeaway food is about convenience, so you are trying to work within those parameters. It is a very interesting study. It has produced a paper called "Many Happy Returns", which is worth sharing with the Committee. I would be happy to do that.

- Q122 **Chair:** Also with a company that is supplying that food, there is always a worry that somebody might come back to them and sue them for the fact it wasn't clean or whatever and they could argue, "It was the container and not our food," but it becomes rather complicated, doesn't it? How do we start to reassure both the public and those supplying the food that it can be done?

Jude Allan: There are two different systems to the way that it works. You either have refill or reuse. Just to try to get that right, refill is where the consumer tops up their own container, so effectively they have the container. Sian's deodorant would be that thing: they get the content and they refill it. That would be the same if you take your container to the weigh and save kind of environments.

Then there is the return or reuse system, where the container is owned by the company, so it takes it back; it is responsible for cleaning it and ensuring that it is completely safe. You do not get that same container back, you get a container that has been through the hygiene system, so that is how people are addressing that.

Chair: Any quick answers? I am conscious that I have taken rather a lot of time, but it has been a very interesting question.

Kevin Vyse: Just a little bit of evidence. Tesco did try the return scheme, where people were using their own containers, but it ended up falling to bits. People were not bringing their containers back, so they had all of



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this stuff waiting but nobody was doing it, so a system whereby you switch out the packaging is a far more motivational thing to do.

Sian Sutherland: It is like an extension of the DRS, the deposit return scheme. If you think of that not just for bottles, but also for containers, and they just keep in constant circulation.

Chair: Thank you very much, some very good answers there. Robbie, question 2, please.

Robbie Moore: I want to ask about the Government's targets that have been set around—

Chair: You had better to declare your interest.

Q123 **Robbie Moore:** Yes, I will do. Well reminded, Chair. Just for the record, while I am not, my family are involved in plastic recycling.

I wanted to touch on the issue of the Government's targets that have been set around avoidable plastics, with a target to eliminate all by 2042. It all comes down the definition, so what is the best way to classify avoidable plastics? Sian, I will come to you first.

Sian Sutherland: That is a great question. We can look quite easily at some other countries who are very close, like France and what it is doing already. France is way ahead of everybody within the EU and certainly the UK on many of the new regulations that it is promoting. One of them is that it has just eradicated the use of plastic for fruit and vegetables. That is 1 billion pieces of plastic every single year that are deemed unnecessary. I know that you mentioned the infamous plastic-wrapped cucumber, but some of you may be aware, I am sure, that already we have the technology within the paper world to wrap a cucumber and give it that extended life. We are always thinking that plastic is the material that will save us from everything and it is not. There are so many other great materials out there. We need to encourage investment into those new biomaterials.

Kevin Vyse: I want to make the point that paper doesn't get recycled because it has coatings on it that don't allow it be recycled, but anyway. Plastic could be recycled if we collected it and that is the difference. You have to remember that that plastic film extends the cucumber's life from around three to four days to seven to 14 days, so you are saving a huge amount of food waste from that. We won't go down the cucumber route any further.

Jude Allan: We will stop that now.

Chair: We like a little bit of competition.

Kevin Vyse: You have a good panel because we all have contrary views. I think "avoidable", as Sian said, is just one of those weasel words. What do we mean by avoidable? If I work for M&S, avoidable plastic means a



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completely different thing to Aldi. We can swap out everything for cardboard and we can start doing some real damage, as we have done, to the infrastructure. The cardboard world is in turmoil at the moment because of the demand that is being placed on it. Some of the decisions that will be taken over the next few months will have profound effects on the European paper market and probably, by extension, it will have some profound effects on rainforests and hardwood forests around the eastern world. We have to be very careful about whether we should even use the stuff at all or even sell the stuff at all. That is a very difficult question to answer.

In terms of avoidable, I would always work on the fact that if it can't be recycled under current conditions, then it probably should be avoided, because we cannot expect suddenly instantly to have a recycling system tomorrow that will cope with it. Some of the things that have already come into that sphere are good to be in that sphere. I think you have to be very careful when you just do, like the French have done, a blanket bomb: "Okay, all plastic in shops goes". The fundamental difference of course is that they have been doing open fresh for years, where we haven't in this country. We rely very heavily on packaging for our supply chain.

Jude Allan: I would echo the fact that it is a difficult thing to define. I will not make any claim to be able to define it. The thing I would say is that in pushing that, we risk material switching down the wrong route if we are not careful. We need to define in order to be able to measure it, but we also need to make sure that we are not pushing things down a material switching route that has unintended consequences.

Q124 **Robbie Moore:** It is crucial that we define it, as I think all of you have said, but the Royal Society of Chemistry argues that the definition of avoidable plastic waste focuses too much on materials being recycled, composted and biodegraded and not enough on reducing the actual plastic consumption in the first place. How do we answer that difficult question and better define the avoidable plastics so that we can ensure that when the Government are setting a target, it can be delivered and the parameters are not then changed, based on the definition?

Kevin Vyse: I think you have to look at why that material is being used. If we take a pair of ear pods, which are usually in a huge great blister, that is avoidable plastic. You don't need to sell a little tiny thing like that in a big pack like that. There are hundreds of examples of that. The trouble is that food has become the focus of the attention and I think there are areas definitely within the food industry where we overdo it. I favour the idea that as we tend to use more packaging, the less good the food is. You think of some of the cakes and sweets, where we have a lot of packaging. When you come back up the fresh end, we have less and less and less.

I think you have to start by asking the question: why are we using the plastic in the first place? Is it to extend the product life? Is it to make



sure it is fresher, to make sure it is safe—to your point—or can we use something else? Those decisions are a systemic design question. If you cannot answer those, then you have an avoidable plastic.

Q125 Mrs Sheryll Murray: Can I turn to designing for sustainability? I will start with Jude. What are the main barriers to companies adopting more sustainable product design?

Jude Allan: I would say that the biggest barriers for companies are knowing exactly what they are designing towards in terms of if there is legislation coming. There is a lot coming down the track and we need to know what we are designing it for.

The second thing is having the people that have the skills to be able to do that design work and do it well and to be able to really understand the full spectrum of what they are doing and what they are working to. It is very important when we have very short important timelines to meet that people are able to make very well-informed decisions and implement those quickly. That does take a lot of skill and there are not enough skilled people within the workforce in order to do that. Those are fundamentally the areas that I think do require work.

There are a lot of very good guidelines that are out there among the industry about designing for recycling and designing for more sustainable systems, but there is a buy-in that is required within the business in order to design well for a sustainable product. That does require a lot of buy-in and it requires buy-in all the way up to the top of the business because you can have a very successful product, but not all of the products will be quite so successful to start off with or they might have a longer run-in time. That does not necessarily work so well for the accounting side of the business. It is public perception. People understanding what we are trying to do is an important thing, so it is communication of where we are going.

Q126 Mrs Sheryll Murray: I will move on to the others, but following on with large plastic packaging for ear pods, is it possible that the reason companies sometimes use large packaging is because they are multipurpose so they can use it for different products?

The other thing I would like to ask is, in my constituency I have a company who produce beanbags, where what they use is like the little polystyrene beads, but they are biodegradable. It has to source those from abroad. Do you know of any incentives that perhaps Government could introduce to ask British companies to produce more sustainable and biodegradable products like that?

Jude Allan: That is a very interesting question. I don't know if there are any incentives that are available. I definitely think that there is room for making sure there is that market. That is the biggest incentive, making sure there is a market that is not just a niche market to work towards.



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To your first question about the packaging, there are two different things. The example that Kevin gave, one of the reasons why those things come in bigger packs is anti-theft as much as anything. You make things bigger so people cannot just put them in their pocket. I am not saying that is what people do, but maybe. That is a consideration, but designing something where you have effectively a generic packaging format that you can pack different things into is potentially a good way to manage supply and resources and it tends to be something that, generally if you are doing packaging design you would try to do that with things that are similar sizes.

The exception you always hear is the Amazon boxes, where you get big Amazon boxes with a little thing and then lots of void filler. There is still merit to why they do that but maybe not. Maybe it is more beneficial for them than for the world. Systemic thinking is an important consideration and pack forms that can work for a number of things would be good.

Chair: Can we keep answers a little bit tighter, please?

Jude Allan: Yes.

Kevin Vyse: Just one observation on this is that what has changed in the last five or six years is we are now starting to see the waste industry talking to the design industry. We have never had that before so we are living with a legacy.

When I first started in Metal Box umpteen years ago, we just made packaging and sell it, sell it, sell it. Now we are thinking, if we talk to a recycler before we design this, can we make this work? Is there anybody who can compost this? The dialogue is starting to happen. It is not easy, and in a room not so long ago there was the local authorities recycling association sitting there saying, "Will we ever recycle flexibles?" and everybody put a red card up. Everybody in the room who was a packaging manufacturer put a green card up. There was definitely disinterest in engaging in that conversation and yet we should look for that solution.

Secondly, when we think about a design of something, we have never thought about who the material supplier is and where it is coming from. We just get the cheapest—"Let's get the cheapest material". We have gone to China umpteen times and China has sent boats around that have lost pellets over the side that has caused umpteen damage to the environment. Then we get the conversion, which is energy, so we are thinking about how we save energy and with net zero by 2050 the packaging industry and the plastics industry really have to think about that in the UK.

