

Housing, Communities and Local Government Committee

Oral evidence: Implications of the Waste Strategy for local authorities, HC 2071

Tuesday 9 July 2019

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Members present: Mr Clive Betts (Chair); Mr Tanmanjeet Singh Dhesi; Helen Hayes; John Grogan; Neil Parish; Teresa Pearce; Mary Robinson; Mohammad Yasin.

Questions 165 - 243

Witnesses

I. Rishi Sunak MP, Minister for Local Government, Ministry of Housing, Communities and Local Government; Dr Thérèse Coffey MP, Parliamentary Under-Secretary of State for the Environment, Department for Environment, Food and Rural Affairs.

Examination of witnesses

Witnesses: Rishi Sunak and Dr Thérèse Coffey.

Q165 **Chair:** Good afternoon and welcome, Ministers and everyone else, to our final evidence session of the Committee's inquiry into the implications of the Waste Strategy for local authorities. Before we begin the evidence, I will ask members of the Committee to put on record any particular interests they may have that may be relevant to this inquiry. I am a vice-president of the Local Government Association.

Teresa Pearce: I have two local councillors who work in my office.

Mohammad Yasin: I have one local councillor who works in my office.

Helen Hayes: I am a vice-president of the Local Government Association and I also employ a councillor in my team.

Mary Robinson: I employ a councillor.

Chair: We are on the record with that. Thank you, Ministers, for coming. Rishi, you are fairly regular at our meetings here; it seems to be almost



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every week at present. Thérèse, I think this is probably your first appearance before us.

Dr Coffey: I think it is my debut; I cannot quite remember.

Chair: You are both welcome.

Rishi Sunak: They are a friendly bunch, but probing.

Chair: Oh dear; we have not been doing our job properly in that case.

Rishi Sunak: I said probing—friendly but probing.

Q166 **Chair:** Thank you both very much for coming. Obviously, we are looking at the Government's consultation on this matter. That is what we have been focused on. We have had quite a lot of evidence from both councillors and officers that local authorities do not feel they have been properly consulted in advance of this. They feel almost they have been an afterthought and told, "Here is the consultation. You can be one of the consultees", rather than being involved in the process. How would you respond to that?

Dr Coffey: I would say we have had regular contact with the normal local authority representatives that you would expect, whether that is NAWDO, ADEPT or, obviously, the LGA. Very specifically, we held four regional events, which every local authority was invited to, during the consultation period. We hosted webinars. This has not been a recent discussion. This has been ongoing.

I was just explaining that I was asked to sign something off nearly three years ago, when I arrived, on what our strategy would be, and I said, "No, we need to go through this properly", in order to get to where we are. Councils knew full well about aspects of the Resources and Waste Strategy coming, so it is not the first time; it will not have been a surprise to them. There are all the things I have been writing to councils about their recycling rates, where they have been consistently below 30%. It is more, dare I say it, that the jigsaw has finally come together with a sensible way forward on how we can improve recycling.

Q167 **Chair:** Were the discussions and involvement you had after the consultation documents was produced, or before it was produced?

Dr Coffey: I have had meetings with LGA—I think with Councillor Martin Tett—over my time as an Environment Minister. This has regularly come up as an issue, as has the TEEP, the exemption element, and the discussion about what we do on aspects on recycling. There were some more formal thoughts during the consultation period, but, as I say, this is not the first time that I have had direct meetings or engagement with people like NAWDO and similar.

Q168 **Chair:** Why do you think local government is saying, almost with one voice and very loudly, "We were not involved in drawing up this document"?



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Dr Coffey: I am not suggesting that they wrote the consultation; they did not. They cannot try to say that this has come as any surprise or that we have not been in discussion with the LGA; we certainly have, and, at the end of the day, the LGA is the umbrella organisation for local government.

Q169 **Chair:** The District Councils' Network is obviously part of the LGA. They certainly gave evidence to us, and the LGA did not demur from it, that basically said that not only did they feel that they did not get consulted properly, but that they thought the Ministry was "blindsided" by the proposals; that was the word that they used. It was almost as though Defra came out with them and the Ministry got told about them at the same time that local government found out about them. Is that a fair description?

Rishi Sunak: I saw Councillor Fleming's comment on that. Obviously, we are not blindsided. We see things in write-arounds and everything else, so that would be an unfair characterisation. What is important is that these are consultations on a set of proposals. There is still time between now and then on what ultimately gets implemented. It is right and proper that local government are very engaged in that process, particularly when it comes to, as I am sure you will want to discuss, the new burdens process and how that works.

It would, of course, be appropriate to have quite detailed discussions between our Department, as the keepers of that doctrine, Local Government, which will be the ones having to do it, and Defra, which is designing the policy. Of course there are some estimates initially, but once we refine exactly what is happening and how it is going to happen, it would be right that there is detailed and constructive dialogue among all parties, and I am confident there will be.

Q170 **Chair:** I am interested to find out how the Ministry thinks its role works in this. Are you part of Government? Are you local government's friend inside Government? Are you there to make sure local government's voice is heard in these discussions?

Rishi Sunak: Yes. You have been doing this for a lot longer than I have, Chair. As you know, we do not control the policy for lots of things that local government has to do. Many local governments are highways authorities; I have absolutely no idea what standard and spec they should be repairing or rebuilding roads to, for example. Ditto here; this is something that Minister Coffey is responsible for, rightly, in Defra.

I would view our role as, first, as you have said, making sure that I raise with Minister Coffey, or with any other Department, issues that I am picking up from our regular dialogue with local government, making sure that the dialogue is happening and it is well. More formally, our role is as a keeper of the new burdens doctrine. That is the more formal part of the process where we do have a role.



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Q171 **Mohammad Yasin:** The Government want greater consistency in waste collection, but local authorities are arguing that differences in approach are there for a reason. Why do the Government not trust local councils to make local decisions rather than asking them to take a mandate from the centre?

Dr Coffey: The law is already quite clear that councils should be collecting a variety of materials. At the moment, there is an exemption they can go through, which is referred to as TEEP—technically, environmentally and economically practicable—and they can say, “We are citing the TEEP exemption, so we are not going to collect those materials”. We are at the point where recycling rates in England have largely plateaued. They are slightly going up but have nevertheless largely plateaued. Recognising the ambition in the circular economy directive, we need to take some step changes in order to improve the recycling rates across this country.

We can talk about the reasons why we have the rates that we have or that we have signed up to, but, in essence, some councils are doing very well and are highly motivated; others are not as highly motivated, with different reasons going on. We had nearly got to the stage where every council is collecting plastic bottles, and then one down in Kent, Tonbridge and Malling, decided to stop collecting plastic bottles.

