

Committee for the Environment

Report on the Carrier Bags Bill (NIA 20/11-15)

**Together with the Minutes of Proceedings, Minutes of Evidence and
Written Submissions Relating to the Report**

**Ordered by the Committee for the Environment to be printed 26 November 2013
Report: NIA 125/11-15 (Committee for the Environment)**

Powers and Membership

The Committee for the Environment is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of the Belfast Agreement, section 29 of the Northern Ireland Act 1998 and under Standing Order 48.

The Committee has power to:

- Consider and advise on Departmental budgets and annual plans in the context of the overall budget allocation;
- Consider relevant secondary legislation and take the Committee stage of primary legislation;
- Call for persons and papers;
- Initiate inquiries and make reports; and
- Consider and advise on any matters brought to the Committee by the Minister of the Environment

The Committee has 11 members including a Chairperson and Deputy Chairperson and a quorum of 5. The membership of the Committee since 9 May 2011 has been as follows:

Ms Anna Lo MBE (Chairperson)
 Ms Pam Brown (Deputy Chairperson) ⁷
 Mr Cathal Boylan
 Mr Colum Eastwood⁴
 Mr Tom Elliott²
 Mr Alban Maginness³
 Mr Ian McCrea¹
 Mr Barry McElduff⁵
 Mr Ian Milne⁶
 Lord Morrow
 Mr Peter Weir

1 Mr Ian McCrea replaced Sydney Anderson on 16 September 2013
 2 Mr Tom Elliott replaced Mr Danny Kinahan on 23 April 2012
 3 Mr Alban Maginness replaced Mrs Dolores Kelly on 7 October 2013
 4 Mr Colum Eastwood replaced Mr John Dallat on 18 June 2012
 5 Mr Barry McElduff replaced Mr Chris Hazzard on 10 September 2012
 6 Mr Ian Milne replaced Mr Francie Molloy on 15 April 2013
 7 Ms Pam Brown replaced Mr Simon Hamilton as Deputy Chairperson on 10 September 2013

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Executive Summary

1. This report sets out the Committee for the Environment's consideration of the Carrier Bags Bill.
2. The Bill contains 10 Clauses, and its principal purpose is to amend the Climate Change Act 2008 to allow the current charging requirement on carrier bags to be applied to a wider variety of bags, and to enable these bags to be defined by reference to their price. This will allow the Department to apply the charge to the cheaper versions of reusable bags, as well as to single use bags.
3. Members sought a balanced range of views as part of their deliberations on the Bill and requested evidence from interested organisations and individuals as well as from the Department of the Environment.
4. The Committee was broadly supportive of the Bill and agreed the majority of clauses as drafted, but members expressed serious concerns about the proposed commencement date for the new provisions, which were intended to be introduced by regulations immediately following Royal Assent. In response to these concerns, the Department agreed to insert an additional clause at Consideration stage stipulating that the Bill would not commence before 5 January 2015.

Key issues

5. The following key issues were identified in the course of the Committee's consideration of the Bill:

Commencement

6. In its consideration of the timing of the extension of the charging powers in the Bill, the Committee was mindful of the Department's policy of a phased implementation of the carrier bag levy. The initial phase, whereby single-use carrier bags were subject to a 5p charge paid over by the retailer to the Department, was introduced in April 2013 and the Carrier Bags Bill represents the second stage in the process.
7. However, since the levy had only been in operation for a few months when the Bill was introduced, there was a significant lack of statistical evidence as to how the levy was actually impacting on consumer behaviour. Referring to returns submitted by four main retailers for the first two quarters, the Department reported a dramatic increase in sales of low cost reusable bags – around 800% for six months as opposed to the 70% forecast by the Department for the year – but it was unable to predict if, and for how long, this would be a continuing feature of consumer behaviour.
8. Additionally, these cheaper reusable bags are often marketed by retailers as 'bags for life' and many consumers believe that they are more environmentally-friendly than single-use bags. In fact these bags are made from a slightly heavier-gauge plastic and if they are immediately discarded rather than being reused, the environmental impact may actually be more detrimental than that of single-use bags. Many consumers are unaware that they can reuse 'bags for life' until they are no longer fit for purpose and have them replaced free of charge by the retailer where they were originally purchased.
9. The Committee agreed that a move to bring cheaper reusable bags within the charging scope of the levy at this point would appear counter-intuitive to many customers and that there is a significant need to educate consumers about the use of plastic bags. The Committee did not believe that the timescale which was originally proposed by the Department was adequate

for an effective consumer communication campaign and that without successfully raising awareness of the purpose of the levy, there was a very real danger of consumers reverting to the purchase of single use bags.