The retail trade, and I have worked at two very big retailers, work on three-month cycles and if I hear the customer saying they want compostable, I will have compostable. I do not ask why? I will go and have it. That is a real danger because there have been some big mistakes



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made in the last three years by retailers who have introduced things that were not based on science. They were based on gut feel or *Daily Mail* headlines.

Chair: Also ticking a box.

Kevin Vyse: Yes.

Q127 **Mrs Sheryll Murray:** I am conscious of time so if I can address a slightly different question to Sian and if you have any different views you want to give us in response to the first two, please do, but we do not you to repeat anything that has been said. The Committee has heard that it can be difficult, and we have started talking about this, to align all stakeholders at the plastics supply chain towards the same sustainable principles of product design. Why do you think it has been difficult and how can the situation be improved? I note Kevin has told us that perhaps we are seeing more joined-up thinking. What else can we do to improve that?

Sian Sutherland: I do not believe that industry can fix this problem on their own. Voluntary does not work. Many reports have now stated that if every global voluntary commitment from Unilever, Mondelez, PNG, everybody, including all Government commitments in the EU plastic pact, all of them—if they were to be successful, we would see a 7% reduction in plastic pollution on a trebling of plastic production.

Voluntary cannot work. The only thing that will make a difference is for us to have fiscal policies and legislation to help industry change. The opportunity for the UK Government here to take leadership and instil some difficult new laws that will accelerate innovation in all areas of refill, everything we have been talking about, to build an infrastructure that is fit for purpose to deal with the right kind of waste.

Kevin mentioned compostables. People are designing compostables for the wrong uses. We have just written a whole report on the compostable conundrum that lays out very simply for the creative community, because everything begins at design, and as Jude was saying, the design community are not educated in how to design sustainably. They are just thinking “green tick”—“I have made something out of compostable material”. It is never going to be composted, so two things need to happen. Educate them on the right use of compostables and then build the right infrastructure.

Chair: You also cannot mix compostables with other plastic either.

Sian Sutherland: If we had a mandate, for example, teabags. Three years ago, there was a *Daily Mail* headline, “Teabags contain plastic, who knew?” Now, by next year, not a single teabag on sale in the UK will contain plastic. The market moved itself without any kind of legislation, without any policy change, because they realised it was the right thing to do. However, those teabags that could go into the food waste system are all extracted by the composters and the AD facilities and sent for



incineration and landfill. What a waste of a valuable resource. These are the things we need to get right and we have a one-off opportunity to do it.

There will be massive investment in a new food waste system because we will be collecting food waste by 2023, as you know. What will we do with it? At the moment we are burning a huge percentage of our food waste. We only compost 10% of our food waste in England. It is all connected.

Chair: I think that is really a good point. We will park that one there. Some good answers and a good question, thank you.

Q128 **Dave Doogan:** Developing that point a little bit further, it sounds like you are saying that we all recognise that necessity is the mother of all invention. What is the mother of that necessity? Where is that necessity going to come from? If you could inform your responses on the basis of how Government might support more sustainable product designs that will be taken up by business.

Sian Sutherland: I wanted to refer to another policy coming into France: that by 2030, 20% of all floor space in supermarkets above 400 square metres has to be dedicated to refill. What an incredible opportunity for the UK potentially to better that. When new laws are even discussed within these walls, industry moves very fast and as we were saying, it is too difficult for industry to do this alone.

Plastic is the default for everything because it is ridiculously cheap and highly subsidised. It is incredible; but we have to move away from it. We cannot have the quadrupling in plastic pollution that is now forecast—anything we can do to encourage systemic change, not just swapping from one material to another. I think we are all agreed on this panel that is not the answer. There is not enough resource on the planet.

Dave Doogan: I appreciate what you are saying but I was looking for something a bit more defined than “anything we can do”. I would like to see what we can do.

Chair: Essentially, what can the Government do. We will bring Kevin into it.

Kevin Vyse: Slightly controversial, maybe, I do not know. Most of our pension schemes are predicated on oil companies and we have BP doing a sterling job looking at hydrogen now. That is being incentivised, I understand, so certainly the CO₂ sequestration is being incentivised. The oil companies need to make a move most of all. They are the people where the plastic starts. Right now, 4% of a barrel of oil gets turned into plastic. The majority of the profit on that barrel comes from the plastic and as we lose our cars and fuel that goes into cars and diesel trucks to electrics, they will be looking for more and that is why the plastic industry is piling on because they need profit. How do we incentivise them to think about other things than plastic?



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Total in France were very early in looking at how they can re-incorporate waste plastic into their plastics industry. Rather than drawing fossil fuels, they continuously recycle, so the incentivisation for them to go after the waste materials could be a big help. The chairman of Veolia calls it a mining operation rather than a waste recovery operation. That is what it needs to be turned into, so there is a value for them to go out and look.

Q129 Chair: There are some big players and some big investment there potentially.

Kevin Vyse: Yes, and the chairman of Shell said recently, "If you want me to do this stuff, I have to keep reliant on fossil fuels for the next 10 years." Why? That is the question. Why must he rely on fossil fuels? Can something else be done to allow him to make his margins and turn his huge empire on to something more profitable in terms of environment?

Jude Allan: Legislation will obviously help because it creates a level playing field so that in itself does encourage everybody down the same route. Things like reuse and refill was pushed into an annexe from the EPR consultation that said things like we will consult on targets in 2023 to then implement by 2025. That needs to happen because things like that will help to push and promote the sustainable design.

Going back to people and skills and people having the knowledge and ability to be able to do it, one thing that is important is it is very hard to encourage people into an industry that is constantly being vilified. If we talk about the fact that packaging has an important role to play in delivering all our products, food and otherwise, to us, it is important to talk the positive message so we encourage people into the industry because they are the people who will help us make the difference.

I have spent 20 years working in a design agency so I am very aware of the fact that designers want to do the right thing. They just do not necessarily always know what the right thing is because compostable might sound like the right thing but if you do that without knowing the background behind it, then you might create problems. Having that good knowledge within the industry is really important and we need the people to be able to support that.

Kevin Vyse: There are two industrial successes in this country where the mould was broken and Dyson is one of them, where he came up against the old system and changed it by thinking outside the frame and, rather than just thinking about the design, thinking about the whole system. Okay, it broke down and we know there are all sorts of issues around the back of that, but the principle was, "Let's redesign"—the whole cradle-to-cradle thing—and that is a strong message for any design company. Do not just think about the bit in your little silo. Think about how it affects everything.

The other way of looking at it is for one of the retailers, for instance, being incentivised to invest in recycling or composting or one of the back-



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end things so they become part of the process. Aldi has done that in Germany. Could we do that in the UK? Could one of the big retailers be incentivised?

Q130 Dave Doogan: Sticking with incentivisation, could we look at extended producer responsibility and understand how that could assist the plastic packaging supply chain to adopt more sustainable design practices? In answering that as well, can we touch upon the extent to which the plastic packaging supply chain co-ordinates that dynamic? They are just one cog in the whole wheel. You have consumer demand, supermarket legislation, Government regulation, an international dynamic to it in terms of the international value of recycling. Getting back to extended producer responsibility, how does that shape things?

Sian Sutherland: It is fascinating that we are talking so much about retaining plastic packaging and that being the solution, when I think that is not the solution at all. For so many reasons we need to move away from plastic packaging. We have gone down the wrong cul-de-sac here and we need to adopt different materials.

Q131 Dave Doogan: So, I am in hospital about to get an injection. What does the syringe come out of?

Sian Sutherland: We all agree that uses within medical, all of which is incinerated so there is nothing circular in medical waste, it is never intended for that. When we are talking about plastic packaging within a supermarket, which is the vast majority of our plastic usage—40% of all plastic made is for packaging alone—then this is in the consumer market. This is where we can make a tremendous impact, and if we can reduce vast swathes of where we are misusing this indestructible material, where it is used for moments and lives on the planet for centuries, that surely has to be a good goal.

I would love to throw a provocation into the Committee. When we keep talking about recycling and things that will be recycled, can we examine the state of the plastic recycling industry within the UK, where we export 60% of our plastic waste?

Chair: I am happy for you to do that but we are conscious of time.

Dave Doogan: Kevin, briefly, on extended producer responsibility.

Kevin Vyse: For me it is predicated on one thing, that is data. This has been discussed before, having really good data. At the moment, if you are creating a product, you will create a bill of materials, you will have a computer programme that layers on all the bits you need. You will have a cost against it so when it gets to the shelf in your supermarket or retail outlet you know exactly how much it cost you to get there and how much profit you will make. Not one part of that data contains anything on the packaging.



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The systems are broken as far as that is concerned. We never think of packaging as an ingredient. We think of it as an end vehicle. If we can do that, suddenly it becomes valuable to the retailer to understand where that material is going. Just imagine if it is DNA'd and it has a value on it, when you get it out in the system, I might want my plastic back. I do not want Coca-Cola to have it. I want it. There are cases in this country where the recycler is giving a crisis to a lot of brands because one big monopoly is sucking it in, so they are leaving them in a very tricky situation. But if it was identified clearly in the data set that went with it all the way through its life, then you have a tradeable commodity.

Dave Doogan: Very briefly on that, Jude.

Jude Allan: I would say one of the really good things about EPR is you are seeing collaboration up and down the value chain, which is incredibly important. The previous system came in as I was just starting in the packaging industry so these things do not happen very often. It has been seeing the responses to the consultation going from material supplier down through to waste management and everybody understanding they need to see things from the other point of view has been really important and a sea change, I think.

