

TACKLING THE PLASTIC PROBLEM: USING THE TAX SYSTEM OR CHARGES TO ADDRESS SINGLE-USE PLASTIC WASTE

Heart of London response

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Heart of London Business Alliance serves as the voice for 500 businesses and 100 property owners in the Piccadilly & St James's and Leicester Square areas. Our purpose is to support the commercial well-being of the businesses and organisations we represent, and ensure our areas remain integral to London's West End offer as a place for people to visit, live, trade and work.

Summary

Heart of London welcomes the Government's renewed approach to tackling the scourge of single-use plastics in our environment. We believe that our businesses have already made tremendous progress following the recent campaigns, and that a coordinated approach between people, business, and local and national governments is the best way forward.

In summary, Heart of London believes that:

- Businesses already face a heavy tax burden. Government must not increase taxes on hard-pressed businesses who cannot readily source more recyclable and environmentally-friendly products and packaging.
- Government must, however, actively work with industry to implement measures that ensures the decline of single-use plastics. Government should pursue measures that incentivise producers further up the supply chain in order to see more frequent use of recyclable and re-usable plastics.
- Better recycling infrastructure is much needed. If business is to help pay for this, any proposals must be cost-neutral.
- More consumer education is needed on waste disposal, and greater incentives placed on the individual to promote better behaviours.
 - Any taxes raised from the individual consumer must be reinvested to improve the recycling infrastructure.

Heart of London is leading the way by increasing recycling infrastructure with additional coffee cup recycling bins and promotions surrounding their use, as well as facilitating high-quality preferred-suppliers specialising in commercial-waste best-practice.

We are leading by example by ensuring internal practices are pushing a plastic-free ethos, as well as hosting and providing guidance on plastic free events.

I. How should the government define single-use plastics, and what items should be included and excluded, and why?

Single-use plastic should be defined in terms of items with a single lifetime expectancy. For example, plastic PET bottles can be re-used however are not designed as such and the majority of them are thrown away if not recycled after one (single) use. According to National Geographic 91% of all plastic in the UK is thrown away¹, included in that are the 44% of plastic bottles that are not recycled².

Even if the packaging is re-sealable (e.g. pasta and confectionary packets) they are not returned or have the ability to be re-filled in stores therefore are only used once when the content is empty. Therefore a suggested definition could be: single-use plastic falls under 1 or more of the categories below:

- i) Designed and produced with the expectancy to only be used once
- ii) Have a short lifetime expectancy of under X weeks
- iii) The content is unable to be re-filled

Given these categories single-use plastic should apply to straws and cotton buds but also items that people are not aware have plastic in even if just a trace element of it, for example tampons and chewing gum.

Excluded items will include sports drinking bottles that are designed specifically for re-filling and re-usable keep-cups. These items tend to be BPA (Bisphenol A which is a chemical used to make some plastics) free for health reasons.

2. What are the most important problems associated with single-use plastics, and why?

- **Which polymer types are particularly problematic?**
- **Which items are particularly problematic?**

The most important issue is health concerns of micro-plastics in our food chains and water supplies as this could have global implications. From a business perspective the two key issues are littering and deliveries/stock of materials.

Creating a greener environment by reducing litter is supported by Westminster City Council's "City for All" vision³. This involves creating a greener environment and improving the public realm. Litter comes into this and a large proportion of litter is plastic. In order to tackle litter, Heart of London works closely with Westminster City Council and Veolia to ensure the streets are kept clean. This is done via the street cleansing contract which puts extra sweepers and additional flushing programme to the area that goes above the council's statutory requirements. In addition to this, reducing waste altogether, plastic or not, would reduce the need and expense for clearing litter.

Heart of London represents over 500 businesses and property owners. The key action that we have recorded businesses signing up to is the "last straw" campaign coined by the Evening Standard. We have identified over 15 of our members successfully removing plastic straws in a bid to cut plastic waste and believe the message to customers is as important as the amount of plastic straws reduced. For example, the Marriott Hotel used 300,000 plastic straws in 2017 and if just one organisation can

¹ [National Geographic Website](#)

² [Metro news website](#)

³ [WCC](#)

eradicate this many straws with a single campaign, collectively and across all types of waste it can make a much bigger impact.

There is no particular type of plastic identified by business practice in the BID area that is particularly problematic.

3. Are there more environmentally friendly alternatives, currently available or possible in the future, to these types of single-use plastic items or their manufacturing processes, and can they still offer similar benefits?