10. The Committee also heard from representatives of both larger and smaller retailers who were opposed to the immediate extension of the levy. They detailed the extensive process that had preceded the initial levy - this involved the upgrade of IT systems, as well as staff training and customer education – and expressed their concern that the proposed changes to the operation of the levy within a comparatively short time scale would cause significant logistical problems for them.
11. The Department initially proposed delaying by around two months the operational date of the regulations that would bring the extended charging into effect; this would have deferred the charge on reusable bags from April 2014 until June 2014. The Committee supported a longer lead-in time and also preferred to have the date of commencement on the face of the Bill to promote certainty for both retailers and consumers. The Department subsequently proposed inserting an additional clause to the Bill to delay commencement until January 2015 and the Committee was content with this proposal.

Lack of Evidence

12. The Committee found that its scrutiny of the Bill was seriously impeded by a lack of hard evidence on how the first phase of the levy was impacting on consumer behaviour. Provisional results from the first quarterly returns suggested a significant drop in single use carrier bags, with a possible annual reduction well in excess of 80%, implying that the launch of the first phase of the levy went smoothly. It appeared, however, that the sales of reusable bags – the ‘bags for life’ – had increased very significantly. It could be suggested that the very high numbers of reusable bags sold within the first few months was an initial reaction to the introduction of the charge and would not be sustained indefinitely, but there was no real evidence surrounding this.
13. The Department commissioned an attitude and awareness survey on the levy in June 2013, two months after the charge had been implemented on single use bags; this survey indicated broad public support for the charge, but also that only 56% of respondents frequently reused carrier bags. A further survey is planned for June 2014. The gap between consumer perception and actual behaviour was also highlighted by a behavioural study carried out on behalf of the Welsh Government and Zero Waste Scotland. This study found that, although 79% of Welsh shoppers claimed that they reused their ‘bags for life’ when food shopping, only 51% were observed to be doing so – the level dropped to 18% for non-food shopping.
14. The Department also brought forward some evidence on sales of low cost reusable bags in Wales since the introduction there of the minimum charge on single use bags in October 2011. This indicated that the number and weight of ‘bags for life’ purchased in Wales between 2010 and 2012 more than doubled, whereas the number of purchases of these bags over the UK actually decreased during the same period. This study was based on a sample of five retailers only; similarly, the Department has been provided with information on sales of bags in Northern Ireland by just four retailers - as in Wales, there is no requirement for retailers to collate statistics for any bags other than those subject to the levy.
15. The Northern Ireland Retail Consortium commissioned an independent poll to research attitudes and opinions related to shopping behaviour and the usage of carrier bags between 24 October 2013 and 9 November 2013, and the results of this poll were made available to the Committee. The poll indicated that, although the vast majority of consumers were aware of the existing levy, they were not aware of the proposed extension of the charge to reusable bags and a significant minority suggested that they would revert to single use bags.

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16. The Committee, therefore, urged the Department to put systems in place to monitor accurately not only the sales of low cost reusable bags, but also the number of times that these bags are actually reused by consumers.

Communications Strategy

17. Although the quantity and scope of evidence available was limited and, in many cases, anecdotal, there were strong indications of a lack of consumer awareness of plans to extend the levy to low cost reusable bags. Whereas the initial feedback from both customers and retailers was largely positive, the Committee agreed that a charge on 'bags for life' may well be seen as counter-intuitive by consumers. This reinforced the need for a widespread and effective communications campaign by the Department to ensure that existing support from consumers is underpinned by an understanding that 'bags for life' should be reused as long as possible and that these will be replaced by retailers free of charge.
18. The Department fully accepted that consumers are not generally aware of plans to extend the levy, or of the environmental rationale for this approach. It has recognised the need to address this issue and has recently provided a general outline of the main elements of its communications campaign. The Committee welcomes this campaign and would urge the Department to make best use of the additional time now available to it before the extension of the levy to ensure that its communication activities are timely and appropriately focussed.

Wider Environmental Concerns

19. The wider environmental implications of the continued use of plastic carrier bags of all types were not taken into account in this Bill, but the Committee believes that the Department should give further consideration to this. The European Union has recently adopted proposals requiring Member States to reduce their use of lightweight plastic carrier bags and these proposals recognise the introduction of an outright ban under certain conditions. Other suggestions included a move towards biodegradable bags (although the Department has indicated that a definition of biodegradable may prove problematic) and the use of a grading system, similar to the system currently in use to specify the energy efficiency rating of domestic appliances, that would indicate the environmental impact of the plastic carrier bags available from retail outlets.
20. The Committee's concern in this area has been reflected in its recommendations.

Amount of the Levy and the Charging Threshold

21. The Department's original proposals were for the levy to be increased from 5 pence to 10 pence per bag, and for this to apply to bags costing less than 40 pence. In response to the very large reduction in the number of single use carrier bags indicated by the returns for the first quarter from 8 April 2013 to 30 June 2013, the Minister announced on 9 September 2013 that he did not intend to follow through on the increased levy. He stated that there was no need for the increase as there had been a significant change in consumer behaviour in response to the introduction of the 5 pence levy. He also confirmed that the threshold for the cost of bags coming within the scope of the levy would be set at 20 pence, rather than 40 pence as originally proposed.
22. The Committee welcomed this response to stakeholder concerns and consumer behaviour, and agreed that it was an appropriate course of action.