Q132 **Dave Doogan:** One final thing, without repeating, is my daughter is now at university and I remember her coming home from primary 1 and 2 talking about reduce, reuse, recycle, in that order. We are a decade and a half later on, still quibbling about this. Why is that?

Jude Allan: Because the emphasis is on recycling when it comes into what people are seeing. Single use of anything has created a straightforward flow that is efficient and really good, and anything that is different to that is hard work and requires effort, and that is the reality.

Q133 **Dave Doogan:** It is the momentum of the linear?

Jude Allan: It is the momentum of the linear and we need to divert that flow and we will do something really good with that flow but it will be hard. I agree and I am glad your daughter came home with that message and I hope she does something with that at university.

Q134 **Robbie Moore:** In our 2019 inquiry into plastic food and drink packaging we called the 30% threshold for the plastic tax "too blunt an instrument" and called for a modulated system. I wondered if you had any thoughts on that.

Kevin Vyse: I think in general HM Treasury gets what HM Treasury wants, and that is fine. We should have perhaps incentivised a smart use of materials as well. The tax will have an effect. The effect might not be everything that everybody expects. I think we will see probably some importing of materials rather than home-based. I think the view is, "Great, all the waste we produce will all go straight back into our own packaging". That is not going to happen. It is all going abroad and we will get stuff back from places we may not want them to come back from.



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I have a big issue about traceability. Having been in the food industry, I am very worried about where some of this material will come from. There are companies who do a really good job and companies I know very well who do not do a good job. A plastic tax is a good windfall tax for HM Government. We must get the evidence in the system. Where is the data set we can use to prove that we have done it? How much of that do you have in here? I can do a mass balance and say it is 15% in here today and it will be 25% in tomorrow, and it may be 60% the following week. So, if over my month I put 30% in, or are we going for every item having 30%? Those things have not yet been fully resolved.

Q135 Robbie Moore: If you were in a position to make any changes about the current tax system, you mentioned incentivisation at the start, what physical changes—

Kevin Vyse: If you can show you can design smart with either recycled or other types of composite materials and it is showing a carbon reduction in what you are doing, it should be an incentivised thing, so tax reduction rather than tax on.

Sian Sutherland: I wanted to add one thing, not to repeat anything Kevin has just said. It gives us a tremendous opportunity, even though it might not be terribly fair and there are many material manufacturers that feel they are being unfairly taxed on that because of the kind of bioplastic they produce. However, if that were to be ring-fenced, so if the right use of certain compostables were to be ring-fenced, if that revenue stream could then be used to build the right kind of AD facilities, that would be a massive win for the UK.

Robbie Moore: Jude, did you have anything?

Jude Allan: I have nothing to add.

Q136 Mrs Sheryll Murray: A very quick question, starting with Jude, and if you could not repeat anything in the interests of time: how easily can the amount of recycled content in a package be determined and how easily enforceable would a tax be?

Jude Allan: It is not that easy to determine, really, because it is all about how much recycle there is available for a start, and the quantity you can add to the virgin material to still have the functionality and the properties you need. The worst thing in the world is if you add a load of recycled material content to something and then the functionality goes down. The quantity you add is related to the amount that is available at that particular time. There are some people who have a relatively closed loop so they can deal with 100% and that is great. But where that is not the case, and that is for a lot of people, then it is more of a challenge.

Kevin Vyse: I would say it goes back to my bill of materials thing.

Sian Sutherland: I have no idea how it could possibly be policed. I think it is a major problem.



Chair: It does have its issues so I think it is a very honest answer.

Q137 **Dr Neil Hudson:** Thank you to our witnesses for being before us today. I want to ask as we try to move away from the overuse of plastics in packaging, how can we ensure the best alternative materials are used?

Kevin Vyse: I think it comes down to having a very much more refined design process laid down. There was an attempt by the Ellen MacArthur Foundation with IDO to design a circular design package. It is freely available online. Not many people I know have used it but understanding the circular design principles at university stage, at design college stage, at Institute of Packaging stage is going to help because they will be asking those questions. It does take time. Switching it on overnight, particularly when you have a phone call from your customer, your retailer, your brand, saying, "We have to have this by September. I don't care how you do it." Everybody throws all the rules out and just gets on and does what we used to do. That is the difficulty.

Sian Sutherland: To have some kind of consistency on lifecycle analysis would be hugely beneficial to the creative industry, because there is so much confusion out there. Materials like aluminium as a substitute is infinitely recyclable and, as we know, plastic is always down-cycled. But there is such a lack of information available for design students and for mature designers on these things. The LCA for me is always the one that is quoted back at you. I am sure you guys have had this as well.

Q138 **Dr Neil Hudson:** I was going to come to that. You have teed me up for my supplementary on lifecycle assessment. I will come back to that. Jude, do you have anything to add on the first part of my question?

Jude Allan: To add to Kevin's point about design principles and making sure there is commonality through the ranks about what you can do. That is the biggest challenge.

Q139 **Dr Neil Hudson:** Sian, I will come back to you, now. You have teed yourself up nicely for the supplementary. This Committee has previously called for lifecycle assessments to be used to avoid moving from plastics to less sustainable products. What progress has been made in this area?

Sian Sutherland: It is wrought with confusion and it certainly benefits the plastics industry that there is still this amount of confusion. I have done many a press interview being asked, "I understand you need to use a paper bag 40 times for it to have the same carbon footprint as a plastic bag". When you drill down to where that fact came from, it assumes, that LCA assumes every single plastic bag is collected and recycled into another plastic bag, which clearly, we know it never happens.

The LCA world is like many certification schemes that I am aware of, fraught with half-truths. I have never seen a LCA on plastic that includes the toxicity and the carbon that is incurred, the emissions as it is extracted out of the ground to the fact that it never has an end of life unless it is incinerated. It all still exists. An LCA that includes all of that



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does not exist. It tends to be to factory gate. We need better metrics, common metrics.

Q140 **Dr Neil Hudson:** You are not satisfied fully with the progress that has been made in this area by the sound of things. Jude, do you have anything to add on LCA?

Jude Allan: I agree it is complicated for a number of reasons. There are different systems but also you can define your own boundaries so there needs to be a level playing field to be able to compare more, where it is a bit more impartial. When I say you can define your own boundaries, it is about what you include. Do you include water pollution? Some people would and some people would not. If you are comparing you have to compare like for like because otherwise, how do you make that decision? It is very important.

Kevin Vyse: There is quite an interesting piece of work being done in Holland by a company called Ecochain that holds out some hope. We are all now embarked on net zero and we have a target. As we gather the data for our net zero progress, scope 2 is particularly interesting because companies have to go off and work out just how much energy and carbon they consume. If you then take that and push it upstream in your scope 3s, you create a template of all the carbon you have going on and divide it across the number of things you make, you now start to get a more realistic practical carbon footprint for the item.

If you say my factory does 1,000 tonnes of carbon and I only make 1,000 things, that is really bad. But if you can make 6,000 things out of that same 1,000 tonnes, you are starting to reduce the carbon on the item itself, so it is a more practical approach to it rather than, as Sian says, trying to drill into the oil industry and find out how much carbon went into that barrel of oil is a nightmare. You just cannot get it. But you can do a tree. You can go to a tree and say, from the tree all the way through to the recycler. So, we are never comparing like for like.

Q141 **Chair:** Some good answers there. Evidence suggests that more should be done to tackle single-use items as a whole. We talked about this at the beginning, rather than just plastic. How can we more effectively tackle the single use culture? We tackled it at the beginning of the meeting when we talked about how we can get people to do more reuse. How do we take them away from the single use culture? Again, it is linked into Covid in many ways. Kevin, I will give you a shot at that one.

Kevin Vyse: The evidence, certainly from work I have done with Hubbub and the like, shows that single use is pretty well here to stay. Judging by the state of the field in Reading after the Reading Festival, there were single-use tents, basically.

Q142 **Chair:** This is very much a use-it-once, throw-away culture. How do we reverse that?



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Kevin Vyse: You start charging the right prices for things. The tent should be £50, not £20 at Halfords. Put the right value on things. It is like the milk story.

Chair: But all the retailers will do their best to undercut each other.

Kevin Vyse: Of course they will.

Q143 **Chair:** Do we put a massive tax on it? What do we do?

Sian Sutherland: Yes.

Kevin Vyse: There are incentives. There are clever ways of doing things. The work we have done with Hubbub shows that you can incentivise people to do things. You can nudge them in the right direction. Sometimes those nudges go awry, because people in groups do different things to people individually. Yes, put the right price on things, but also maybe incentivise the return. I have always maintained that if you put big bins at your petrol forecourt, and you said, "Bring your waste back, put it in there, and we will give you 5 pence off your gallon", you would get a huge amount back.

Chair: You would do well to buy a gallon, but I understand what you are talking about. Yes.

Kevin Vyse: You are connecting the right incentives to the sort of target audience that you are dealing with.

Q144 **Chair:** Some parts of the public naturally are very conscious of recycling and reuse, and it is in their psyche, but for a lot of people it is not. How do we get at those people? Sian is a great one for taxing everything, which is a good point, but there is also coaxing as well. How do we coax people into a different attitude, and a lot more people than just the 20% or 30% out there who have it in their nature? There is probably another 30% who might do it, and another 30% that do not give a damn, putting it bluntly. How do we sort that out?