As it stands, the Environment Agency has the powers to validate that, but this is the sort of thing where, at the end of the day, what I say to my local councillors, on a political level—I do not mean a party political level—is, “Everybody uses bins and roads. If you get them right, you will please most of the people”. What we have seen is that people are starting to withdraw what can be recycled and people find that frustrating, having to go, in some cases, very long distances to do the right thing with the packaging that they have. It is those sorts of things, where the proposals are done to make sure that we have that consistency of material and we are not dictating how that material should be collected.

Q172 **Chair:** The most important thing is to have consistency about what can be collected.

Dr Coffey: Exactly.

Q173 **Chair:** I get completely frustrated, I have to say—and this is the evidence we have had—when you pick something up and it says, “Check local recycling”, and you think, “Oh”. People throw it in the bin rather than go, or they put it in the recycling and it maybe does not get recycled. Do you think that that is the most important thing to come out of this—that we get a national standard on what can be recycled?

Dr Coffey: Yes. That is why, as I say, with our consultation we are effectively removing that exemption on what can be collected, but we are keeping the exemption in on how it can be collected. We are not insisting



on single waste streams being done, except for one or two materials where we believe it is the right thing to do.

Q174 Mary Robinson: There are several options that have been highlighted by the Government in terms of the bins that may be required, et cetera. To what extent will the Government allow local authorities to have flexibility to choose the waste management services that are most appropriate for their area? Is it the preference of Government that all local authorities should be required to have multi-stream, six-bin, dry recycling for every resident?

Dr Coffey: No, not necessarily. This is absolutely where local solutions are needed. We are clear on what we think should be collected. The reasons why councils may want to do more multi-stream, depending on their demographics—they may vary that within a council area; it is up to them—is because it is more likely that they will get a higher return if they can have far less contaminated waste.

The challenge on contamination is, first, what you might think of as being dirt—residue and stuff left over. The other more challenging aspect of contamination is where you get materials mixing and so you lose the value of both. In particular, you get that between glass and paper or cardboard, and it effectively removes the value entirely of paper. That is why councils may want to actively consider how they achieve that, but they also have to think about their communities and what they will respond to. You get a variety of different views on what is the right thing to do, and that will also perhaps depend upon how much site you have in a home to accommodate, both inside and outside, how to do the split.

Q175 Mary Robinson: So it will be entirely down to local authorities to choose. There is not going to be any pressure on them.

Dr Coffey: For them, the pressure will come from the new burden element we will be doing. Absolutely, I fully agree that when Government put duties on councils, that needs to be funded. There is also an expectation that what we are doing will, in a variety of ways, stimulate the secondary market, and that will bring revenue into the council to help with their waste collection processes as well.

Q176 Mary Robinson: There is a risk that if a council introduces the six-bin system, it will be overly complex and could result in reduced participation, and also that, in terms of an urban area, it would not be appropriate. Is that something that has been considered in all this?

Dr Coffey: Yes, and that is why there is an element of allowing councils to consider the exemptions they might want to take account of. Where we want to be more insistent is the separate collection of food waste, because there are a number of different things going on there. By and large, food waste, if it is not put into an element of anaerobic digestion, composting or similar, usually ends up in landfill. Obviously, that is a problem not just for the landfill tax but also for the carbon emissions.



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Carbon emissions from food waste is one of the issues we really do need to try to get to grips with.

My officials are very keen to have food waste separate. Personally, I am a bit more relaxed if they want to do that food and garden waste combo; that will cost them more to process, but they may decide that is something they want to do. The important thing, from a public health perspective, is that food waste gets taken away in a recyclable format weekly, rather than it just being landfill or recycling.

Q177 **Mary Robinson:** Why are you insisting on that weekly food waste? Is it just around the smell, et cetera? What are the other reasons?

Dr Coffey: It is carbon emissions and public health.

Q178 **Mary Robinson:** Will there be any flexibility for councils if they do not want to do that?

Dr Coffey: We have not responded to the consultation yet.

Q179 **Mary Robinson:** Is there a risk that more frequent residual waste collections might lead to lower recycling rates? The LGA described fortnightly collections as a “retrograde step and further evidence that the Government isn’t in touch with what needs to be delivered on the ground”. Why is it your preference that local authorities should be required to provide fortnightly residual waste collection?

Dr Coffey: This is where it is about going across Government and getting Government collective responsibility; you discuss various options. Some parts of Government felt that, for one of the most basic services that councils provide to every household—and it is literally only bins and roads that get provided to every single household—it needed to be considered whether, when it starts to become monthly or perhaps three-weekly, it was really good value for the council tax-payer.

I also want to protect those councils that want to keep doing it weekly. I know Basingstoke and Deane, as I used to live in that council area; this was very important to some of the politicians and the households there. Councils need to have that freedom, but when it feels like basic services are being removed from households, that is where it is okay for central Government to indicate where the limit should be. Rishi may wish to add on to that about the balancing act between central and local.

Rishi Sunak: The thing I would go back to is that I approached all of this not blindsided but engaging with Minister Coffey on all the things that the Department was proposing.

Dr Coffey: He stuck up for councils on a few things, I can assure you.

Rishi Sunak: Initially, I was sceptical of this idea of standardisation, but after I went through the detail of it, I must say there is quite a persuasive case for it. Chair, you harked to the confusion; there were a couple of really interesting statistics from the WRAP survey:



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three-quarters of people put something in the recycling that should not be there; over half of people do not recycle something and put it in the general rubbish bin when it could be recycled. You had evidence from academics and others, and when they were asked, "What is the reason people do not recycle more?" it is simply either that they cannot, or they are confused about what can and cannot be recycled.

When I was engaging with some of these people to try to probe this a bit, one of the benefits of having a standard, across the country "These are the things that can get recycled", is that instead of that label being, "Check your local recycling", the national packaging for something can then be, "Put it in recycling", and if you had specific bin streams, you could nominate a stream. The research shows a very compelling argument for that leading to increased recycle rates. More broadly, I came at it more sceptical on that and I have emerged, having engaged with it in more detail, more persuaded that there is an argument for doing greater standardisation and it will lead to an increase in recycling.

In terms of how it is implemented, I agree with Ms Robinson. It is absolutely right that there needs to be a balance with councils having the ability to decide what is best for their local area as much as possible. Obviously, I am championing that and supportive of that, and those are the points that I will continue to make and advocate for, where that makes sense.