- **Should the government encourage biodegradability in plastics, and if so, how?**

The technology to create other packaging is available but it is the infrastructure of changing their use that would be hard to manage. For example beeswax liners instead of plastic food packaging can work very well for an individual's lunch but in an industrial scale the re-use of this would need to be across the food chain to ensure arrival at retail units include this material. Heart of London businesses would welcome innovation in the industry, particularly given any line of retail item that would have a positive financial impact.

4. Are there single-use plastic items that are deemed essential by their nature or application, which cannot be substituted or avoided?

Sanitary items, incontinence pads and certain medical waste contain plastic that should only be used once due to the nature of health and safety implications. Safety-rated laminated glass is a form of single use plastic that is essential. This demonstrates that single-use plastic cannot be eradicated.

5. What factors influence the choice of polymer, or combination of polymers, in the production of single-use items?

- **Can you provide data on the production and use of single-use plastic items you produce?**
- **What proportion of the polymers you use or sell do you import and export, respectively?**
- **What proportion of the single-use plastics you produce do you export?**

N/A

6. What proportion of the plastic that you produce is made of recycled plastic, and what are the barriers to increasing this?

N/A

7. What proportion of the plastic that you produce is commercially recyclable and what are the barriers to increasing this and improving the grade it can be recycled to?

N/A

8. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?

- **What interventions should be implemented, and why?**
- **What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?**
- **What would be the impact on your business?**

N/A

9. What factors influence the design and specifications you make for the single-use plastic items you sell, and what are the barriers to using alternatives?

- **In what way, and to what extent, do the decisions of producers and consumers influence the choice of single-use plastics you use in the items you sell?**

On behalf of retail businesses within the Heart of London BID area, barriers for most businesses appear to be cost and demand. The cost of sourcing recyclable content into items is not yet mainstream and competitive. We observe that demand for recycled content items is not a prominent role in consumer purchasing decisions.

10. Can you provide data on the volumes and costs of different types of single-use plastic used?

N/A

11. Have you taken any steps to address the environmental impact of the single-use plastic items you sell, including their end-of-life?

- **Can you provide evidence of the effect these actions have had?**

Heart of London Business Alliance actively encourages all its business to use two preferred waste suppliers. These suppliers have undergone a vetting process and have high sustainable standards including the recycling of many plastics. They actively promote separation of materials where practical and run efficient vehicle fleets to reduce vehicle emissions in the West End. Heart of London also works closely with Westminster City Council to ensure litter is effectively managed and collected on the street. In addition to the on-street recycling-on-the-go bins, there are now coffee cup recycling bins, improving the access and services available to staff and visitors in the area.

As well as improving structure and access to recycling plastic, Heart of London is leading by example in taking a zero approach to single-use plastic within the business. As an organisation we actively reduce the use of plastic in all of our operations. For example steps such as stationery items and deliveries are not delivered or shipped in plastic wrap. Any catering or events run by the organisation facilitate re-usable plates and crockery without plastic cups or straws. This is applicable

at all our events, including the guidelines as set out by Heart of London for hosting a plastic-free event. We also give away re-usable coffee cups and drinks bottles to encourage our businesses in the area to actively participate in reducing plastic waste.

12. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?

- **What interventions should be implemented, and why?**
- **What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?**
- **What would be the impact on your business?**

Heart of London is fully aware of the work Hubbub are completing with a select number of coffee shops. The latte levy means that to have a single-use cup at these stores add 5p to the total cost that goes towards research and the charity Hubbub. We are aware that some stores are carrying out this trial and given the success in the plastic-bag tax it is envisaged to increase the number of customers that take up the re-usable cup option. Currently only 1.8% of Starbucks customers⁴ use the discounted re-usable cup option showing that an increase in tax may generate more sustainable behaviours.

Introduction of taxes can be successful, such as the plastic bag tax. Other taxes may educate consumers on the issue and add pressure on the industry to seek alternative options.

However, we would add the strong caveat that raising taxes on businesses, and not the individual consumer, at this time could have severe unintended consequences. Given that our businesses have already made tremendous recycling improvements, any proposals must not increase their tax burden. Our businesses must have the option of more environmentally friendly products and packaging before government even considers using the tax system to incentivise better behaviour.

13. What factors influence consumers' choices related to single-use plastic items?

- **How can the government encourage the re-use of these items?**

We observe that most consumers do not make a purchasing choice based upon the type of packaging it is contained within. Convenience, cost and suitability of the product, we believe, are the key factors in purchasing. If single-use plastic items were to cost more than recyclable products this would act as a strong incentive to retailers and consumers.

The Government can encourage plastic re-use by educational messages and consideration of such schemes as DRS (Deposit Return Schemes). Heart of London encourages plastic re-use via our two preferred waste suppliers that not only give discounted rates of up to 20% to members, but also provide education and infrastructure expertise to businesses on how to improve recycling in their businesses, inclusive of waste minimisation and re-use best practice.