Kevin Vyse: Schools.

Chair: With force? Did you say force?

Kevin Vyse: Schools. Start in schools.

Jude Allan: Outreach to school, education, but also doing it in a way that is encouraging things rather than telling people. There is an interesting piece of work that a company called Ellipsis did in Bournemouth where they used drones to detect litter. They gave that information to the local council so they could place bins more accurately, but they also worked with Hubbub to put a campaign together to gamify litter deposits. If you did that, it made an enormous difference. If you just put the local authority communication out, it made a negative difference, because people do not like to be told. If you can make it engaging, if you can gamify it, it makes a difference.



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Q145 **Chair:** Just very short answers for this last point from all three of you, please. Is it more effective to ban items or put a charge on them? Which is the better process? I have a pretty sure idea of what Sian will say.

Sian Sutherland: No, I think you need a combination of the two. It is industry's problem, it is not the public's problem, but if you want packaging to have a value to the public you reward them for returning it. There is a whole system called packaging as a wallet, now with RFID and QR codes that incentivise you.

Q146 **Chair:** You have to get the reward right, have you not, in order to make them do that?

Sian Sutherland: Exactly.

Kevin Vyse: I agree entirely with that. A reward scheme, rather than a deposit scheme.

Jude Allan: I would only add to that that I think it depends on what the item is. With some things it would be sensible to ban them, because we do not need them.

Q147 **Dave Doogan:** Can anybody tell me, is the difficulty with this that we operate in a global supply chain and what the United Kingdom does and does not mandate is largely irrelevant in a global context?

Sian Sutherland: That is a great point. I will add that everybody will probably be aware that the UN sit at UNEA-5.2 in February next year in Nairobi to discuss the first global plastics treaty, which is another opportunity for the UK to really get involved in this. 104 countries are already calling on the UN, because we know we are united by one ocean. What Rwanda does and what the UK does will not make a difference unless everybody does it. We need a global treaty, and that is on the cards.

Q148 **Chair:** That is a very good answer. Does anybody else want to add to that?

Jude Allan: We need to do our part.

Chair: Okay. Lovely. I will thank all three of you, Jude, Sian and Kevin, for a really good session. That is good stuff to give us real thought as we put our inquiry and our evidence together. Thank you very much for that. You may leave us, or you may stay and listen to the next panel, whichever you feel you would like to do. Thank you, all three of you, very much.

Examination of witnesses

Witnesses: Andrew Opie, Steven Butts and Hellen Stirling-Baker.

Q149 **Chair:** Welcome. It is great to have you as the second panel before us. Hellen, would you like to start off by introducing yourself for the record?



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We will try to get through in an hour and five minutes if we can, because we have votes probably at 4.45. We will keep going if we can. Hellen, over to you, please.

Hellen Stirling-Baker: Good afternoon. Thank you so much for the invite here. I am the founder of an independent shop in Sheffield called Small Stuff, and I am also a board member for the British Independent Retail Association, heading sustainability.

Andrew Opie: Good afternoon, all. I am the Director of Food and Sustainability at the British Retail Consortium, which is a trade association for UK retailers.

Chair: You are an old hand. We will give you a really hard time. No, we won't. It is all right, Andrew, don't worry, I won't pick on you. Steven, please?

Steven Butts: Hello and good afternoon. I am the Head of Corporate Services at Morrisons, and I have led our plastic reduction and recycling work at Morrisons for a number of years. I also sit on the advisory board for UK Plastics Pact. I recently joined that. I also have a seat on the UK Smart Sustainable Plastic Packaging Challenge Advisory Board.

Q150 **Chair:** Welcome. It is good to have a retailer with us. Thank you very much. What ability do retailers have to reduce plastic consumption and improve recyclability of plastic packaging, for example, through your relationships with suppliers and producers? Steven, that probably has your name all over it. You start, and then I will go to Andrew and then to Hellen.

Steven Butts: I guess for me, and listening to the really interesting session beforehand, it is about collaboration. For us, we sit to some extent on that value chain, and it is about talking to our suppliers. We as a business have set ourselves quite challenging targets, a 50% reduction of primary, own-brand plastic, as well as getting towards recyclability and recycled content. Let me try to help you—at least I hope to help you—by giving you examples. We have recently taken plastic bags off bananas, which sounds like a fairly straightforward thing to do. We are talking about 45 million bags. It is a lot of bags. The reason they are there is because they segregate bananas in the store, and customers know what they are buying, and that question about touch. Bananas have a skin on them, so we thought that was a safe place to go. It took us about 18 months to work out a solution, which is a band that goes around.

That sounds like a fairly simple thing to do, but it meant talking to suppliers globally in different parts of the world and making sure they had the right facilities and material to consistently put that on the bananas without damaging them in transit. When you band them, you compress them slightly. That is an example of removing stuff we did not think we needed. The reason why there is a band is simply to tell customers, "This is an organic banana. This is not. This is a different sized banana" and that kind of stuff. It is about talking to your suppliers,



working with your suppliers, talking to the customers, understanding what they want, understanding where they are in the journey.

Q151 **Chair:** It must be slightly easier when you are getting stuff from the UK market than from the international market. How do you nuance the two?

Steven Butts: Yes and no. The answer is that we have good relationships with suppliers globally and in the UK. In the UK, where a lot of our suppliers are pretty sophisticated and very driven on cost and getting cost down in the supply chain, some of those conversations are harder. I will give you another example.

Q152 **Chair:** Who is guilty of getting the cost down? Is it the people producing it for you, or is it you as the retailer driving the price down? You rather fell into my little trap there. What is the situation?

Steven Butts: We are a commercial organisation. It is a very, very competitive market. The reality is that in the supermarket sector, where there are 10 retailers with a turnover of over £1 billion, it is very compressed. It is very challenging. Yes, we are constantly trying to look at driving that cost. But also removing cost is about efficiency in supply chains. The reason plastic is proliferated and is used so well is because it prevents food waste. It allows food to be safely transported in transit. It is very effective at the job, and has been for a long time. When I joined the supermarket sector 13 years ago everybody was trying to move more and more into plastic, because it was considered the right thing to do for light-weighting, and we were focused on carbon emissions. It is funny how sometimes these kinds of things come around over a period of time as to what the right thing to do is, based on understanding in the marketplace, understanding of the stakeholder group, and issues that emerge. How we responded to our customers during Covid is an example of something that has effectively just put a massive dent in all the progress we were making. It is an example of a challenge that you have to move over.

Q153 **Chair:** That is right. We have to get back on track. Andrew, can I bring you in from the overall retail consortium? How can you drive this through what is bought, how it is bought and how the message gets back through to those that are producing it in the first place?

Andrew Opie: Yes, I think it comes back to what Steve kicked off with. It is about collaboration. If we look at recycling plastics, plastic reduction, and packaging reduction, it all boils down to scale and consistency. Scale in terms of being able to recycle products, which requires people to be doing the same thing and driving the same incentives. Steve mentioned the plastic pact; 15 major retailers are all signatories to that, with four fixed targets. They can take that back to their boards. Their boards are also crucial in this, because then you embed the practices right through the company. The buyers understand when they are talking to their suppliers where the changes in packaging need to be made to drive that. You also have a collaboration across retailers and manufacturers through



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things like the Plastics Pact to trial things, what might work and what might not work. I am sure we are going to talk about refilling and other issues like this later on. You give yourselves a forum where you can try things with millions of customers across different retailers and different brands to see what works. When you find out what works, you have the scale of everybody committing to do the same thing at the same time. For me, this whole debate around recycling and how we change it is about scale and consistency, and I hope we will get a chance to talk about that.

Chair: You will get a chance for that.

Andrew Opie: I will stop there then.

Q154 **Chair:** Thank you, Andrew. Hellen, from an independent retailer's association, many smaller ones, is it easier or more difficult to get those messages through? You are not talking about as much quantity but you may be adding a lot of costs.

Hellen Stirling-Baker: Yes, absolutely. We have a really unique position as independent retailers right from engagement, from supply chains, right through to consumer behaviour, who is visiting our shops, where we are getting our products from and having those open dialogue conversations. It is quite easy for me to pick up the phone and speak to my supplier and refuse products based on their plastic packaging, which would probably not be as easy for a bigger retailer. However, it does drive costs, but I think that goes back to the worth of the product as well. How much things cost, yes, products are a little higher in cost but the whole message is behind the worth of that product; that it does not come with these things and it is more reusable.

Q155 **Chair:** How do you link what you are doing, which is laudable, with how you get more customers in? Some people will buy very much on price and, while they are very conscious of the environment, they may be more conscious, dare I say it, of the pounds in their pocket when it comes to spending their money. How do you encourage more to take this social responsibility and environmental responsibility when they buy?

Hellen Stirling-Baker: That comes down to brand messaging. For my particular shop specifically, it is about the story behind my shop. People buy in to what I am trying to sell. I do not just go out and say, "I am selling this thing; it is £5 more unless you go somewhere else". It is the whole story and the marketing behind that. Equally, it is the whole message as well. I am really transparent about where things come from, right through to what happens to them at the end of their life. Again, going back to lifecycle analysis and making level playing fields, it is very expensive for independent retailers, but we have that benefit that we can have these conversations face-to-face.

Q156 **Chair:** Good. The final question from me and quite quick answers, please, is: would sector-specific targets be helpful to speed up progress and reduce the amount of plastic packaging in the retail sector, or will



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that just complicate things? Andrew first.