Investment in Environmental Projects

23. A number of stakeholders raised the issue that the proceeds of the levy should be used to support local environmental projects, rather than being subsumed into the Department's budget. This would avoid the levy being perceived as a tax-gathering exercise, rather than an environmental measure. There was further support for the notion that local businesses should be involved in the identification of suitable projects.
24. The Committee therefore welcomed the Minister's announcement on 16 October 2013 that he had allocated a significant portion of the proceeds from the Carrier Bags Levy to the Challenge Fund to enable communities and organisations to deliver new local environmental projects across Northern Ireland.

Recommendations

Commencement of the Bill

25. The Committee expressed serious concerns that this Bill would be commenced, and the second phase of charging for carrier bags would be in operation, before the impact of the first phase could be properly assessed.
26. **The Committee recommends that the commencement of Phase 2 charging is delayed and welcomes the Department's proposal to bring forward an amendment at Consideration stage to specify that Phase 2 charging will not come into operation before 5 January 2015.**

Lack of Evidence

27. The Committee recognised that existing legislation provides for systems to be maintained by retailers to record the sales of single use carrier bags only, but agreed that detailed information on the sales of other types of carrier bags and on consumer behaviour would be essential to inform the Department's implementation of this policy.
28. **The Committee recommends that the Department puts the necessary systems in place to collate accurate and statistical information on the sales and usage of all plastic carrier bags.**

Communications strategy

29. Although the Committee recognised the significant part played by the Department's communication strategy in the successful implementation in the first phase of the levy, the Committee became increasingly aware of the almost complete lack of knowledge of consumers about the extension of the levy to reusable bags. The Committee believes that an effective communications campaign is essential to ensure customer engagement with the environmental rationale behind the levy and to promote the successful reduction in the usage of low cost reusable plastic bags.
30. **The Committee recommends that the Department utilises the additional time now available to it to ensure that its communication campaign is comprehensive and timely; and that the Committee is kept fully informed of the arrangements and activities which will form the main elements of the campaign.**

Wider Environmental Concerns

31. In addition to the issues arising directly from its scrutiny of the Bill, the Committee considered further measures which could be used to minimise the quantity of plastic bags which impact on the environment. These included an outright ban on single use carrier bags, the introduction of biodegradable bags and a grading system for bags.
32. **The Committee recommends that the Department should consider the wider measures available to it in order to reduce the quantity of plastic bags in circulation and should consider the inclusion of these within its overall waste management strategy.**

Consideration of the Bill by the Committee

33. The Carrier Bags Bill was referred to the Committee for the Environment for consideration in accordance with Standing Order 33(1) on completion of the Second Stage of the Bill on 11 June 2013.
34. The Minister of the Environment made the following statement under section 9 of the Northern Ireland Act 1998:
- 'In my view the Carrier Bags Bill would be within the legislative competence of the Northern Ireland Assembly'.*
35. The policy context for the Bill is the delivery by the Department of its Programme for Government commitment to introduce charging for carrier bags. The Department has approached this on a phased basis. The charge on single use carrier bags was introduced in April 2013 by The Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013 under the Climate Change Act 2008 as amended by the Single Use Carrier Bags Act (Northern Ireland) 2011. The second phase of the charging requirement, on low cost reusable bags below a certain price threshold, is implemented through primary legislation in the Carrier Bags Bill 2013.
36. The aim of the legislation is to apply the charge to a wider range of low cost bags and to enable these bags to be defined by their price. This will effectively increase the price of low cost reusable bags and deter consumers from treating them as single use disposable bags.
37. The Bill also makes amendments to the 2008 Act which will extend the Department's ability to make provision for certain sellers; provide for changes to record-keeping and payment arrangements, including a requirement to pay interest on late payment of the proceeds; strengthen the Department's enforcement powers; and require the Department to carry out a review of the carrier bag charging arrangements.
38. The Department briefed the Committee on 6 June 2013 immediately after the introduction of the Bill to the Assembly on 3 June 2013. Departmental officials provided a useful overview of the policy underlying the Bill, before taking questions from members.
39. The Bill was referred to the Committee after its second stage reading on 11 June 2013.
40. At its meeting on 13 June the Committee agreed to insert advertisements in the Belfast Telegraph, Irish News and News Letter seeking written evidence on the Bill; the Committee also agreed a motion to extend the second stage of the Bill until 30 November 2013 to allow adequate time for scrutiny.
41. The motion to extend was agreed by the Assembly on 25 June 2013.
42. Subsequently the Committee considered the Bill and related issues at meetings on 12 and 26 September 2013, on 3, 10, 17 and 24 October, 7, and on 14 and 21 November 2013. The relevant extracts from the Minutes of Proceedings for these meetings are included at Appendix 1 and Minutes of Evidence at Appendix 2.
43. The Committee had before it the Carrier Bags Bill (NIA 20/11-15) and the Explanatory and Financial Memorandum that accompanied the Bill.
44. The Committee referred the Delegated Powers Memorandum submitted by the Department to the Examiner of Statutory Rules for scrutiny. He reported back to the Committee on 19 September 2013 that he was satisfied that the subordinate legislation referred to in the provisions of the Bill will be appropriate for its purposes.

