



## ACS Submission – Increasing Business Recycling in Wales

ACS (the Association of Convenience Stores) welcomes the opportunity to respond to the Welsh Government's consultation on increasing business recycling in Wales. ACS is a trade association which represents over 33,500 convenience stores across the UK. Our members include Spar UK, Nisa Retail, Costcutter and thousands of independent retailers. More information about ACS and the convenience sector is available in Annex A.

There are 2,931 convenience stores in Wales<sup>1</sup>, 84% of which are run by independent retailers<sup>2</sup>. Polling of 100 independent convenience retailers in Wales found that convenience retailers are recycling in their business with 40% disposing their mixed recycling through local authority collections, 20% through general waste contractor, and 9% through specialist waste contractor<sup>3</sup>. As such, the Welsh Government must consider carefully how the proposals to increase recycling from businesses will impact businesses' existing recycling practices.

It is important that there is consistency in business waste collections by local authorities given that nearly half of businesses have their mixed recycling collected through this system. The types of recycling that must be separate must also be consistent across Wales to ensure clarity for retailers which operate in more than one local authority. For convenience retailers who contract waste collections through private businesses, the Welsh Government should ensure that requirements to separate waste does not place additional costs on businesses where the waste contractor may charge more money for the separation of recycling in different waste streams.

This is particularly important as the Welsh Government's preferred option will place additional costs on the smallest businesses while larger businesses will experience savings. According to the Regulatory Impact Assessment, a business with 0-4 employees will incur an estimated £8.37 per week as a result of the new requirements and a business with 5-9 employees will incur £1.48 per week. This is equivalent to £435.24 and £76.96 per year respectively. While it will be the waste management business that passes the costs on for collection to their customers, we believe that the Welsh Government must give further consideration to measures to reduce the costs of collection for small and micro firms, following similar commitments from the UK Government with regard to their proposals for consistency in business recycling collections.

Please see below for our response to the relevant questions.

**Question 1: Do you agree that the level of segregation asked of businesses is acceptable? If no, please state why and an alternative.**

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<sup>1</sup> ACS Welsh Local Shop Report 2019

<sup>2</sup> ACS Welsh Local Shop Report 2019

<sup>3</sup> ACS Voice of Local Shops Survey November 2017

The regulations should only apply to back of house waste which the business can control. Customer facing bins may experience contamination which could result in the recycling collection being rejected.

**Question 2: Do you agree with the materials that are proposed? If not, please state why.**

Our preferred option would be to segregate mixed dry recycling and glass recycling as it would minimise the cost on small businesses. Additional materials within scope of the separation requirements for recycling would mean that small businesses would receive increased costs for waste collection.

As stated in the Regulatory Impact Assessment, a business with 0-4 employees will incur an estimated £8.37 per week as a result of the new requirements and a business with 5-9 employees will incur £1.48 per week under the government's preferred option (option 3). This is equivalent to £435.24 and £76.96 per year respectively. While it will be the waste management business that passes the costs on for collection to their customers, we believe that the Welsh Government must give further consideration to measures to reduce the costs of collection for small and micro firms, following similar commitments from the UK Government with regard to their proposals for consistency in business recycling collections. This could include compensating smaller businesses for the additional costs they incur or reducing the materials within scope of the regulations to minimise costs.

We support the minimum threshold by weight (set at 5kg/week) to separate food waste for collection which follows similar regulations in Scotland. The threshold should also be set per store rather than applying to the business as a whole and also exclude areas not controlled by the business, for example, consumer facing bins which may have contamination. 9% of the convenience sector offer recycling bins for customers<sup>4</sup>.

**Question 4: Do you agree that lead in times for the proposals are reasonable? If no, what alternative lead in time would you suggest?**

We agree that the lead in time for the proposed introduction of October 2021 is appropriate. However, if the Welsh Government decide to transpose requirements specified in the European Union Circular Economy Package via Wales only legislation which would come into effect in July 2020, there must be transitional arrangements for businesses. For example, enforcement agencies should work to educate businesses about the regulations and work with them to fulfil their obligations rather than sanctioning businesses for non-compliance.

**Question 5: Do you have any other comments on the impact of these proposals (for example, impacts on your organisation)?**

While we understand that the Welsh Government has considered introducing a de minimis threshold for businesses to comply with the requirements to segregate waste. The Welsh Government should take into consideration that some businesses, including convenience stores which are typically smaller than 3,000 sq.ft. may have limited space in-store and therefore find it challenging to find space to manage the separate of waste. Independent

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<sup>4</sup> ACS Welsh Local Shop Report 2019

convenience retailers have the smallest stores, with 61%<sup>5</sup> of trading out of stores below 999 square feet.

**For more information on this submission, please contact Julie Byers, ACS Public Affairs Manager by emailing [Julie.Byers@acs.org.uk](mailto:Julie.Byers@acs.org.uk) or calling 01252 515001.**

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<sup>5</sup> ACS Welsh Local Shop Report 2019