Q180 Mary Robinson: Would it be the case that a council that has perhaps moved towards maybe three-weekly collections of some of the items and that has high satisfaction rates would not be required to change?

Rishi Sunak: That is more for Minister Coffey. We do not want to anticipate the outcome of the consultation before we have responded to it, but it is a live topic.

Q181 Chair: That is helpful. Minister, in terms of the comment you made about where it ceases to be good value for the local council tax payer, is that not precisely the decision that local councils should be taking, not Ministers?

Dr Coffey: As I say, it could be an issue if people only use bins and roads and they are paying £2,000 a year. Some of the policies introduced by Eric Pickles were some of the most popular undertaken in trying to get people to have their bins collected more frequently.

Q182 Chair: Virtually no councils took the offer up when he offered them money for it.

Dr Coffey: A lot of councils had already moved to fortnightly. There was not a particular consumer demand. As I say, there are councils like Basingstoke and Deane that are very keen to keep their weekly collection. There are councils in London that, for different reasons, recognising the demographics or the composition, want it more than weekly, so it will vary. We have seen this in Wales where it has really



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happened. I do not always know what the incentive is, if it is just money saving or whether it is about helping to improve recycling.

Q183 **Chair:** Is the value to the council tax payer not precisely the issue that councils should deal with, not Ministers?

Dr Coffey: That is why we have the TEEP exemption. They can make that justification, because at the moment that is the basis on which they are using it. It is fair for the Government to check that the law is being applied correctly when it comes to councils citing these exemptions. At the moment, it is the law that they should be collected. In terms of multiple streams, we have done a variety of things on that, but it is about getting the balance right.

Q184 **Chair:** Is it not the case that although you have given a range of options for councils, every householder will end up with at least four bins outside their front door?

Dr Coffey: Not necessarily. I have seen good development down in Canterbury City Council; they have done designs for their bins. I have seen other places where, in effect, they have one bin but inside they have different caddies. It will vary according to demographics and the type of housing stock that is there. I have seen it differentiate within a council area as well, though I cannot recall where off the top of my head.

Q185 **Chair:** We will come on to garden waste; I do not want to go into that specifically. You have asked for food, garden waste, general waste and recyclables, as a minimum, to be collected separately. That is four containers of some kind.

Dr Coffey: Yes. It is not necessarily four bins, but potentially four containers, yes.

Q186 **Chair:** I would be interested to see the containers that contain four different types of refuse to be taken away.

Dr Coffey: As I indicated earlier, it will vary from area to area. If you look across the border to Wales, there are some places that have nine bins for people to do the separating. Some of this will vary by council. The MRFs and the SMRFs are able to do the separation. In other areas they have asked householders to do more of the separation at the collection point, so that it makes it easier for the recycling to happen. Again, it will, to some extent, vary by area.

Q187 **Chair:** That explains the difference between four and six, in terms of how you do recyclables and whether you do it through a SMRF or separately. It does not explain the difference in terms of at least having a minimum of four.

Dr Coffey: Indeed. I can think of people having a food caddy; I have seen that quite a lot in people's homes, which either then can be put in with the garden waste or collected separately. I have seen different things on paper. I have seen it vary around the country. There is good



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practice out there and councils are learning from each other. They still are well placed to make the decision, but we do have to have these overall attempts to try to reach our statutory targets.

MHCLG, contrary to Wales, absolutely did not want councils to have individual statutory targets. It felt that was too far in our Government thinking, whereas in Defra—I am not pretending otherwise—I was quite keen to press minimum targets for councils. I think that we will see a different way that evolves, not necessarily in statutory targets but in how councils then respond to domestic pressure on why perhaps their recycling rate is so low in a particular area when it could be a lot higher, when their neighbours are a lot higher.

Q188 Teresa Pearce: Good afternoon. Could you explain why the Government are proposing that local authorities provide free garden waste collections despite local authorities seeming to oppose this?

Dr Coffey: When it comes down to it, the way the targets and the EU law are written is all about weight. It is not necessarily about the value of recycling products; it is all about weight.

Q189 Teresa Pearce: So it is about chasing tonnage.

Dr Coffey: It is about chasing tonnage; there is no doubt about that. The other thing that is important about garden waste is that it can also help with the reduction of carbon emissions. It depends on how people process their garden waste. If they decide to compost at home that is one way they can help to do that, but garden waste can just be put into the landfill bin and then into landfill, and that is bad for carbon emissions. There is an argument, absolutely, about tonnage, in trying to make sure that councils collect as much weight as possible.

Q190 Teresa Pearce: Do you think the Government would not meet their target of 65% recycling in 2035 without free garden waste? Is that what you are saying?

Dr Coffey: The “free” bit is to try to maximise that as much as possible, but I have to say that the EU are now trying to change the basis on which the 65% measure is calculated, though it is all weight still. Yes, we will struggle if we do not collect food and garden waste.

Q191 Teresa Pearce: You mentioned home composting; would it not be better to encourage that rather than a free service for garden waste?

Dr Coffey: It is certainly higher up the waste hierarchy than landfill, but composting itself needs to be done properly, again for it not to then create carbon emission problems. It is easier said than done, and I am conscious that there is that element. It definitely helps percentage-wise. I should say “percentage” rather than “tonnage”, coming back to what I said earlier. It certainly helps if you can recycle garden waste.

Q192 Teresa Pearce: We took some evidence from Somerset Waste Partnership, which told us that garden waste was one of the top two



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reasons people use recycling centres. Having spent most of Sunday morning at one myself with a car full of garden waste, I know that that is true. Have you looked at all at whether, if there was free garden waste collection, that would risk the long-term viability of recycling centres? Have you done any work on that at all?

Dr Coffey: I do not believe that that is the case. I do not know what size your garden is at home, but mine is probably about half the size of this room and I can assure you that it relies on more than a fortnightly collection when I need to make sure I am processing my garden waste. I think people will continue to use that anyway. It will vary around the country.

Q193 **Teresa Pearce:** Is that just your perception or is there any data on that at all?

Dr Coffey: It is my perception. I am not aware of anybody raising that with me directly, but I am still waiting for a summary of the responses from the consultation process.

Q194 **Teresa Pearce:** One of the other things that has been raised is that collection of garden waste can be quite costly, especially because there are peaks and troughs in the times of the year; sometimes more intensive collections will be needed and there are other times when it would be less.

Dr Coffey: As this is a new burden, we will be coughing up for it.

Q195 **Teresa Pearce:** What about people who do not have gardens? Are they not subsidising this? If they do not have gardens, they cannot use the service yet people who do have gardens are getting it for free. Is there any inequality in that?