45. A total of 9 organisations responded to the request for written evidence. A copy of the written submissions received by the Committee is included at Appendix 3 and additional information submitted at Appendix 6.
46. The Committee had oral briefings from Departmental officials and from representatives of the Northern Ireland Independent Retail Trade Association (NIIRTA), the Northern Ireland Retail Consortium (NIRC), the Northern Ireland Environment Link (NIEL) and the Northern Ireland Local Government Association (NILGA).
47. NIIRTA emphasised the commitment of its members to the environmental objectives underlying the levy, but opposed the extension of the levy to reusable bags; NIRC also opposed the extension of the levy without any firm evidence to substantiate its effectiveness and expressed its concerns about the length of the lead time available to retailers to implement a new charging system; NIEL welcomed the success of the first phase of the levy and supported the introduction of the second phase; and NILGA discussed the waste management aspect of the disposal of plastic bags and suggested that further legislation should introduce the requirement for biodegradable bags.
48. At its meeting on 3 October 2013 the Committee was briefed by officials from the Carrier Bags Levy Administration Team. The Team outlined the level and range of support it had provided to retailers, and stated that the implementation of the first phase of the levy had gone relatively smoothly.
49. Departmental officials returned to the Committee on 10 October to address issues that had been raised by stakeholder evidence. The Committee was particularly concerned that the Department should consider some flexibility on the commencement date as this had been raised consistently by stakeholders.
50. On 17 October the Department provided draft Regulations which it proposed to lay in March or April 2014; officials indicated that it might be possible to delay the operational date for around two months so that the extended levy would not apply until June or July 2014. Officials also undertook to obtain information on the outcome of the carrier bag charge in Wales as the Committee was concerned at the lack of data available in Northern Ireland.
51. The Department provided the wording of an amendment to Clause 9 to provide for an ad hoc review of exemptions and this was considered by the Committee at its meeting on 7 November; the Committee was content with this proposed amendment. After noting information on the sales of low cost reusable bags in Wales, the Committee agreed to request the Department to consider an amendment to the Bill, rather than to Regulations, to specify the date of the implementation of clause 1. The Committee also requested detailed information on the Department's plans and timetable for communicating the proposed changes to consumers.
52. The Committee considered the interim Departmental response to this request at its meeting on 14 November 2013.
53. A further Departmental response in relation to an amendment on the commencement of the Bill was discussed at the Committee meeting on 21 November 2013. The effect of the proposed amendment was that the start date for Phase 2 charging would be incorporated into the Bill rather than delivered by subsequent subordinate legislation. Although the Committee was content with the legislative mechanism to be used, the suggested start date – 6 October 2014 – was not acceptable to members. After some further discussion, Departmental officials agreed that the Phase 2 charging would not start before 5 January 2015.
54. The Committee also conducted its formal Clause by Clause scrutiny of the Bill on 21 November 2013.
55. At its meeting on 26 November 2013 the Committee agreed its report on the Bill and ordered that it should be printed.

Clause by clause consideration of the Bill

Clause 1 - Extension of the 2008 Act to carrier bags

56. Clause 1 represents a major change in current policy by omitting the term 'single-use' from carrier bags subject to the levy.
57. This clause introduces the most significant change within the provisions of the Bill and there was considerable opposition to the policy behind it. The basic premise – that the levy was to be extended to low cost reusable bags because they were effectively being substituted for single use bags – was not accepted by many stakeholders.
58. Although retailers acknowledged that the introduction of the levy had resulted in a dramatic reduction in the sale of single use bags, they did not accept that there was any evidence how consumers would react to the levy being extended to 'bags for life'. Retailers also raised concerns about the proposed time scale for the extension of the levy as they would be required to phase out the current IT system and adapt a new system to cope with different bags, as well as training staff and educating customers, within a comparatively short period of time.
59. Many stakeholders believed that extending the levy would send out a confusing message to customers who felt that they were already being environmentally aware by purchasing reusable bags, but NIEL supported the idea that consumers are now used to paying the levy and are familiar with the rationale behind it.
60. Serious concerns were raised regarding the lack of hard evidence as to how the first phase of the levy is impacting on consumer behaviour, as the charge on single use bags has only been in force since April 2013, and also in relation to how accurate the Department's predictions on bag sales are likely to prove in the longer term.
61. The Committee asked the Department to bring forward an amendment to this clause to specify a commencement date later than the date on which the Bill receives Royal Assent. Instead, subject to Executive agreement, the Department undertook to insert an additional clause to the Bill at Consideration stage to specify that the Bill will not come into operation before 5 January 2015. The Committee has agreed that it would support such an amendment.
62. The Committee has also recommended that the Department should put in place formal monitoring systems to address the lack of available data; and that it should arrange for a comprehensive and timely communications campaign to overcome consumer confusion.
63. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 1 as drafted.

