

Northern Ireland Landfill Allowance Scheme Review

Report

May 2008

Context

The Northern Ireland Landfill Allowance Scheme (NILAS) was introduced in April 2005 to provide a cost effective way of enabling Northern Ireland to meet its share of the UK targets as outlined in the Waste and Emissions Trading Act 2003, for reducing the landfilling of biodegradable municipal waste to achieve compliance with the 1999 Landfill Directive (1999/31/EC).

The NILAS Implementation Steering Group (ISG) was established with the aim of ensuring that N Ireland maximises its potential in reaching its landfill targets. As part of the programme of work of the ISG the Department of the Environment (the Department) committed to reviewing NILAS by the end of the third year of the Scheme.

The review focussed on the operational arrangements of NILAS and the objectives of the review were to gather information from stakeholders (namely the three waste management groups and the Technical Advisers Group) on the operation of the Scheme and to identify operational areas for improvement. Specifically the Review's terms of reference were, to review:

- published guidance,
- the reporting of waste information,
- the Implementation Steering Group,
- the issue of allowance trading,
- the DEFRA LATS review, and
- the Review of Public Administration and the NI waste compositional study.

Engagement

The Department issued a NILAS review paper for consultation on 29 January 2008 inviting comments by 14th March 2008. In addition, as part of the consultation process the Department hosted a halfday information gathering seminar on the 5th March to provide a forum for discussing the review's objectives. This was attended by representatives from district councils, the three waste management groups, TAG and NILAS ISG. A total of five written responses were received by the Department.

This report has been compiled by the Department of the Environment based on the responses received. The report and the list of recommendations have also taken into account the views of members of the ISG as expressed at the ISG meeting held on April 16 2008. The ISG will have a continuing role in monitoring the implementation of the recommendations.

Summary

In general respondents welcomed the review and all were content with its terms of reference. Overall the review found that the Scheme is functioning effectively. The publication of Landfill targets and the allocation of allowances to local councils in advance from 2005-2020 allow authorities to develop strategies to minimise the biodegradable waste that goes to landfill. The flexibility of the Scheme, in particular

the transfer of allowances facility, means that local councils can avoid penalties. The Scheme is therefore serving its purpose and it allows collaboration between councils to meet their targets in the most cost effective way.

Over the next twelve years the allocations for each District Council and N Ireland as a whole, will progressively reduce making it vital for more BMW to be diverted from landfill. In the first landfill target year of 2009/2010 the total tonnage permissible to be landfilled in N Ireland is 470,000. The three WMG's revised Waste Management Plans detail how they propose to deal with N Ireland's waste up to 2020. These plans set out the range of facilities required to deliver the NILAS targets. The Executive's capital grant for waste management infrastructure will assist district councils in meeting their landfill targets in 2010, 2013 and 2020. The proposed large scale pieces of infrastructure will play a vital role in diverting the residual waste stream from landfill.

RESPONSES

Guidance

Two respondents commented on the issue of published guidance. Both agreed that the timing of the Review afforded an opportunity to assess the published guidance. Both felt that it would be beneficial if all published guidance relating to NILAS could be re-issued in a single document. It was also felt that current guidance could be expanded to include details on the respective roles of the allocating and monitoring authorities. Composite guidance would provide stakeholders with a one-stop reference work for all NILAS queries.

Reporting of Waste Information

Under the NILAS Regulations EHS, which is the monitoring authority, must maintain a landfill allowances register. The register records allowances allocated, borrowed or transferred by all District Councils. District Councils in N Ireland are required to report on municipal waste each quarter including tonnage figures of municipal waste collected, municipal waste sent to landfill and tonnage of municipal waste sent to waste facilities whether by or on behalf of the District Council. Data returns are made using the WasteDataFlow UK-wide online database.

The WasteDataFlow (WDF) system is under continuous development and provides data for a range of uses including policy making and Best Value Performance Indicators. Overall the review found that Councils are content with the WDF reporting system. The NILAS Regulations require records to be kept of tonnage of waste going to each waste facility, defined as "a facility for the disposal or recovery of waste other than a landfill". The issue of final destination details and the associated reporting of this data was raised by ARC21 and TAG with clarity being sought from the monitoring authority.

An issue that was raised by the monitoring authority during the information gathering seminar was the issue of the timeliness of submitting waste data.

The Implementation Steering Group

All respondents who commented on the ISG were content with its performance and frequency of meetings. One respondent felt that that the frequency of meetings should be determined by the business in hand.