Dr Coffey: No, it is just another source of waste. I am conscious that people are saying, "We only have a window box. Why are we subsidising that?" If this is a new burden, central Government will pay for it. I have set out the reasons why we believe that. One is about the percentage of targets in terms of weight, but also there are the carbon emissions. There will be a variety of different things: people in central London get far more subsidy on public transport, partly to drive improvement in air quality and reduction of emissions. It may be that in more rural areas collecting more and more waste and making sure that is processed correctly is another good way to try to make sure we reduce carbon emissions. There are different activities that Government will do in order to achieve our strategic targets.

Q196 **Mr Dhesi:** Minister Coffey, the evidence our Select Committee has received suggests that most people think that the Waste Strategy should lead to an increase in our recycling rates, but many respondents felt that Government estimates for some of the policies were overly optimistic. Why are you confident that these are the right policies to lead to a 65% recycling rate by 2035?



Dr Coffey: I have confidence in my civil servants—that is why.

Q197 **Mr Dhesi:** Would you like to elaborate further, or do you just think that the civil servants will do that?

Dr Coffey: We discuss policies; we talk through what we can try to achieve. There is an element of not assuming that every policy will work 100%. If we think about things like deposit return schemes, at the moment, collection of drinks bottles is probably about 70% to 75%. If there is a way that we can get that up to 95%, that is a step change. We need a way to get greater consistency in what is collected. There is a bit more education to be done, so people recycle their shampoo bottles or bleach bottles even. There is stuff there that people may not be aware today that they can recycle even under their current council policy.

It is this kind of opening up, and we have to make judgments with our economic analysis on what will work. I challenge my civil servants; I can assure you of that. There were one or two things I was probing them on, including aspects of what would happen and the difference between different kinds of biowaste. There are elements there in terms of how much people will switch to having a caddy as opposed to some of the other schemes that are currently in place.

Q198 **Mr Dhesi:** You are saying that you are very confident that the Government will meet their 2035 target, but they recently announced that they will not even meet their 2020 target in terms of recycling. What are the reasons for that and what lessons have the Government learned?

Dr Coffey: I have to say that I am slightly more concerned that the EU is starting to consider changing the rules on how you measure the 65%. I have expressed my concern to the Commission that, having agreed the target and the basis on which we were doing it, to now change the basis on which we are doing it feels a bit like shifting the goalposts.

Q199 **Mr Dhesi:** Do you think the remeasurement is the reason why we have not met our targets?

Dr Coffey: No, that is for the 2035 target.

Q200 **Mr Dhesi:** What about 2020?

Dr Coffey: We are not there yet. It is some of the changes in policy. For quite a few decades now, we have had much more of a market-based PRN system—the Packaging Recovery Note system—and we have been very liberal with the TEEP exemptions and what councils can and cannot do in terms of their collections. By changing these processes, 2020 will be tight—I am not denying that—unless we get a step change in councils in the next year. We have seen that, where people have started charging for garden waste, collections by the district councils are falling.

What I have not yet had is the analysis on what is happening with the disposal authority, coming back to the discussion about the waste recycling centres. With some policies, we are starting to see a change



already. I believe these policies will turn that around and that we will get beyond our targets in good form, as long as the goalposts stay in the same place.

Q201 Mr Dhesi: Minister Sunak, in terms of local government, I find it absolutely staggering that the LGA said that they could not comment on the accuracy or the deliverability of the Government's recycling targets because they "were not involved in the development of them". As the Minister for Local Government, are you not shocked and staggered by the fact that local government, which is heading up local recycling and household recycling, have been completely side-lined in this way from this entire process?

Rishi Sunak: Maybe there are two things underlying the question. Recycling targets are something that we have been signed up to long before either of us had these jobs; those are EU targets that we are subject to. There is no involvement of anyone in developing them; they are developed at EU level and we either sign up to them or we do not. That is one thing. We were not involved in drawing them up. I assume we had a voice at the committee; maybe Thérèse was there. That is that.

What they also have commented on is around the financial estimates for the implementation; I do not know if that is what you are also referring to.

Q202 Mr Dhesi: Many of them were absolutely exasperated, in the sense that they have had minimal involvement in terms of the setting of the Government's recycling targets. Surely, as Minister for Local Government, you should have been fighting their corner, to ensure that they are involved in this process.

Rishi Sunak: You do not know what I might be doing behind the scenes in terms of fighting local government's corner, because you will only see a collective Government position at the end of the day. There was no discussion to be had about developing the targets; they were EU-set targets and we either agree to them or we do not. We had a vote at the EU. I am not sure if how we voted is public or not; it probably is. That is for the whole country.

Dr Coffey: In the end, we agreed to it, but we have been doing a lot of negotiation. There was a lot of negotiation during the package, especially in the trialogue with the European Parliament, and the difference between the Council, the Commission and there. We have ended up in this particular place of 65% by 2035.

I should point out that is not just about household kerbside recycling, by the way. It is all municipal waste, so that includes waste from businesses as well, and there is quite a lot more that we are doing and requiring business to do in order to help us meet that 65%. It is going to be challenging and I am not pretending otherwise, but I believe that the



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policies that we have agreed for consultation, if we confirm them, give us a good roadmap to achieve that target.

Q203 **Mr Dhesi:** The LGA has also asked that Defra share the data with it. Will you be doing that?

Rishi Sunak: They are asking for the data to be shared on cost assessments, not the recycling targets.

Q204 **Chair:** We will come on to that, but I think we were asking about how the targets themselves had been reached.

Dr Coffey: The European Commission comes up with them initially and then there is a negotiation between the Council and the European Parliament. That is how a lot of the European targets get decided. What I do not know, Mr Dhesi, is what engagement the Committee of the Regions, on which councillors are represented, had with the European Parliament or the Commission in coming to these targets. I am not involved in that institution.

Q205 **Mr Dhesi:** On the specific question about whether Defra will be sharing the data with the LGA, will that be the case?

Dr Coffey: I do not know the data to which you are referring.

Q206 **Chair:** WRAP came and gave evidence to us and clearly implied that it has been working with the Department in building up these figures. Indeed, when WRAP was asked, it said, "It is not our data to share. It is with the Department. We just helped the Department to do it". That is a summary of what WRAP said.

Dr Coffey: I guess there have been assumptions. I do not know any reason why we would want to keep that away from the LGA. It is our assumptions on the policies.

Q207 **Chair:** Perhaps you could go away and look.