Clause 2 - Regulations under Schedule 6 to the 2008 Act

64. Clause 2 gives power to the Department to (i) increase the minimum amount of the levy (through affirmative Regulations), and (ii) exercise discretion in how it applies the charging requirements.
65. The Department's original intention was to use this clause to increase the levy to 10 pence, but following the Minister's announcement on 9 September 2013 that he planned to retain the levy at 5 pence, there were no substantive comments on this clause.
66. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 2 as drafted.

Clause 3 - Requirement to charge

- 67. Clause 3 clarifies that the charge will apply to bags whether or not they are actually used to carry away goods, provided that they are capable of being used to do so.
- 68. The Committee accepted the Department's explanation that the purpose of the clause was to close a loophole in existing legislation.
- 69. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 3 as drafted.

Clause 4 – Sellers

- 70. Clause 4 gives the Department the power to specify retailers by the number of full-time (or full-time equivalent) employees that they have.
- 71. Comments on this clause were broadly supportive as it provides a mechanism to exempt smaller retailers from the burden of administering the levy.
- 72. The Committee was broadly content with the Department's explanation that this is a future-proofing provision.
- 73. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 4 as drafted.

Clause 5 - Payment of the charge

- 74. Clause 5 gives the Department power (through affirmative Regulations) to stipulate how the proceeds of the levy are to be paid over, and to charge interest on payments received late.
- 75. Some stakeholders expressed the view that this appeared to be more about producing revenue than enforcing an environmental measure, and that small businesses may be disproportionately impacted by having to pay interest.
- 76. The Committee raised no real issues with the clause.
- 77. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 5 as drafted.

Clause 6 - Carrier bags defined by price

- 78. Clause 6 extends the definition of carrier bags to be specified by price, as well as the existing technical specifications. The Minister has indicated that there will be a 20p minimum price threshold.
- 79. The Committee found that that the range of low cost reusable bags on sale was quite confusing and examined a number of bags for life available from local supermarkets.
- 80. The Committee raised no real issues with this clause.
- 81. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 6 as drafted.

Clause 7 - Records and enforcement

- 82. Clause 7 gives the Department power (through Regulations) to require retailers to keep certain records, which must be produced to the Department upon request.

83. The Committee accepted the Department's detailed explanation on the type and extent of information to be recorded by retailers.
84. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 7 as drafted.

Clause 8 - Civil sanctions

85. Clause 8 removes the requirement for the Department to lay in the Assembly a review of the operation of civil sanctions where there has been a breach of the Carrier Bags Regulations.
86. The Committee accepted the Department's explanation that this clause repeals existing review provisions which will be replaced by the wider requirements of clause 9.
87. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 8 as drafted.

Clause 9 – Review

88. Clause 9 requires the Department to lay a report before the Assembly within three years of the commencement of the Act, assessing the effectiveness of the legislation and the need for any amendment.
89. The Committee asked the Department for its rationale for choosing a 3 year review period. The Department advised that this was to allow more time for an evidence base to be built up and also to allow the Department time to react to carrier bag charging being implemented in Scotland and England.
90. The Department also advised the Committee of an amendment requested by the First Minister to introduce a provision for an ad hoc review.
91. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 9 as amended:

Clause 9 (Page 3, Line 30)

Leave out subsection (4) and insert-

- "(4) Subsections (1) and (2) do not affect the generality of subsection (5).
- (5) The Department may at any time review whether any description of carrier bag should attract the requirement to charge.
- (6) Expressions used in subsection (5) and in the charging provisions have the same meaning in that subsection as in those provisions.
- (7) In this section-

"charging provisions" means section 77 of and Schedule 6 to the 2008 Act and any regulations made under those provisions;

"the Department" means the Department of the Environment."

Clause 10 - Short title

92. At its meeting on 21 November 2013 the Committee agreed that it was content with clause 10 as drafted.

Long Title

94. At its meeting on 21 November 2013 the Committee agreed that it was content with the Long Title of the Bill.



Northern Ireland
Assembly

Appendix 1

Minutes of Proceedings

Thursday 6 June 2013, Senate Chamber, Parliament Buildings

Present: Ms Anna Lo (Chairperson)
Mr Simon Hamilton (Deputy Chairperson)
Mr Cathal Boylan
Mr Tom Elliott
Mrs Dolores Kelly
Mr Ian Milne
Lord Morrow
Mr Peter Weir

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mr Sydney Anderson
Mr Barry McElduff

10:06am The meeting began in public session.