Andrew Opie: Yes, because if I come back to the Plastics Pact, there are four defined targets there that are going to run up to 2025. We are quite clear that they are the starting position, they will take us a long way forward and they are quite challenging as well. I am sure we will get into some of the problem recyclables later. I think it is very important and retail has worked really well to target. The other thing I would say, though, is that I hope the debate on targets starts to move beyond plastics and packaging into a full net zero conversation at some point.

Q157 **Chair:** Yes, previous witnesses were talking about the overall carbon impact. I think that is a really good one, especially with some of the recycling and others, because it is not carbon neutral by any means, is it?

Andrew Opie: It is not but also, if we are going to stick with food, we need to look at the impact on the food itself in terms of preserving it for longer and what is the total lifecycle analysis of that product, including the packaging, but also the life of the product and possibly the waste of that product. That needs to be looked at in entirety. Eventually what would be great with both retailers and consumers is to start to move on and use the enthusiasm in packaging to look at net zero by 2040, which takes the full lifecycle analysis of the products that are sold as well.

Hellen Stirling-Baker: I think there has to be a representation of small businesses within it as well. Again, talking about a level playing field with big retailers, our input is just as important. There has to be a representation and a conversation around small businesses in this as well.

Q158 **Chair:** That is a good point. Steven, from the bigger supermarket situation, do you see these sorts of targets as the right way forward, or what?

Steven Butts: Picking up on the point on the Plastics Pact—

Chair: We will probably talk more about the plastic tax in a minute. It is really about reducing the amount of plastic packaging and having specific targets. Do you support that?

Mrs Sheryll Murray: He said Plastics Pact. Not tax, pact.

Steven Butts: I was going to violently agree with Andrew. I am very up to talk about a plastics tax, which might sound a bit strange but I am lawyer by profession so these things excite me. On your point about sector bits, one of the things that is really interesting in the sector is if you look at where plastic plays a really valuable role but is harder to shift because of the volume, which is in particular parts of the supermarket shop, fruit and veg, meat and fish, and drinks and milk. That is about 40% to 50% of the plastic in the supermarket and, surprise, surprise, those are high-value items and they perish quite quickly. One of the challenges to the industry is to target those and work on those big-ticket areas, and there are some good examples of where that is happening. On



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your point about incentivisation on refill in bulk, for example, in our stores we have done that by trying to lower the cost and talk to customers.

Chair: We are going to talk about refill and reuse in a minute.

Steven Butts: The question about how you get people to buy into it, part of it is about incentivising and making it fun, and making it good value. If you are an independent store trying to communicate, those stores scream stories and people really do buy into it. In our part of the market, it is a bit harder to do that.

Chair: You still produce quite a lot of your own food, do you not? You have your own kitchen.

Steven Butts: We do, yes.

Q159 **Chair:** I listen to your adverts, so as long as you do what you say on your advert, that is what you do. Seriously, this is what people react to. I would have thought that is a strong point for Morrisons.

Steven Butts: It is. It is our market street, basically; our butchers and our fishmongers. For example, one of the things that we focused on a lot pre-Covid was to incentivise customers to use the butcher, the fishmonger, the baker, and have a conversation, but also to make them plastic-free. We swapped out materials from plastic to paper, paper wraps and that kind of stuff, and we incentivised customers, and we still incentivise customers, to bring their own packaging back. For example, if you are buying some fresh meat, it does not have to go in our packaging, it can go in your packaging and you can take it home. The challenge for us around that was always around food safety and making sure that our colleagues really bought into it, as well as the customers really buying into it.

Q160 **Chair:** Are you happy when people bring back that packaging that it is safe for you to put the meat into that?

Steven Butts: Yes. We found simple solutions, for example, that visibly it has to look right, but also you can put a little bit of paper inside to make sure it is not touching a surface. It is about making sure that customers feel that if their packaging is heavy, we tier it on the scale so they do not get penalised when they pay at the checkout, all that kind of stuff. We have worked through a lot of those problems, but trying to get customers to do it is not easy, I will be honest with you, because there is the convenience of just picking up the pack next to it.

Q161 **Chair:** You have hit the nail on the head. As a society we have got used to picking up a ready-made pack wrapped in plastic. That is what we are used to. I do not want to ask how we re-educate people but how do we change people's attitudes to what they have got used to?

Steven Butts: At our stores I think it is about colleagues talking to customers at point of sale. It is about having messages in the store. We



have one in our store in Guiseley, for example, that says, “10% cheaper” and that kind of stuff. But in a busy supermarket, on a busy day, if you are in there with the family, or the kids are running around, are you going to do that? For us it is about trying to get customers to buy into it once or twice and then if they like it and we do a good job, they will come back and do it again, and again, and again. What we find is that we are growing that engagement with customers, but it is not easy or quick. One of the things that the pact has done, for example, is to try to encourage refill and reuse across the sector, so that if you can do it in one supermarket and another, customers get used to being able to do it wherever they want to, as well as in an independent. To me that is a good example of collaboration, albeit slightly obliquely, because we are all trying to do the same thing.

Q162 Robbie Moore: Steven, I will come to you first, if that is okay. Just for the record, while I am not directly involved as an individual at all in plastic recycling, my family is. Steven, I want to focus on home brands. What are retailers doing to reduce the amounts of plastic packaging within their own-brand products?

Steven Butts: We have a 50% reduction target by 2025 for our primary own-brand. That is pretty motivational, not least because I regularly speak to the executive committee, at least every five weeks, to explain how we are getting on, and have been since 2018. As was discussed in the earlier panel, it is about identifying when there is unneeded plastic and making sure you do that with customers, because fundamentally if they do not believe the products they are buying are safe to buy—Covid really did put a spanner in the works for this—that is a bit of a challenge. Take loose fruit and veg. We over index on loose fruit and veg because we are manufacturers. As a retailer we are quite unique in the industry; we have 18 manufacturing plants. We pack our own fruit and veg. That means that if you want to take out black plastic because it is problematic, you can do so quickly, and we did. But it also means that we run our own machines for a vast proportion of our fresh food, which means we can make changes.

But I can tell you that the technical challenge of doing that it is not as easy as you would think. For example, if you are moving to a lightweight or a film, it is harder to get stuff to sit in it and work well rather than something that is thicker gauge and a type of plastic like PVC, which is a bad plastic because you cannot recycle it. Again, you have to work through these kinds of challenges. We have a clear target and we are taking out stuff we do not need. I was going to give you an example of tomatoes. If you go and look at produce in the supermarkets, quite often they will be wrapped in flow-wrap plastic and they might sit in a tray. Do you need the tray? The answer is you probably do not need the tray. Why were they put in? Because it would have created efficiency in the packing process and prevent damage. Somebody at some point decided that was the best thing to do from a carbon perspective, a management perspective and an efficiency perspective.



The focus on plastic is making us rethink if we really need it and that is the conversation we have with our manufacturing teams, with our suppliers, and we are asking the customers for insight for what they think about it. We are making really good progress, 11% in our first year, and 20% by the end of this year, I think.

Q163 Robbie Moore: Do you feel you are doing enough? I ask that because I want to know what is driving that. Is it consumer behaviour or is it yourself as a retailer that is driving that? Are you on track to where your average consumer would expect you to be in terms of reducing own-brand plastic packaging?

Steven Butts: I cannot answer for all consumers but the general feedback we get on this stuff is pretty positive. I would say we are driving it, because frankly we think it is the right thing to do. I can tell you that from personal experience from my leadership team, because they genuinely think that is the case. Your classic definition of social responsibility—my focus is on the environment—is when you get that triple whammy of doing the right thing but you can make it more efficient and have an environmental benefit. On this the stakeholder feedback is so strong. Post 2018 “Blue Planet”, this is an issue. In all the years that I have been in the supermarket sector, this is the biggest single issue, frankly. With Covid it is probably different now, but it attracted so much attention so quickly that the industry was absolutely compelled to look at it properly.

Looking at the statistics that I can see from the pact and from others, I think we are making pretty good progress. However, to the point made earlier on, a lot of that is voluntary and at the forefront of what is going to happen, which will be seismic in terms of the legislation coming down the track. If you put the two things together, the industry gearing up and the impending cost and legislation coming down the track, you will continue that momentum. Whether you always get the right outcomes, as was discussed earlier on, I am not entirely sure.

Chair: Can you keep the answers a bit tighter? They are very good answers but just a bit tighter please, Steven.

Q164 Robbie Moore: Andrew, on the same question, is there anything else you would like to add that Steven has not mentioned?

Andrew Opie: I echo that. What Steve has outlined is exactly the same across all of the major retailers, and they are collaborating across what they are doing as well. I think now, though, we are probably starting to get into the really difficult areas of recycling. Most people have done the straightforward stuff; you start with removing packaging if you can, then you look at different materials and then you look at the recycling side. Where we are now is probably the more difficult bits in two-fold. First of all, as Steve outlined, the difficulty may be in getting consumers to move away from packaged goods in the first place. We might talk about refill



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later. The second is the use of materials, particularly film, which is widely used in food packaging.

The problem of trying to build the scale and segregation of film so it can be properly recycled in this country remains a big problem. Retailers are now starting to offer themselves up as collection points for film, for example, to try to get a more standardised, consistent collection of film that can then go into recycling. I think it is a good example of how we have made great progress in the last five or 10 years. We have some challenging targets, but we are probably running into the more difficult areas of packaging now.