Dr Coffey: Of course. I do not even know if the LGA has asked us. We will find out.

Q208 **Mr Dhesi:** In 2012, the Welsh Government set statutory targets for recycling that local authorities must meet or they would risk facing fines. Alongside additional funding, this led to Welsh authorities meeting their 64% recycling targets in 2017, not 2035, as is the case for England. Why are we so far behind Wales? How come they are getting to 64% by 2017 and we are struggling to get there in 16 years' time?

Dr Coffey: The 64% may also include what they call "incinerator bottom ash", so you need to take two to three points off that to account for that, because that cannot be included at EU level.

Candidly, Wales is a much smaller country than England in terms of population and demographics, in terms of what percentage of people are based in houses as opposed to flats. We have a much higher



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concentration of people living in big urban areas than is the case in Wales, and that definitely provides more challenges in terms of getting the recycling rates there.

As I say, we had a discussion between our Departments on whether we should have statutory targets for councils. Mr Sunak can speak for himself, but I think it is that challenge of how you end up doing targets for council areas that are really quite different. It is frustrating to me that Newham has a percentage that is less than 15%. A few miles away, you have councils with similar demographics, similar building areas, with targets that are more than double that.

More can be done by individual councils, but they do not necessarily see it as a priority to improve recycling, which I find it disappointing, having become obsessed with all this over three years of being a Minister. Again, we have challenges in large parts of Hampshire, and I constantly challenge Hampshire as well. It is a variety of things and trying to set one target for every council in England would be really tough.

Q209 Mr Dhesi: I appreciate what you are saying in terms of Wales being smaller and so on, but something is obviously going wrong if certain councils are lagging way behind. Something needs to change, so should we not be looking at the Welsh approach? Is that something that we want to adopt? Are we going to be taking a similar route in England?

Rishi Sunak: When you talk about adopting the Welsh approach, one is around the statutory target, and maybe this Committee will surprise me and advocate for there being a statutory target on local authorities. Most of the time I am with you, we are arguing that local authorities should not be told what to do by central Government. Indeed, that was the thrust of the questioning before, and I do not think, when you spoke to the LGA people you had, that you were telling them that there should be statutory targets.

Maybe I am wrong, but that is a policy decision that we have made. As Minister Coffey has said, she would probably be more open to more statutory targets, though not at an individual council level. We have tried to say that that is not necessary at this stage and that we can get to the same result that we all want to see through a less heavy-handed intervention.

You do raise a good point: the variation between similar councils is still quite significant. We have had a period of time. This is what I have been persuaded by from all the work that Thérèse has done. I, in general, always want to let councils get on with what they want, but the reality is that we are trying to tackle climate change. That is going to require some collective action on all our parts, because it is something that we all want to see. Getting our recycling rates up is a key part of that and we need to do something differently, because obviously what we are doing at the moment is not good enough.



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That is why we are having this conversation about standardisation and different streams of recycling. Yes, all of that is new and some of it is not ideal, from a day-to-day convenience point of view, but we are going to have to change behaviour in order to do what we all want to do. That is exactly why we are having this conversation.

Thérèse will know this better than me, but any of you can go to LG Inform or any benchmarking website, pull up a bunch of very similar councils, controlled for density, affluence, deprivation, rurality and all of these things, and you will see quite a significant degree and variation in recycling rates, so something is amiss. Some people really prioritise it and do a very good job; others do not.

The package of policy measures that Thérèse and the Department have been working on we think is a sensible package that will improve the recycling rates over time, and it gets the balance right between some central intervention and still allowing some local discretion, which is something that I care about.

Q210 John Grogan: I must say I have seen that obsession develop over three years and I think it is a very healthy one as well; it leads to action. A couple of times today the question of finance has come up, in terms of the likely cost of this. We have heard estimates of £10 billion, up to £20 billion or whatever, largely through private sector investment. Have you any estimates of the cost? Will it be a bit of a problem for some local authorities that are into long-term contracts? Are we expecting the new contracts to be more expensive, as they have to try to buy themselves out of them and so on?

Rishi Sunak: Maybe I can start and then Thérèse can finish, because some of it I can answer. On the contracting point, clearly there is a set of contracts that local authorities already have. Minister Coffey will speak to the timeframe that they are envisaging for implementing all these reforms, but there will clearly be a number of councils that are in the midst of contracts. This is something that I have asked about as well, and the plan is to consult on a set of transition arrangements for how best to deal with those. You raise a fair point and I am sure Minister Coffey would agree with that.

On the infrastructure, that is for Thérèse, but on the broader point about the burden for councils, I do not know if you want me to cover this now or later.

Chair: We will come on to that a bit later on.

Rishi Sunak: Fine, so you are mainly asking about the infrastructure bit, which is for Minister Coffey.

Dr Coffey: There are about eight councils that have contracts beyond 2030, which may prove problematic, but my challenge to the industry would be ask, "Why would you stand in the way of a council trying to do something better on recycling?" It is the same kind of processes that are



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key to making sure that they have the necessary infrastructure. Industry is probably best placed, although the Government have put in place something like £2.9 billion on public-private finance initiatives in order to support local infrastructure for waste collecting and recycling.

What is fair to say is that a number of the main waste management processors have already written to the Secretary of State offering together to put £10 billion of investment into place if they can get consistency in the policies, which will help them stimulate and make a secondary market of the materials that they collect. They certainly see the benefits for investment if they can get that longer-term policy and regulatory stability in order to have confidence that that can be repaid.

Q211 John Grogan: There was a disturbing point in *The Daily Telegraph* recently that spoke of up to half of potential recycled material, in some areas, not being recycling and even some secret incineration of pots, tubs, trays and so on. If the recycling targets can be reached or if we can get close to them, is it the Government view that there will be no need for further incineration capacity at that point?

Dr Coffey: We have discussed this before in Oral Questions, John. The element about incineration is it is better than landfill for most materials, but clearly we do not want incineration to become dominant; we want recycling to become that way.

The initial estimate of officials was that the number of incinerators in the pipeline that we are aware of, if all the policies work brilliantly, probably means that we would not need to start a new pipeline of incoming infrastructure, certainly not with Government or financial support. That said, I am not opposed to private industry trying to generate an element of choice and competition for councils, or indeed other people who need to dispose of waste responsibly, in order to make sure that there is good value for money. I am not suggesting that we will be stopping. At the end of the day, a lot of these things are down to local planning permission anyway, rather than central Government taking decisions.