1. Apologies

Apologies were indicated as above.

10. Departmental briefing on Carrier Bags Bill

Donald Starritt (Head of Policy and Legislation Team), Simon Webb (Project Manager) and Jennifer McCay (Policy and Legislation team) briefed the Committee in relation to the Carrier Bags Bill.

The main areas discussed were the purpose of the Bill and the possible implications that could arise for traders.

[EXTRACT]

Thursday 13 June 2013, Senate Chamber, Parliament Buildings

Present: Ms Anna Lo (Chairperson)
Mr Sydney Anderson
Mr Cathal Boylan
Mr Tom Elliott
Mrs Dolores Kelly
Mr Ian Milne
Lord Morrow
Mr Peter Weir

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mr Simon Hamilton (Deputy Chairperson)
Mr Barry McElduff

10:05am The meeting began in public session.

9. **Carrier Bags Bill**

The Committee agreed to move to agenda item 10.

The Committee considered a motion to extend the Committee stage of the Bill until 30 November 2013. The Committee also noted a letter from the Department to representative groups asking for views on the Bill.

Agreed: The Committee was content with the motion to extend the Committee stage and agreed to write to the representative groups requesting a written submission to the Committee's call for evidence. The Committee also agreed to issue a press release requesting written submissions on the Bill.

[EXTRACT]

Thursday 4 July 2013, Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Mr Simon Hamilton MLA (Deputy Chairperson)
Mr Sydney Anderson MLA
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mrs Dolores Kelly MLA
Mr Barry McElduff MLA
Mr Ian Milne MLA
Lord Morrow MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: None

10:31am The meeting began in public session.

14. The Carrier Bags Bill

The Committee noted a letter from the Department responding to issues raised during the Departmental briefing on 6 June 2013 and the subsequent second-stage debate in Plenary on 11 June 2013.

[EXTRACT]

Thursday 12 September 2013, Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mrs Dolores Kelly MLA
Mr Barry McElduff MLA
Mr Ian Milne MLA
Lord Morrow MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mr Sydney Anderson

Interests declared: Ms Pam Brown, Councillor, Antrim Borough Council.
Lord Morrow, Councillor, Dungannon and South Tyrone Borough Council.
Mr Peter Weir, Councillor, North Down Borough Council.
Mrs Dolores Kelly, Member, National Health Service Superannuation Scheme.

10:10am The meeting began in public session.

19. Consideration of submissions to call for evidence on the Carrier Bags Bill

The Committee considered written submissions received in response to its call for evidence on the Carrier Bags Bill.

Agreed: The Committee agreed to invite NILGA, NI Retail Consortium, NIIRTA and NIEL to give oral briefings at its meeting on 26th September.

[EXTRACT]

Thursday 26 September 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mr Ian McCrea MLA
Mr Ian Milne MLA
Lord Morrow MLA
Mr Peter Weir MLA

In Attendance: Mr Paul Gill (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mr Barry McElduff MLA
Mrs Dolores Kelly MLA

Interests declared:

- Ms Pam Brown – member of Antrim Borough Council
- Mr Ian McCrea – member of Cookstown District Council
- Lord Morrow – member of Dungannon and South Tyrone Borough Council
- Mr Peter Weir – member of North Down Borough Council, member of NILGA.

10:14am The meeting began in public session.

1. Apologies

Apologies were indicated as above.

12. Briefing by NIIRTA on the Carrier Bags Bill

The Committee noted a Report from the Examiner of Statutory Rules on the Delegated Powers in the Carrier Bags Bill.

Glyn Roberts (Chief Executive) and Andrew Porter (Director) briefed the Committee in relation to the Carrier Bags Bill.

Agreed: The Committee requested that NIIRTA keep members informed in relation to the survey on average basket spend and evidence on consumer behaviour since phase 1 of the levy was introduced.

13. Briefing by NI Retail Consortium on the Carrier Bags Bill

Aódhan Connolly (Director) and Joe McDonald (Corporate Affairs Manager, ASDA) briefed the Committee in relation to the Carrier Bags Bill.

Agreed: The Committee requested results of the public poll on the new levy on reusable bags. The Committee also requested a breakdown of the steps needed to implement that changes and practical implications of the changes, particularly from a financial perspective.

12:11pm Mr Elliott left the meeting.

14. Briefing by NI Environment Link on the Carrier Bags Bill

Sue Christie (Chief Executive) and Jonathan Bell (Projects and Policy Officer) briefed the Committee in relation to the Carrier Bags Bill.

Agreed: The Committee requested that NIEL source evidence on how consumer behaviour has been affected by a charge on reusable bags.