⁴ Evening [Standard news](#)

14. What are the barriers to consumers choosing alternatives to single-use plastic items, and how responsive would consumers be to price changes?

Barriers include:

- 1) Understanding of the reasons to reduce waste and then to recycle it.
- 2) Convenience of the item being purchased (e.g. as a tourist not knowing the area and where you can fill up a water bottle or if the water has been filtered could hinder drink re-use bottles).
- 3) Behavioural change for a generation that uses plastic in increasing amounts.

In order to overcome these barriers price changes would make a large difference but only if it is included hand-in-hand with education surrounding it. For example, the prompt to purchase a plastic bag for 5p let the consumer know what the charge was for.

15. In what way, and to what extent, do the decisions of producers and retailers influence consumer choice?

Consumer choice is driven largely by the products on offer. There are very few options of purchasing goods, particularly food and drink containers, that are not made of plastic or single-use plastic. If there were options to buy without plastic then it is likely the consumer will slowly choose the option to purchase these, particularly given the rise in media about the problem of plastic since “The Blue Planet Effect”⁵. Therefore, the stock and choice given to consumers will in time influence choice.

16. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?

- **What interventions should be implemented, and why?**
- **What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?**
- **What would be the impact on consumers?**
- **Are there specific items the government should be focussing on?**

See Q.12

17. What are the barriers to the collection of single-use plastics and more environmentally friendly methods of waste treatment, including barriers to any existing technologies?

The barriers to collection are numerous:

- 1) Understanding of what plastics can/can't be recycled. This also differs between commercial and residential waste as well as city to city and also in London, borough to borough. A consistent approach to this would help more people increase their confidence in recycling

⁵ BBC's documentary “Blue Planet 2”: <http://www.bbcearth.com/ourblueplanet/>

them rather than feeling they are not sure therefore put in the general waste. Specifically, with the term “plastic” given that there are 7 different types of plastic.

- 2) On-the-go recycling can often get contaminated, particularly in central London. It is inefficient for recycling vehicles to visit these bins only for another vehicle to visit and collect as waste rather than recycling. A solution to this could perhaps be that certain types or grades of contaminated waste be sent to an MBT (mechanical biological treatment) facility. Although not the cleanest and most environmentally efficient stream it would improve capture rates until behaviour of recycling improves.
- 3) Space in building bin stores, on the street, and in dense areas of London is extremely limited. This is one of the reasons mixed recycling is deemed Technically, Environmentally and Economically Practicable (or TEEP) to collect. Adding separate containers or bins or an alternative plastic only stream could take up a lot of space, cause confusion to users and then add another separate vehicle infrastructure in congested central London.

18. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?

- **What interventions should be implemented, and why?**
- **What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?**
- **What would be the impact on Local Authorities and business?**

It should be compulsory for all plastic materials and packaging to have a minimum percentage of recycled plastic content. This will increase the demand for plastic cullet (which is in high supply in the UK due to China’s import ban) and therefore the demand to increase the quality of this cutlet and in turn recycling infrastructure. This system would then have a positive impact on the circular economy of plastic and recycling it. The tax system could penalise companies and manufacturers that do not meet these targets of recycled plastic content, only if it is found that cost-effective recyclable alternatives were available.

Any future levies or taxes on materials similar to the plastic bag tax should be used to improve recycling infrastructure and education on such issues. The plastic bag tax saw a lot of money sent to charities and rather than replace the current operations that are not enforced or opposed upon (therefore large retail units could be benefiting from the tax unknowingly) the money could go to improve waste management where it is needed. Household recycling is promoted by local authorities, whose spending power has come under strain. An injection of funding could help to improve this.

Heart of London currently use a preferred supplier scheme. As part of due diligence for the suppliers they must meet set criteria for responsible business practices. Increased schemes like this or potential levies towards contracts with manufacturers/producers that use a higher content of recycled plastic in their products for example, could lead to a higher uptake and improve the industry.

It is evident that a governmental initiative is required to make a change in the supply system and therefore consumer behaviour for the optimum output regarding plastic. Additionally, with the imminence of Britain leaving the European Union there is opportunity to make UK specific legislation and improve the circular economy of plastic and other waste materials.

Rather than using a cost implementation such as taxes, alternatives such as the life cycle analysis (LCA) for the carbon expenditure of the product and its packaging should be explored. For example, current waste targets and practices are based on a weight system. If targets were based on an LCA of a plastic bag compared to a 100% corn-starch bag the plastic bag would have the greater carbon footprint. This means that a packaging strategy based on the LCA would lead to more sustainable practices and sourcing of materials.