Q212 Neil Parish: I am guesting here today; I am not at the wrong Committee on this occasion. John is getting his own back by stealing half of my question, but there is a point I want to make on contracts. We are doing an inquiry at the moment in the EFRA Committee on reusable plastic and composting plastic. As we become more and more environmentally friendly and change our policies and have new products, we are going to need to change our recycling processes and our collection processes.

A lot of these long-term contracts will be difficult to change and there will be a cost involved. To what extent do the Government have sympathy to local government as to where it is? I was in local government; it likes to have its autonomy. On the other hand, you go around the country and you have all sorts of different recycling processes and bins. As we change to compostable plastic, like this mug, it will not compost in the garden, but it will if you put it in with garden and organic waste, so there could be



an argument that that ends up in the food waste. There are lots of things that probably need to be changed and looked at, so how are going to be flexible in the future?

Dr Coffey: I know I am giving evidence to your Committee next week. Thinking about the different sorts of materials, this is why we have been quite cautious about biodegradable generally. As you have just pointed out, one size does not fit all. The Government are always sympathetic towards local authorities. I got a bit cross with one last year, because they knew that this was a clear sense of direction and then they signed another 10-year contract, which meant they could not collect yoghurt pots and stuff like that. I was asking, "Why are you doing this?" I have since made up with the new leader of the council, and I am pleased to say that he is very on-board with making changes.

As we move forward, I would like to think that this policy is nothing new. The steer has been going in this direction for some time now and councils need to be sensitive and consider carefully that, if they are signing up to new contracts in the next year or so, they should be taking account of the change of policy that is coming. Minister Sunak will perhaps say more about how that relationship really works between the ways the different processing can be done.

Of course, there is always room for more collaboration between councils. I know the two-tier/one-tier is an ongoing dispute at times; I will not interfere in that too much. That is something where we are starting to see more and more areas start to collaborate, but I appreciate it does not happen overnight.

Q213 **Neil Parish:** What I cannot quite work out is how we are going to be flexible enough. There is a big drive across the political spectrum, whichever political party you might represent, to be more environmentally friendly, to recycle more and to separate more plastics, in particular; there is a big drive on plastic that perhaps there was not a year or two ago. All of the time this is going to happen, and you may have 10, 15 or 20-year contracts with local government, so surely either Government have to give help to local authorities or there has to be a drive to have more flexibility.

You are right about compostable plastic. Some are properly compostable and they will break right down and then you can use that for growing your garden plants or put it on a field as a fertiliser; others do not break right down. Sometimes if you mix a compostable plastic with non-compostable plastic, you can contaminate that. It is a slight minefield and it needs to be sorted, does it not? How proactive are Government going to be?

Dr Coffey: We have spent a lot of time focusing on the strategy and the consultations. It is well known in the industry about the different varieties of plastics. What might not be quite so well known is for consumers in that regard. That is why we are working in a different way with the



producers, to try to get better, in effect, eco design, so we have fewer problems at the other end.

What I am starting to see is that some councils are now no longer taking Tetra Paks—I should say Tetra Pak-style cartons. We are not allowed to just call them Tetra Paks; it is a variety of that sort of thing. That is problematic for me. It is also problematic for the producer, because in the future regime, with the extended producer responsibility scheme, they will potentially end up with a much higher cost to them, because they need to make sure that that product is recycled as far as possible.

We are going to see some things emerging. We use WRAP as our partner to do a lot of this work, working with the LGA and individual councils in that regard, but I am not aware specifically of individual contracts. WRAP has assisted many councils that have sought help to go through that level of detail, and in the past we have certainly financed that.

Q214 Neil Parish: Do you foresee the Government having a fund available for local authorities where they want to adapt their contracts? As you said, I do not think it will be only plastics; there will be all sorts of things along the way that will need to be changed and they may not necessarily always have the funds to do it.

Dr Coffey: I do not know the answer to that question. We have not discussed this before, but I do not know if the Minister is aware of other things where councils change contracts.

Q215 Neil Parish: I know the Treasury is generally generous on these matters.

Rishi Sunak: Once the policy and the timeframe is decided, separately one does need to look at people who are locked into existing contracts and consider how that is dealt with. There is an acknowledgment that that needs to be looked at, in terms of the exact mechanism for that and the way to achieve the outcome.

Dr Coffey: There have been bigger rows, more with the contractors, of, say, PFI initiatives, but I would hope that the main waste management companies are not going to be stupid about this in order to achieve the higher outcomes of recycling that we all want. That would be my sense.

Q216 Chair: Following up what you have both said about the contracts, they are different and have different aspects to them, and local authorities may want to change in different ways. Say, in principle, that the Government will cover the cost of contract change, where that is necessary as a result of this—

Dr Coffey: I have not quite said that yet.

Chair: That is what I am trying to get at.

Neil Parish: We are encouraging you.

Q217 Chair: I will ask the question, then: will the Government cover the cost



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of any contract changes that are necessary as a result of this strategy?

Dr Coffey: I want to look through where the issues really are. We still need to respond to the consultation and to discuss that, but I would more prefer for the waste management processors to be more sensible about contract variation in order to achieve the higher recycling target.

Q218 **Chair:** How would you go on as a local authority, then? You are faced with this Government strategy; you are faced with a contractor who delivers your services. How do you then respond, depending on what the contract says, to, "We are not going to change unless you pay us"? Do Government pay?

Dr Coffey: I think we are getting into the hypothetical and it is—

Q219 **Chair:** I do not think we are. I think we are in a very real situation, are we not?

Dr Coffey: I have tried to indicate to you, Mr Betts, that I would take a very dim view of the waste management processors if they get in the way, in an unfair way, of a council trying to vary their contract in order to make sure that we make improvements to waste management. It is more about, instead of ending up in legal situation, having a sensible thing, going through the councils where this is an issue, and speaking to those people, where necessary, to try to help them do that.

Q220 **Chair:** So you will want to sit alongside councils in that process.

Dr Coffey: I do not want to get into some formula of exactly how we will manage individual situations. It is a case where the hands of central Government will try to do what is best for the taxpayer locally, and I would hope that the waste processors are going to do what is best for their business.

Q221 **Chair:** Are we saying to councils that they will not have to pay for any changes to contracts that are necessitated by that?

Dr Coffey: I have already responded to you by saying that we have not responded to the consultation yet. We still need to go through the individual situations and so I cannot give you some hypothetical response to a situation where I do not have the detail.

Q222 **Chair:** I was not asking for details; I was asking for a general principle, which I think is a general principle of new burdens, is it not? That is all I am asking for.

Rishi Sunak: When the policy is developed, we will look at all the new burdens that we think are there and we will go through that process.