Q165 **Robbie Moore:** Can you comment briefly, Hellen, from a small-business perspective, on own-brands and reducing plastic packaging?

Hellen Stirling-Baker: To be honest, I do not have any own-brands in-store. Just from knowing other businesses that do it though, again, it is quite an easy thing for us to just remove that. It comes down to the design element and it will be on smaller scales. Yes, absolutely, we can just take that away and have those conversations, rather than it being a long, drawn-out process.

Q166 **Chair:** Surely you must also take your consumer with you, though. You cannot just change the packaging, can you?

Hellen Stirling-Baker: It is totally dependent on what type of independent store it is. If you are looking at something like mine, which is an eco-conscious children's shop, people will walk in there and know what they will get. If they go into a little corner shop, as an example, of course they would have to take that consumer with them, because they would need new marketing, new advertisements, new things to open up that story. I do not think it would be as challenging as it would be for a larger retailer.

Q167 **Dave Doogan:** It seems to me, Hellen, that your customers are a function of your offer, in environmental terms, which is very, very different from mainstream, large-scale retailers. That is quite straightforward on your side of the fence but when we say, as large supermarkets and other large retailers, that we need to take our customers with us, of course you do, but the world and the dynamic that we live in, the customers did not ask for it they were given it by large retailers because it was more efficient to package and produce these goods. Is there a sense that there is a responsibility over and above the responsibility we all have to improve the situation, that this was introduced by retailers and it needs to be fixed by retailers?

Andrew Opie: I think we have been quite upfront from the start that there is a huge responsibility on retailers and branded manufacturers to play their parts but I think it is a function of the market. Go back to the 50s and 60s, prior to the large growth of supermarkets in the UK. One of the reasons they grew so rapidly was because you could get efficiencies through packaging and standardisation into stores, you cut costs and



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waste and improved logistics. All those things have benefitted consumers over the period. Food is a lot cheaper than it was. In the 50s, we spent about one-third of our income on food. Now, we spend about 10% or 11%. It is a function of the market that has delivered amazing quality affordable food for consumers over the years and supermarkets have grown on the back of that by being able to meet consumer demand so of course they have a responsibility to do it but it is a function of how we have changed our society and the way we shop for food and it was in the 2010s or so that we got into the plastic debate in earnest.

Chair: Okay. We will just park that one there. Thank you very much, Dave, and thank you, Andrew, for the answer.

Q168 **Mrs Sheryll Murray:** There have been many trials and small-scale initiatives to promote refill and reuse. What is stopping that model from beginning to be the default approach? Could I come to you, Hellen, and then to you gentlemen, if you have any additional information, but I know we are beginning to get quite close to a vote.

Hellen Stirling-Baker: Could you repeat the main point of your question, please?

Mrs Sheryll Murray: Yes. Refilling and reuse; there have been a lot of trials but what is stopping that model from becoming more the default approach?

Hellen Stirling-Baker: I think it comes down to convenience and there is no education around it. To be quite honest, I think if you are walking into a supermarket rather than a smaller retailer, it is obvious that you go straight for the packaging. People do not tend to bring containers. There is a great opportunity for the bigger brands to educate their consumers and customers about this.

Q169 **Mrs Sheryll Murray:** Is the primary problem that customer demand is not there or is it that damage or hygiene may be causing concern?

Hellen Stirling-Baker: I do think customer demand is there for going back to these old-fashioned ways of doing things. Customers want to be able to purchase just what they need rather than ending up with lots of waste but Covid and the pandemic have put a bit of a backstep on that and we need to get through and push again in terms of hygiene and so on.

Mrs Sheryll Murray: Steven, do you have anything to add?

Chair: We started talking about it, didn't we?

Steven Butts: I know, and yes it is about convenience, time and ease of use. Covid has dented the move. In our stores, for our colleagues as well as customers, it was about food safety and the number of products that you can put safely into big containers in our environment, in a big supermarket, is limited.



Q170 Mrs Sheryll Murray: Do you have any examples of Morrisons using refill and reuse?

Steven Butts: Yes. We trialled it and we have continued to roll it out across stores. We are trying to get the right mix, looking at pulses, beans, coffee and cereals, and it makes sense but there are some things that you can do that are more straightforward such as loose fruit and vegetables; across the year we sell 76 varieties loose. We talked earlier about what is happening in France. In our stores, it is not all that unusual because we have managed to get there. In Australia, it is very commonplace. However, there is a societal issue about getting people used to it and that is partly through a nudge approach from government and stakeholders and it is partly about customer demand. Customers react to what they hear and read and we react to them. There is an element of push-pull in all this but I know that we have some examples of products that you might think customers would just buy if we took the plastic off—say broccoli or swede—but the waste figures then start to escalate and you have to manage that quite carefully. I think it is a process that the sector is going through and I think customers will demand more of it.

Mrs Sheryll Murray: Thank you very much. Do you have anything to add, Andrew?

Andrew Opie: Yes, just a couple of things. The first is that there are lots of trials going on, which is very interesting because they will give us a lot more information about what works well. Steven spoke about some refill products that may work better than others for customers. Secondly, I have spoken to a couple of supermarkets that say that the numbers and kinds of customers who say they want to do refilling are not necessarily reflected in the numbers of customers who come in and do refills. There is a genuineness to customers wanting to do the right thing but they may have busy lives that kind of get in the way of them doing it. The containers issue comes up frequently. We might carry a carrier bag these days because we know about the levy but do we carry a box to put something in when we get into the store? Possibly less so. The perception versus execution in-store is not where maybe we would like it to be but the trials will be interesting, maybe in narrowing down the products that work well for refill and that will be where we should focus.

Q171 Dave Doogan: Some retailers are looking at take-back services or in-store recycling to help customers recycle products they no longer want or struggle to recycle elsewhere. What will it take for that to be normalised and how do you make the magic happen? I guess if you knew that, you would not need to come and give evidence here but I want to use an example. I think I am right in saying that Safeway, one of your former iterations, trialled scanning your own shopping and it did not work, but it is very normal now. The magic was not there at first. The idea was sound but the magic did not happen. How do we make the magic with take-back services happen?



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Chair: I will bring Andrew in first on that question, and then Hellen, if you like; you look as if you want to answer.

Andrew Opie: To a certain extent, it is a visibility thing. As customers see it more routinely, I think they get used to it. It is interesting that films—I spoke about this earlier—probably the hardest thing to recycle at the moment—the thousands of stores now that are doing the same thing and getting involved, it is almost back to the scanning thing. If we see it as a matter of course, it starts to enter our psyche and we just do it naturally. So it is visibility. There is also some transparency about it. WRAP, for example, has a brilliant app that you can use to find out what stores are recycling in a particular area. Those of us who may want to be a bit more progressive can find that out. I think that is what it will take. It is a habit thing. We talked about culture. Retailers can also try to incentivise through some of the stuff they do.

Q172 **Dave Doogan:** I do feel for you in the situation you are in but I wonder if it is just a little bit passive to say, “We need customers to make up their minds that that is what they want us to do”. You are going to have to nudge them.

Andrew Opie: I was talking to WRAP about this this morning and I think they agree with me although I do not want to speak on WRAP’s behalf. My view is while retailers can play a brilliant role in take-back, be collections points, kerbside recycling is the thing that works best. If we are going to make progress on films—I keep banging on about that—you need it to be part of kerbside recycling to build the scale to change the dynamic of film recycling.

Q173 **Dave Doogan:** Recycling is the last resort, isn’t it? If you are relying on recycling, you have missed the goal by some margin.

Andrew Opie: Yes, well, we have already gone through the removal and we have looked at the packing itself, and I am assuming we have got to that step already, so we are at the stage for take-back if we are taking back in a closed loop and are going to try to recycle it. What I am saying is that while retailers can play a brilliant role in blazing the trail, getting consumers to think about it, thinking, for example, that film is recyclable, which it is not necessarily shown as being at the moment, you start to execute that through kerbside recycling. Rates of kerbside household recycling for bottles are amazing. If we could do the same with other material streams, you would have a volume that could make a difference in the recycling system. I do, however, accept your point. We have to move beyond that before we get to recycling.

Q174 **Dave Doogan:** Hellen, how can the independent sector do it and protect itself from doing it? You can see what could happen. You could have an ambitious independent store trying to do the right thing being overwhelmed by everybody else’s collateral packaging. How can the independent sector work?



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Hellen Stirling-Baker: It is a great opportunity for measurement to be able to look at exactly what we need and what we do not need from a customer perspective—plastic wrap around things, whether we put things in boxes, whether we buy more cardboard boxes, all these things. We need to be at a point where first we can succinctly measure what we are doing wrong in order to move forward to make the right decisions about packaging. In my community, where my shop is, there is a great example of a great zero-waste shop that has been driven so much by consumers and customers wanting it that the two supermarkets on the street—a Sainsbury's and a Co-op—have had very difficult and challenging questions put to them because they are not offering the service. It is about where are we going wrong in order to be able to make things right.

Dave Doogan: Steven, did you want to come in?

