

Government plays monopoly

A group of 6 independent waste management companies come together for the first time in an attempt to stop the proposal of local waste & recycling monopolies

Following the Government's launch of a series of consultations to overhaul the waste system, cut plastic pollution, and move towards a more circular economy, DEFRA's latest consultation proposed plans to improve recycling both from households and businesses.

Although there is much to applaud here, including the consultation on changing packaging labels and plans to align the myriad of council recycling schemes to reduce confusion, the consultation raised serious concerns among industry specialists.

Six independent recycling companies have now come together to provide their combined expertise to ensure that DEFRA has a representative and full understanding of the market.

The group comprises of BPR Group, Cawleys, First Mile, Grundon, KP Waste and Simply Waste Solutions and has a combined turnover of more than £235m and collects 1.2m tonnes of waste every year from over 55,000 business clients.

In fact, the groups' clients often achieve recycling rates of over 60%. This contrasts significantly to the static 45% rate achieved by local authorities & the national waste companies from households in England.

The skills, best practice and engagement activities to unlock these higher recycling rates have been overlooked from DEFRA's initial consultation.

The groups' concern is that in initial consultations, DEFRA only met a handful of national waste management companies and none of the medium sized regional companies that are the bedrock of the industry.

As such, DEFRA's understanding of the market is skewed & missing key information, resulting in proposals, such as local monopolies, being put forward as answers to non-existent problems.

There is real danger here as economic policy in the last 40 years has recognised the potentially damaging outcomes of such monopolies. A lack of motivation to innovate, a reduction in service quality, higher prices and structural inefficiencies are all associated with a single supplier to a market.

The six companies have now submitted a joint response to the DEFRA consultation and are keen to contribute their expertise on an ongoing basis and are therefore calling for DEFRA to include representatives of this group in future discussions.

Notes to Editor:

The group of 6 independent waste management companies is made up of:

BPR Group	Grundon
Cawleys	KP Waste
First Mile	Simply Waste Solutions

Headline Statistics of the Consortium	
Turnover	>£235m
Clients	>55,000
Collections per week	>250,000
Tonnes of waste p.a.	>1.2m tonnes

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