12:41pm Mr Elliott re-joined the meeting.

15. Briefing by NILGA on the Carrier Bags Bill

Karen Smyth (Policy Officer) and Councillor Shaun Gallagher (Chairperson, NILGA Waste, Health and Environment Working Group) briefed the Committee in relation to the Carrier Bags Bill.

Agreed: The Committee requested that NILGA source evidence it has on how consumer behaviour has been affected by a charge on reusable bags.

13:14pm Lord Morrow left the meeting

[EXTRACT]

Thursday 3 October 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mr Barry McElduff MLA
Mr Ian McCrea MLA
Mr Ian Milne MLA
Lord Morrow MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mrs Dolores Kelly MLA
Mr Peter Weir MLA

10:07am The meeting began in public session.

10. Departmental briefing by the Carrier Bag Levy Administration Team

The Committee returned to agenda item 6.

Donald Starritt (Environmental Policy Division), Janice Riddell (Environmental Policy Division) and Rory O'Boyle (Carrier Bag Levy Team) briefed the Committee on the operational aspects of the Carrier Bags Levy.

10:57am Mr McCrea joined the meeting.

The main areas discussed were the work of the team, the impact of the levy on small retailers and enforcement activities connected to the levy.

Agreed: The Committee agreed to write to the Department for clarification on issues not covered during the briefing.

[EXTRACT]

Thursday, 10 October 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mr Alban Maginness MLA
Mr Barry McElduff MLA
Mr Ian McCrea MLA
Lord Morrow MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mr Ian Milne MLA

11. Carrier Bags Bill - Departmental briefing

Simon Webb (Project Manager), Donald Starritt (Head of Policy and Legislation Team) and Jennifer McCay (Policy and Legislation Team) briefed the Committee with regard to the issues raised by stakeholders throughout the Committee's consideration of the Bill.

11:27am Mr McElduff left the meeting.

The briefing was followed by a question and answer session.

Agreed: The Committee agreed to write to the Department to ascertain if there may be some flexibility in the commencement of the legislation.

[EXTRACT]

Thursday, 17 October 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mr Barry McElduff MLA
Mr Ian Milne MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: Mr Alban Maginness MLA
Mr Ian McCreagh MLA
Lord Morrow MLA

10:13am The meeting began in public session.

7. **Initial clause by clause consideration of the Carrier Bags Bill**

11:05am Mr McElduff left the meeting.

Departmental officials, Donald Starritt (Head of Policy and Legislation Team), Simon Webb (Project Manager, Carrier Bag Levy) and Jennifer McCay (Policy and Legislation Team), briefed the Committee on the significant aspects of the regulations which will accompany the Bill.

The Committee also considered the key issues of the Bill as they were reflected in each clause.

Clause 1: Extension of the 2008 Act to carrier bags

Agreed: The Committee agreed to request the Department to consider an amendment specifying the date on which the regulations pertaining to the Bill will be implemented

Agreed: The Committee also agreed to request the Department to provide statistical information on the sales of carrier bags in Wales as soon as this is available

Clause 2: Regulations under Schedule 6 to the 2008 Act

11.40am Mr Boylan left the meeting.

Agreed: The Committee agreed that it was content with the Department's explanation of the key issues surrounding this clause.

Clause 3: Requirements to charge

Agreed: The Committee agreed that it was content with the Department's explanation of the key issues surrounding this clause.

Clause 4: Sellers

Agreed: The Committee agreed that it was content with the Department's explanation of the key issues surrounding this clause.

Clause 5: Payment of the charge

11.45 am Mr Boylan rejoined the meeting.

Agreed: The Committee agreed that it was content with the Department's explanation of the key issues surrounding this clause.

Clause 6: Carrier bags defined by price

11:52am Mr McElduff rejoined the meeting.

Agreed: The Committee agreed to examine a range of carrier bags, including reusable bags-for-life, to ascertain which bags would be impacted by the price threshold to be introduced by this clause.

Clause 7: Records and enforcement

Agreed: The Committee agreed that it was content with the Department's explanation of the key issues surrounding this clause.

Clause 8: Civil sanctions

Agreed: The Committee agreed that it was content with the Department's explanation of the key issues surrounding this clause.

Clause 9: Review

Agreed: The Committee agreed to request the Department for details of the proposed amendment to provide for an ad hoc review of exemptions.

12:02pm Mr McElduff left the meeting.

Clause 10: Short title

Agreed: The Committee agreed that it was content with the Department's explanation of this clause.

The Committee discussed the amount of information still to be received from previous witnesses and from the Department.

Agreed: The Committee agreed to continue its scrutiny of the key issues at its meeting on 7 November when it hopes to be able to consider all outstanding information.

12:05pm Ms Brown left the meeting.