Steven Butts: Yes, please. I have thought about this a lot over the last couple of days in advance of coming here today. What we need in the system is simplicity and uniformity. Those two words are crucial because where consumers want to get engaged, they struggle. We run take-back schemes and it is fine, but frankly we are not a recycler; we are a supermarket. Having said that, however, we have decided that the way to do this in classic Morrison style, is that we have invested in a recycling facility in Fife, working with our local council. It is now open and operational. We have also decided to take a further step and get directly involved in recycling materials. The way that works is again through the local council and in collaboration with a company—the experts—that we have bought into, we will recycle from 15,000 to 25,000 tonnes, creating new capacity in recycling in the UK. The plan is to roll that out so that by 2025, we will recycle as much plastic packaging as we put into the system.

Why are we doing that? Because we think there is a market for it, because we are a commercial business, but also because it is part of the continuing extension of where there is a blurring of the lines between what we as a business do, selling food and other products, and taking responsibility because our customers are stakeholders who expect us to do so. It does not mean to say that we avoid the pressure to remove plastic that we do not need because we have to start with that, but the thing about that is that the local council, working with a third party, will then sort the stuff that they get from local households and we can tie in our stores that are running take-back schemes, taking material to a facility that can turn it into something that can be reused. That has all come out of our kind of thinking over the last five years since the pact. It would not have happened before that.

Q175 **Dave Doogan:** Would Morrisons be happy to share its experience with other supermarkets?

Steven Butts: Yes.

Dave Doogan: I get what you are saying. You are a commercial



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organisation but that will not be a particularly commercial, profit-making part of your business.

Steven Butts: We are focusing on the day job but it is an opportunity. In the same way that we work directly with growers, it makes sense for us as a business but I am not sure it is right for everybody.

Dave Doogan: You want to put that in your adverts, certainly your adverts in Scotland.

Chair: Thank you very much. Some good answers there. Robbie, please, with the next question.

Q176 **Robbie Moore:** Following on with the issue of consumer behaviour, what do you feel are the main barriers to changing consumer behaviour so that we buy and dispose of plastic packaging and products more sustainably generally? Shall I come to Hellen first?

Hellen Stirling-Baker: One of the main barriers is visibility and understanding; it is not very clear, from a consumer perspective, what to do with the packaging. There needs to be clearer labelling and understanding about what we do at the end of life cycles. Different councils have different ways of recycling. It all gets very complicated.

Q177 **Robbie Moore:** That is a very good point. Does this resonate with anything that you have experienced? For small businesses, micro-businesses, in my constituency that want to get rid of their plastic waste, it is too expensive to have a commercial licence to dispose of their waste. Some of them are even coming to me saying they take their waste home to dispose of it through domestic means. Focusing on that, how do you think we could try to help smaller businesses in that remit because if you go to a different local authority, there is a different strategy?

Hellen Stirling-Baker: We need a level playing field. Some of the waste disposal places are putting their own limits on things. Some of them do two-week or four-week collections. An independent like mine might only have one bag of plastics that I need to get rid of but I am paying for a full, two-week thing. There needs to be something in place to level the playing field and make it less confusing across different constituencies.

Q178 **Robbie Moore:** Steven, from a different end of the scale, the same question about consumer behaviour.

Steven Butts: It goes back to a point that I made earlier. In the earlier session it was said that customers are savvy and they do not like to be lectured. You need to give consumers something in the process that would make it worthwhile doing. Recently, some of our leadership team talked to customers about some of the things we were doing, we had a wide range of responses from people while they are shopping. Look at something like water in plastic bottles: I don't buy it but I can see why people do. In a conversation about whether we should be getting rid of all the plastic bottles, you hear a lot of customers saying, "No, this is very



important to me because—" and they give you a list of reasons why they have to do it. We put water taps in-store and we offer refills, but customers will still buy bottled water. How do we get them to take that further step? We could take the product out but they will buy it elsewhere so it is not quite solving the problem. We could put in a DRS scheme, which will happen, which will lead to customers returning plastic because they are incentivised. Is that the right answer? I know that it will cost a lot.

Q179 Robbie Moore: Following on from what Hellen said about labelling, do you think there is a good opportunity here, even if it is brought down from a national level, that a bit like we see with the red tractor scheme, for example? Could we do something around labelling so that consumers are much more informed about the amount of plastic contained within the product or how sustainable the product is in terms of packaging?

Steven Butts: A couple of things on that: first, labelling is getting simpler but it is still complicated. At the moment, it is not mandated. The OPRL system that people typically use is found on the back of a pack and often it is a bit small. It is very confusing. We have tried putting bolder, more obvious labels on the front of the pack—water is a good example of that; it is a PET bottle, easily recyclable, high-quality material; all that kind of thing—and that does help to an extent. Again, and coming back to the pact, one of the outcomes is that you will get fewer types of plastic. Some plastics are simply not desirable or frankly it is going to cost a lot of money to use them. In that process, heading towards a simpler system, I think customers will do the right thing because they do genuinely try to. One of the big problems in the industry is people putting stuff in for recycling that should not go there because they do want to recycle and just hope that a yoghurt pot can be recycled when it can't.

Q180 Robbie Moore: Andrew, I will come to you next with the same questions, but, Steven, a final question to you. Influencing consumer behaviour is always about a carrot or stick approach, isn't it? What lessons can be learned from for example what we did with putting the charge on the plastic bags at the checkout? To me, that seems to have had a big impact on consumer behaviour. People now take their own bags in and supermarkets are now providing boxes or paper bags. What lessons can be learned from the stick approach?

Steven Butts: It is both a stick and an incentive. Taking your own bag means you do not have fork out for one and you will know that when the plastic bag legislation was brought in, the use of plastic bags dropped by 80% overnight. We have trialled DRS machines in Scotland and elsewhere ahead of forthcoming legislation possibly in the UK and across the four parts of the country as well. We found that when we incentivised customers, they brought stuff back. When we stopped incentivising, they did not. You can turn it on and off. At 20 pence back, people were queuing out the door. When we stopped doing that or said we would donate a small amount to charity, people stopped doing it as much because it is a hassle to bring stuff into a supermarket. The answer is



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kerbside recycling. From a carbon perspective, from a systems perspective, it needs to be uniform.

Robbie Moore: Andrew, any other points?

Andrew Opie: I would not underestimate the value of consumers having the market in the reduction of plastics over the last decade or so. Okay, we may not have as many people as we might want going in and doing the refill, but if you think of all the voluntary targets that retailers and major brands have set and delivered on over the last 10 years, whether it is through Courtauld or the Plastics Pact, all of that has been done voluntarily and the reason for that is because consumers generally expect their retailers to do that for them before they come in. I would not underestimate the pressure that consumers, combined with NGOs and the media, have had on the market and the changes that we have seen. We are running into the more difficult areas now but consumer pressure has had made a significant change to the packaging that you see today compared with that of 10 years ago, for example, and that is because that is what consumers expect. They might not go and choose it every day but they expect the brand, whether it is Morrisons or another retailer, to be doing the right thing before customers even get into the store. That is what we have seen and we have seen massive progress which has not necessarily all been determined by a group of zealot consumers going in and saying, "This is what we want". This is the market that has moved in that direction and that is why the scale of change has been so impressive.

Q181 **Mrs Sheryll Murray:** Some very quick answers, please, because we are going to be voting shortly.

Can I come to you first, Hellen? Are retailers and customers ready for the introduction of a deposit return scheme?

Hellen Stirling-Baker: I think it is very complicated. We have to make sure that we are making the right decisions. From my perspective as an independent retailer and looking at independent shops, it needs to be very clear. I have seen the cycle of what it will look like. Where are these machines going to go? Who is going to pay for them?

Q182 **Chair:** You are talking about reverse vending machines now, are you?

Hellen Stirling-Baker: Yes. Again, we do not want to confuse anybody when recycling already seems to be a confusing problem. What are we going to do with plastic bottles? Do they have to be sent back in a certain way? Who is paying the fees? Who is holding the fees? All those niggly things need to be aligned.

Q183 **Mrs Sheryll Murray:** You have outlined the challenges. What support would you need if DRS was introduced?

Hellen Stirling-Baker: For both larger and independent retailers, it needs to be clear and concise. Is it going to be that if people buy from a



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larger supermarket they could return items to an independent store? In that case, the system must be simplified in order for independents to be able to take it up. Also communication to consumers has to be simple otherwise, as much as 20 pence or whatever it is might be a great incentive at first, will people do it for the long term?

Mrs Sheryll Murray: Andrew, do you have anything to add?

Andrew Opie: In principle, I would say yes to your question but in detail, no and I think that is what we have seen in Scotland when you get into the detail of how you deal with the day-to-day collection from stores and also, crucially, how you deal with things like online sales, how you collect from them? It is about that delivery. Independents can opt out of course from the Scottish scheme if they want to. How would that be worked out in detail? In principle, yes but I think the Scottish scheme has shown that the amount of work that needs to be done in the background to develop the infrastructure as well as the detail so retailers and consumers are ready is enormous. You have to have appropriate time to develop the guidance and detail ahead of a launch.

Mrs Sheryll Murray: Steven, anything extra?

Steven Butts: The only thing I would add is that it would be very helpful to have one system rather than lots of different systems, even slightly different systems, in the devolved nations. Ultimately, we are trying to achieve one environmental goal. I appreciate that that might be a bit naive on my part because countries want to go at different speeds and do things in slightly different ways, tailoring it to where they are, but as Andrew said, when you get into some of the detail, trying to do it separately will add cost and complexity which ultimately consumers will not benefit from.