Q223 **Neil Parish:** With regard to future contracts for local government for waste, it is for local government to decide, but are you thinking about ways where there should be more variable contracts? It is very tempting to a local authority to take a long-term contract that is very fixed, legally binding and perhaps cheaper to the council tax-payer. We are going to



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need a more flexible approach, so are you going to be advising councils in the future, with their contracts, to take a more flexible one?

Dr Coffey: I do not know the answer to that. I do not think I am going to get into advising councils on specific contracts. It is important that Government have policy and regulatory stability—

Q224 **Neil Parish:** I am just talking about guidance, really.

Dr Coffey: As Rishi has already said, once we come up with a final policy we will be able to go through, in a more detailed way, what the impact is on councils and disposal authorities, in order to achieve that element of balance with the new burden. I am highlighting now to the industry that they should not just be trying to grab money for this change, recognising all the investment that they want to put into future infrastructure and them being massive champions of trying to improve the amount of waste that gets recycled.

Q225 **Helen Hayes:** I just want to follow up on that a little bit further. At the moment, what industry has with local authorities as a legal basis for their interaction is the existing contract. Quite often those contracts are long term, and quite often they are linked to investment in the infrastructure that is needed to expand recycling services.

Aside from taking a very dim view, the Government surely have only a couple of options available to them, in broad terms: they can legislate to supersede and override those contracts, or they can compensate councils for costs incurred in relation to changing those contracts. I want to push you again: where are you inclined to go in that debate?

Dr Coffey: When the coalition Government came together in 2010, Jesse Norman was a big pusher of this when he was a backbencher. I do not know if some of you recall, but early on he led a campaign, which Cabinet Office ministers followed up to, recover billions of pounds in payments on PFI initiatives that were done, when, basically, the PFIs were renegotiated.

There are precedents where central Government have worked alongside local authorities to try to make sure that there is a revaluation of elements, where it is deemed appropriate. I cannot give you a cast-iron guarantee on exactly how we are going to do X, Y or Z in on a situation where we have not even finalised the policy yet.

Q226 **Helen Hayes:** I turn now to the question of the extended producer responsibility. We have had considerable evidence from witnesses who are supportive of the principle of the extended producer responsibility scheme, but some witnesses have called for clarification as to what exactly would fall into the scope of full net cost recovery. I wondered if you could explain exactly what you mean by that.

Dr Coffey: Yes. It is the cost of collecting, managing, providing information and anti-littering, as well as with regard to the packaging



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waste. It is also the collection and reporting of relevant packaging and waste management data.

Q227 Helen Hayes: It would extend to cover elements beyond direct service delivery, such as back office costs and vehicle maintenance.

Dr Coffey: It is the collection and management of packaging waste and there will be things beyond councils, where there are elements where, as I say, it is not just all about kerbside recycling.

Q228 Helen Hayes: We have also heard from several witnesses who observed that the EPR could become a victim of its own success, and that as the quality of materials improves over time, there might be less funding coming through the EPR from producers for waste management services. How will the Government ensure that the EPR will provide a long-term, reliable source of funding?

Dr Coffey: The EPR is effectively there to cover the cost for the products in those schemes to be collected and managed. If, over time, we have a better system where the costs come down, that is good news, because it will mean that a lot more is being recycled and the secondary market is working well. That could be very successful.

Q229 Helen Hayes: There is the potential for it to become a problem if, in fact, local authorities end up using that funding, in what is a very challenging funding environment for councils, essentially to fund mainstream recycling and waste services. It would be hard to differentiate exactly what materials are being collected with the funding in that way. If it becomes a source of funding that they rely on, a reduction of it may leave a gap in local authority finances.

Rishi Sunak: We have not gone into the detail of doing a new burdens assessment and how it is all going to work, so this is more general. It is not necessarily the case that new burdens is funded directly from a hypothecated, specific tax, or EPR rather, and therefore if that changes then new burdens changes. Those are two distinct things. One is a cost estimate that needs to be funded or a new burden that needs to be funded. How it is funded is TBD, but clearly costs need to be funded regardless of the revenue stream.

Q230 Helen Hayes: So MHCLG will be looking at that.

Rishi Sunak: Exactly, yes. As you know, you fund new burdens for a spending review period and, at that point, it generally gets rolled into the base projection of need for local government anyway, so you will be having a broader conversation about how the local government is funded, say business rate retention or whatever, at that point.

Q231 Helen Hayes: We have also had calls from witnesses for clarity and transparency over how EPR funding is transferred to local authorities. How will councils receive this funding in practice?



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Dr Coffey: We have not gone to that level of detail on how we make this transition. We are talking about this new EPR system effectively coming in from 2023.

Q232 **Helen Hayes:** Have you decided whether it will be ring-fenced for waste management and recycling services only, in relation to specific materials or what?

Dr Coffey: There is a reasonable expectation of the people paying the EPR levy that that gets used for the purpose it is intended for, but, as I say, EPR is not solely about kerbside recycling; it is slightly wider than that.

Chair: So we do not know.

Rishi Sunak: We have not fully decided, at least as far as I am aware, on the exact policies at this point, because they are still for consultation.

Q233 **Chair:** Does that mean there is a discussion going on between the two Departments?

Rishi Sunak: There are always ongoing discussions, every week, between our two Departments on all of this. Thérèse can correct me, but I think the expectation is that there will be a response to the various consultations that closed in May, so that obviously will be happening in the near future.

Dr Coffey: Yes.

Q234 **Mary Robinson:** Continuing the theme around expectations about funding, during our last evidence session, the District Councils' Network told us they had "zero confidence" that the Government would provide sufficient funding to meet local authority costs arising from the proposals in the Waste Strategy. What assurance can you give them that the new requirements such as for weekly food waste and garden waste collections will be fully funded by the Government?

Rishi Sunak: I would say Councillor Fleming is being a bit pessimistic there, with "zero confidence". Of course we fully recognise the pressure on local authorities in general. As Thérèse fully acknowledges, this is a new policy with new costs, and of course they will be fully resourced to meet all those new costs, both the upfront initial costs and the ongoing operational costs. That is a commitment that is enshrined in the Government's new burden directive and this would follow the normal path of that process.

Q235 **Mary Robinson:** Fully funded, short and long term.

Rishi Sunak: Exactly, yes. As per the new burdens doctrine that we have, it will follow the same mechanics and the same process that all others do.

Q236 **Mary Robinson:** The LGA told us there was too much uncertainty around the financial implications of the strategy and the funding commitments.