Trading

The issue of trading provoked the largest response from stakeholders. All respondents were in favour of some sort of trading being introduced. There was general agreement that the transfer of allowances should remain as an option and that this facility should remain free. All who commented in detail were of the opinion that trading between councils in NI should not be introduced. ARC21 would like to see the introduction of trading between N Ireland and the other regions of the UK, and this was echoed by SWaMP and TAG. There was broad agreement that trading should only be permitted after N Ireland has successfully completed its own end of year reconciliation. There was also broad agreement that any financial benefits resulting from trading in allowances should be invested in waste management activities. Two respondents favoured the idea that the Department should act as a holding centre for surplus allowances. On the issue of banking of unused allowances, there was broad support for the introduction of this facility.

There are a number of issues which would need to be resolved before trading and banking could be introduced. These include the optimal trading model, operational support for trading and the position of GB Departments. The ISG took the view that, although the facility to trade with GB was desirable, progress was dependent on exploring and resolving the relevant issues.

DEFRA LATS Review & Review of Public Administration

In light of the fact that neither the LATS review nor the review of Public Administration were published at the time of the review process, no comments were received concerning these issues.

N Ireland Waste Compositional Study

Those who commented on the 2007 N Ireland Waste Compositional Study commended the Department for commissioning the study and agreed that the % change in the BMW figure should be incorporated into legislation as soon as possible. The ISG took the view that this was top priority.

Other issues

A number of other issues not included in the Review's terms of reference came up for discussion both at the information gathering seminar and also in the written responses. These included:

- **Allocation of allowances**

With the exception of Coleraine Borough council all respondents were of the opinion that they were content with the present allocation of allowances. One respondent commented that changes here would be unhelpful while another was 'opposed' to any change. Coleraine expressed discontent with its allocation since the Scheme's inception. Because of the population seasonality changes (transient student populations and the influx of summer holiday makers) they felt that their allocation should be reviewed.

- **Home composting**

The issue of home composting was commented on by two respondents who both felt that the Department should strive to have home composting (kitchen and garden waste) accredited and included as an additional means for councils to meet their landfill targets. The difficulties in quantifying home composting are well known. Until a robust model is developed it will prove difficult to have the home composting factored in to any landfill diversion equation.

- **Definition of waste**

Those respondents who commented on the issue of the definition of waste all agreed that the differences between the definition in the WET Act and that of the NILAS Regs should be addressed. It was also felt by two respondents that the Department should look at ways to ensure that industrial and commercial waste at civic amenity sites and recycling centres is not included within the municipal solid waste stream. The ISG took the view that the status quo was acceptable but that revised legislation could be considered if the Department was challenged.

RECOMMENDATIONS

Guidance

- 1) P&EPG and EHS should update guidance currently available to incorporate all ad hoc guidance and policy issued over the last eighteen months and should consider presenting all guidance in a composite format.

Reporting of waste information/final destination data.

- 2) The protocols regarding the reporting of waste information should remain unchanged. Clarification concerning the information to be provided in respect to the final destination of waste data should be provided by the Department.

Implementation Steering Group (ISG)

- 3) The modus operandi of the ISG should be maintained. The Group should continue to meet as before with unchanged terms of reference.

Trading

- 4) The existing arrangements concerning the transfer of landfill allowances should remain unchanged, ie free of charge and administered by the Councils, WMGs and the EHS.
- 5) Internal trading of landfill allowances within N Ireland should not be introduced.
- 6) The Department should consider bringing forward amending regulations, following the first target year of the Scheme, to introduce trading between N Ireland and other regions within the UK. The Department should also consider introducing banking as part of these amending regulations.

Allocation of allowances

- 7) No change should be made to existing landfill allowances in advance of any re-allocation of allowances as a result of the RPA.

Review of Public Administration (RPA)

- 8) The Department should consider the findings of the RPA particularly the impact of any changes recommended by the boundary commission on existing district council boundaries and the implications of these changes on landfill allowance allocations.

NI Waste Compositional Study (WCS)

- 9) The Department should make legislation, coming into effect from 1st April 2009, to implement the findings of the recent WCS.

Home Composting

- 10) The Department should continue to monitor closely the ongoing discussions in GB concerning the development of a robust home composting diversionary model.

Definition of Waste

- 11) The Department should consider developments in GB regarding any changes in the WET Act concerning the definition of waste.