Q184 **Chair:** We found when we looked into this before that the value of the recycling of the plastic bottle was greatest if you put exactly the same plastic bottle through the vending machine, collect them all together and then try to make the same bottle out of the plastic rather than combining all kinds to make much lower grade plastic. Andrew, how feasible is that across the piece?

Andrew Opie: If a DRS worked like that, that is the best thing you can get from it. You get a good stream of recyclates out of it which go back into the cycle, making it much easier and lowering the cost. The drive to the circular economy is exactly that.

Q185 **Chair:** How practical is it to have reverse vending machines? Can smaller retailers have them? If you are charging a deposit on a bottle, can it go back to the supermarket? Who gets the money? Is it workable?

Andrew Opie: It is workable and it is feasible. Even with the Scottish scheme as it stands, allowing independents to opt out, you can take back over the counter if you want to. You do not have to have a reverse vending machine if you do not want one. Retailers having the flexibility to



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that is possible; it can be done. We would still need to nail down how to deal with online purchases, which is a massive growth area. I am not sure we have the answer to that.

One very interesting way you could do it is with a virtual scheme. You would keep kerbside recycling but have a virtual scheme so the customer gets the deposit back virtually. Local authorities are very good at recycling bottles. Collection rates are 80%-plus, I think, for drinking bottles at the kerbside. Maybe that is the answer rather than always needing to involve the retailer. We need to think innovatively. They are just collection points. If you get the collection right, of course you can drive a much better standard of recycling.

Q186 Chair: You must not mix the bottles, must you, if you are going to achieve the full value of recycling? That is the only problem I could see with kerbside recycling. Are you going to get somebody to through physically when it gets back to the depot, taking out particular bottles from others? I am not sure that is likely to happen. Are you?

Andrew Opie: DRS as designed could be a very effective scheme. A lot of useful work is going on in Wales and other parts of the UK and we hope DEFRA learns all the lessons from Scotland and the other trials that are going on at the moment when it develops its DRS because if it works properly, it is a closed-loop system, a circular economy; it could work really well.

Chair: That is a good point. Hellen, from your independent point of view next and then Dave Doogan can ask his supplementary and then go straight on to your question, but Hellen first.

Hellen Stirling-Baker: DRS has the potential to work from a circular perspective but I think we need to make it less confusing. We need to be on the same level playing field as the big retailers.

Chair: Dave Doogan, a very quick supplementary, please, and then go on to your question.

Q187 Dave Doogan: This is only remarkable in a United Kingdom context. It is established practice in Europe, isn't it?

Andrew Opie: It is but a lot of European countries do not have kerbside recycling as we have here. Their standard recycling is through reverse vending machines as, for example, in Scandinavia, which has a lot less, if any, kerbside recycling. Our approach to recycling and collection is different. That is all I would say.

Q188 Dave Doogan: You said that it is important to have as closely harmonised a system as possible across the United Kingdom. It has been a challenge to develop this in Scotland but it is coming on stream fairly soon and it will be ahead of DEFRA's system, and it is not desirable but essential that the deposit is the same. You will see people taking bottles with a lower deposit, where it is practical to do so, to an area of the UK



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where they can get a higher return and there is scope for fraud there if the system is not harmonised. Do you agree with that assessment?

Steven Butts: Yes. The more harmony you get into the system the better in the same way that carrier bag charging was introduced in Wales and spun out from there. Ultimately, the systems have ended up much the same although with some variation.

The important point about DRS, certainly in Scotland, the briefing was about first the quality of the recycler and second building infrastructure on the back of it to allow the recycling to take place. We are talking about billions and billions of pounds in the plastics tax or extended producer responsibility in DRS. My comment about all of that would be that we as an industry are up for it, we are involved in the discussions, and I just hope that some of that money is properly ring-fenced to make sure that it goes back into the system to build the infrastructure we need to make it work effectively.

Dave Doogan: What question do you want me to move on to?

Chair: Move on to question 16, please, very quickly, because I want to get Neil Hudson in before the vote because we are not coming back after the vote.

Q189 **Dave Doogan:** Extended producer responsibility is due to start in 2023-24. Are the brand owners ready? Who will pay the costs associated with EPR? Will it be consumers, retailers or producers?

Andrew Opie: Is everybody ready? No, because we do not know what it is going to look like and the response from DEFRA inviting tenders to run EPR has not been issued yet and is probably unlikely to be issued until next year. We know the principle of it, basically that we will be paying for full cost recovery of the products that we put on the market. We support that in driving a circular economy and putting the money back into infrastructure to make sure that recycling works. We understand that. Your point, and the one Steven made, about costs is well made. We are probably looking at an increase of £3 billion-plus going into the market. That cannot be absorbed by retailers or brands. Something that big has to be passed on so customers will pick up some of the costs but you could argue that there are two ways for citizens to pay. They could pay in that way or they could pay through taxes to support the infrastructure for local authorities to do recycling. How we do that is the big thing to be seen. We have to do it and therefore there is a responsibility for industry, local authorities and everyone to have the most efficient system that drives the best incentives to put the right packaging on the market and that it is all properly recycled so we have a circular economy that crucially relies on local authorities agreeing to collect and recycle in the same way, which they do not do now.

Chair: Okay. Do you all agree with Andrew on that one? If you do, I am going to move straight on to Neil Hudson if you do not mind, Dave,



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because he will not get in otherwise. Thank you, David.

Q190 **Dr Neil Hudson:** A quick-fire round. What has been the reaction from retailers to the proposed plastic packaging tax?

Chair: They are all delighted to pay it. Right. Yes. Over to you.

Dr Neil Hudson: What has the reaction been?

Steven Butts: We are still working out some of the details. It is complicated. The windfall is about £670 million for HMRC from 2022. There are some challenges. The rationale for it makes sense. The idea is to drive innovation and make people use material that has recycled content and to get recycled content, you need more recycling. I cannot work out the cart-and-horse bit but there is not enough recycled material available yet and I query how it works with the extended producer responsibility but taking that aside, it is a fairly blunt tool. We are talking to all the relevant stakeholders in the industry, suppliers, and to HMRC, to make sure that we adhere to it. There are some challenges about getting the right data and the point made earlier about traceability is not easy and has not been resolved yet.

Q191 **Dr Neil Hudson:** A quick follow-up and then I will get the rest of the panel to come in. How economically and logistically achievable is having 30% recycled plastic across all products? Do you find that logistically difficult to get your head around?

Steven Butts: Yes, because there is not enough material in the market to do it but the point of it is to try to incentivise it because the value of it—

Q192 **Chair:** How long do you think it will take to get an incentive in to get to that 30%?

Steven Butts: The honest answer is that I do not know but if you look at the projections for the value of the tax, it is a four-year span so I guess somebody thinks it is within that period.

Q193 **Dr Neil Hudson:** What has the reaction been? How achievable is it?

Andrew Opie: The reaction is that it would be good if was like EPR and was recycled, so rather than just being a tax, which is what it is. The second bit is important and you touched upon it. There are regulations to specify the type of packaging that you can use—food-grade and cosmetics-grade— and I think there is a shortage of the 30% content that would meet those grades so the danger there is that it would become an additional cost in the food-supply system at a time when we have inflation and every other cost that is going. It is a good windfall for the Treasury. Whether it drives the change they want, I am not sure, because the material is not available.

Q194 **Dr Neil Hudson:** Hellen do you have anything to add from the small independent side?



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Hellen Stirling-Baker: Obviously we are not as included as much in that taxing as the bigger retailers. However, I do think we need to be looking at something for small independent retailers because we cannot get out of it that easily.

Q195 **Dr Neil Hudson:** Okay. So something should be looked at from that perspective.

A final quick question. Some commentators have suggested that the 30% rate should be escalated in future. Yes or no? Do you agree with that?

Andrew Opie: No.

Steven Butts: No.

Andrew Opie: I would look at EPR going forward. We should not really have had a plastics tax; it should be EPR and then you modulated the fees. You modulate the fees for the type of packaging and that would drive the incentives.

Dr Neil Hudson: So there is still work to be done with the big retailers but I take your point that we need to look at something for the small independent sector as well. Back to the Chair.

Q196 **Chair:** Andrew, on that final point, will some retailers just pay the tax and not change because, on a lot of products, it probably will not amount to a great deal, will it? On the one hand, you do not want to pay the tax but on the other hand, is there enough tax on individual plastic items to change retailers' behaviour?

Andrew Opie: I have been before you often enough that you will know that retailers are very good at controlling costs. They will have done everything possible to not pay the tax.

Q197 **Chair:** Yes. That is a good answer. So Morrisons would have the same view, would they?

Steven Butts: Yes, but you also have to look at the cost of material that you could buy that has recycled content versus the cost of the tax. If the material with recycled content that you want to buy costs a hell of a lot more than the tax, you are faced with a quite difficult commercial decision, which is a point about driving the right behaviour, whereas EPR, when it is designed—

Chair: Is much more nuanced?

Steven Butts:—should be more nuanced, yes.

Chair: Thank you, all three of you, very much for another excellent session. We have had two very good sessions today that will put us in a very good place to put this report together. How we can design something that works practically in the end to reduce the amount of plastic we use, reuse more and look at other materials is a very



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interesting subject. We also have to look at the carbon overall in what we would reuse, what we would recycle. It is a massive subject. The more we go into it, the more massive we see that it is but we do thank all three of you, Hellen, Andrew and Steven for coming this afternoon. You have made a valuable contribution to our inquiry. Thank you very much.