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Clearly, this might give a little bit more certainty to it, but it still exists. They wanted to go into much more detail with the Government, and they were noting concerns about the accuracy of projections and estimates used in the Government's impact assessments. Will the Government commit to working with local authorities to improve the accuracy of the impact assessments?

Rishi Sunak: What you saw with those consultations were partial impact assessments, based on best available evidence at the time. They are estimates; of course, they are being refined as we speak. As I said at the beginning, once we know what the policies are going to be, it is right and we would expect—and I have no reason to think that Thérèse will disagree—that we should be actively involved with local government in bottoming out the costs in more detail. That is typically the process that will happen with fleshing out the new burdens.

Q237 **Mary Robinson:** Authorities are already in different positions in terms of what they do and how, so there was some concern about the new burdens funding being fairly allocated. For instance, councils that have already invested heavily in the recycling infrastructure, et cetera, may see less proactive authorities benefiting financially. How will the Government ensure that new burdens funding is fair?

Dr Coffey: I do not know how the CLG goes about it. I am conscious that people who think they have already been doing a good job feel they are going to be penalised. That is not the intention of Government. We want to boost recycling. For some councils that are going from a very low start, there will be a genuine assessment on how we can really help them start to improve, but again we will go into the level of detail once the policies are finalised and we go through each individual council area, I expect.

Rishi Sunak: In general, the new burdens doctrine is that, if there is a new burden, it is funded. If someone happened to be undertaking it themselves before is neither here nor there, for the most part.

Q238 **Mary Robinson:** If any local authorities are currently thinking of doing things, investing, et cetera, would you expect them to call a halt to it and wait to see what funding come along, or should they just continue?

Rishi Sunak: That is a fair question. Thérèse may have a more policy point of view, but the new burdens doctrine is that they should treat people the same.

Dr Coffey: On that basis, there is no reason to delay. In fact, we have had good conversations in the last year with Swindon Borough Council, which is considering some changes to its policies. It has invested in a particular way of doing some recycling. However, this is where you see differential in local leadership. In some areas, they think recycling really matters; in others, they do not. I tend to find that people like it when their councils are more proactive about recycling.

Q239 **Chair:** I can see how you do a new burdens contribution to deal with



local government's extra burden as a whole, in general terms. What about if you have changes to contracts that are very different between different authorities? You may have an authority that has already negotiated a more expensive, flexible contract to allow for these situations and the one next door has not.

It then comes to Government and says, "We want some money because there are now new burdens on us that our contract does not take account of". You could get to a situation where councils that have done the right thing in the past do get penalised. Has account not got to be taken of that situation somehow?

Rishi Sunak: We are getting into the detail. Without a doubt, as I have acknowledged and Thérèse acknowledges as well, once the policies and the timing is decided, in terms of exactly how people get from A to B and over what timeframe, clearly for people who are locked into existing contracts, we need to have an understanding of how this is going to work and fit with all of that. That is clearly one part of that conversation. I am not saying that is not the case.

Q240 **Chair:** There are two final points from me. One is on the deposit return scheme. Some concern has been expressed to us that plastic bottles are one of the things that are a main component of local authority recycling. If the deposit return scheme came in, could that potentially undermine that and, again, reduce the finances of local authorities under the EPR arrangements? Is that a concern?

Dr Coffey: This has been raised and is something that we are considering in our response to the consultation. There is a step change that is still needed on recycling of plastic bottles, but there are other elements coming through, like percentage of packaging tax, which again will start to stimulate the secondary market.

There will be different views on how likely people are to take bottles of various sizes back for the deposit, depending on their location. It will vary, but I know councils enjoy having the PET, because at the moment there is a pretty good market for it. That does not mean that there will not continue to be further consideration. I have been discussing this with officials very clearly, perhaps not so much on revenue but on how it gets accounted for in terms of responses to municipal waste. At the moment, though, I am still waiting for our final decisions on policies.

Q241 **Chair:** There have been calls to defer the DRS until after the changes you are going to bring in more widely are bedded in.

Dr Coffey: We do not want a DRS later than 2023. We are actively considering how we coincide all of these things, with one change.

Q242 **Chair:** Finally, Minister, you mentioned two-tier authorities and the split responsibilities and, probably slightly wistfully, you were saying that it is an issue out there. Do you think this really ought to be a driver now to get unitary authorities? Would that be the way forward?



Rishi Sunak: Maybe I will save Thérèse from getting embroiled in this debate. Clearly there are opportunities for greater collaboration and that yields benefits, particularly around procurement and standardisation of some infrastructure on the back end between collection and disposal authorities.

The Department published a piece of research or a guidance in 2015, with some great case studies and advice for councils. Where we have ended up vis-à-vis our conversation before is saying that there are clearly benefits here, doing our best to illustrate those for people, but not, at this stage, going as far as mandating things.

Thérèse is picking up appetite from the sector for greater collaboration, because they can see the obvious logic to it. That only increases if there is more standardisation as a result of some of these policies, but again it is about trying to get our balance right. Letting local authorities in their area figure out what is best for them is our general approach, certainly on two-tier restructuring or co-operation.

Dr Coffey: We are starting to see good partnerships happen between councils. We have also seen, unfortunately, where partnership has brought recycling rates down, so you end up with, instead of the highest common factor, the lowest common denominator on what gets collected as well, which has led to some frustration. I am not going to say it is a case of horses for courses, but it is a regular thing between shires and the districts that often there is a bit of disagreement.

My experience—and this is anecdotal, coming back to the question Teresa asked earlier—is that I know that in my own part of the world they probably could save money across the entire network if they agreed greater unanimity on how collections get done, not just what gets collected. However, I know that the lower-tier councils negotiate their contracts for a number of services from one provider, which they would have to break in order to join in with others. I recognise that local government finance can be rather complex when, from the outside, it can seem quite obvious.

Q243 **Chair:** We might all agree with that point. Finally, in terms of timetable, I am sure you would want to have the benefit of our conclusions from our inquiry before you reach conclusions to your consultation, so do you have any idea when you might be producing your response?

Dr Coffey: It is a very difficult question to answer, because we are about to have a change of Government. There is an element of trying to see what can be decided pretty soon. At the moment, Mr Betts, it is fair to say that we are in the closing stages of discussion on where we are, recognising that quite a lot of the measures that we have talked about need primary legislation. We have been preparing an Environment Bill and some of that is included in this, so we would appreciate your comments, the sooner the better.



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Chair: That is helpful. Thank you both very much coming to give evidence to the Committee this afternoon.