[EXTRACT]

Thursday, 7 November 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Colum Eastwood MLA
Mr Tom Elliott MLA
Mr Alban Maginness MLA
Mr Ian McCrea MLA
Mr Barry McElduff MLA
Lord Morrow MLA
Mr Ian Milne MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)

Apologies: None

10:10am The meeting began in public session.

14. Initial clause by clause consideration of the Carrier Bags Bill

Donald Starritt (Carrier Bag Levy, Head of Policy and Legislation Team) and Jennifer McCay (Carrier Bag Levy, Policy and Legislation Team) attended the briefing to discuss outstanding issues in relation to the Carrier Bags Bill.

The Committee noted a Departmental response regarding the possibility of deferring the commencement of the legislation.

12:24pm Mr Eastwood left the meeting.

The Committee noted details provided by the Department of an amendment to clause 9, requested by the First Minister to introduce a provision for an ad hoc review of exemptions.

The Committee noted further Departmental correspondence on the carrier bag levy in Wales.

12:27pm Mr Weir re-joined the meeting.

Clause 1 – Extension of the 2008 Act to carrier bags

Agreed: The Committee agreed to request the Department to consider an amendment to the Bill, rather than to Regulations, to specify the date of the implementation of clause 1.

Agreed: The Committee also requested detailed information on the Department's plans and timetable for communicating the proposed changes to consumers.

Clause 2 – Regulations under Schedule 6 to the 2008 Act

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 3 – Requirement to charge

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 4 – Sellers

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 5 – Payment of the charge

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 6 – Carrier bags defined by price

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 7 – Records and enforcement

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 8 – Civil sanctions

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause.

Clause 9 – Review

Agreed: The Committee agreed that there were no further issues it wished to raise and that it was broadly content with the clause subject to the amendment proposed by the First Minister.

Clause 10 – Short title

Agreed: The Committee agreed that it was broadly content with the clause.

[EXTRACT]

Thursday, 14 November 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Tom Elliott MLA
Mr Ian McCrea MLA
Lord Morrow MLA
Mr Ian Milne MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)
Ms Roisin Kelly (Assembly Bill Clerk – item 1 only)
Ms Suzie Cave (Assembly Research officer – item 11)

Apologies: Mr Barry McElduff MLA

10:04am The meeting commenced in closed session.

1. Bill Office briefing on the Carrier Bags Bill

10:07am Lord Morrow joined the meeting.

10:19am Mr Milne joined the meeting.

Ms Roisin Kelly (Assembly Bill Office) briefed the Committee in closed session regarding the Carrier Bags Bill and the options available to specify the commencement of the Bill.

Agreed: The Committee agreed to request a draft amendment from the Bill Office to extend the commencement date following Royal Assent. The Committee also agreed to consult with the Northern Ireland Retail Consortium regarding the proposed amendment.

Agreed: The Committee agreed to reconsider the rationale of having a three year review period for the Bill.

10:30am Lord Morrow left the meeting.

10:34am The meeting moved into in public session.

[EXTRACT]

Thursday, 21 November 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Colum Eastwood MLA
Mr Tom Elliott MLA
Mr Alban Maginness MLA
Mr Ian McCrea MLA
Mr Barry McElduff MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Ms Antoinette Bowen (Clerical Officer)
Ms Noreen Hayward (Clerical Officer)
Ms Roisin Kelly (Assembly Bill Clerk – item 6 only)
Ms Suzie Cave (Assembly Research Officer – item 4 only)

Apologies: Lord Morrow MLA
Ian Milne MLA

10.39am The meeting commenced in public session.

5. **Departmental briefing on the Carrier Bags Bill**

Donald Starritt (Carrier Bag Levy, Head of Policy and Legislation Team) and Simon Webb (Carrier Bag Levy, Project Manager) briefed the Committee regarding a proposed amendment to Clause 1 of the Bill.

The main areas discussed were the Departments proposed amendment regarding deferring the commencement of legislation and the main elements of its proposed communications campaign.

The briefing was recorded by Hansard.

10:59am Mr Eastwood re-joined the meeting.

11.08am Mr Weir left the meeting.

11.08am Mr Boylan left the meeting.

11:09am Mr Eastwood left the meeting.

11.11am Mr Boylan re-joined the meeting.

11.13am Mr Eastwood re-joined the meeting.

11.15 am Mr Weir re-joined the meeting.

The Committee noted correspondence from the Northern Ireland Retail Consortium.

Agreed: The Committee agreed to consider a proposed Departmental amendment introducing a new clause to the Bill to delay the commencement date until Monday 5 January 2015.

Agreed: The Committee agreed to write to the Department asking that the wording of the proposed amendment on the commencement of Bill would be provided in time

for the Committee's consideration of its draft report at its meeting on Tuesday 26 November.

11.18 am Mr McCrea left the meeting.

11:18am The meeting moved into closed session.

6. Assembly Bill Office briefing on the Carrier Bags Bill

An Assembly Bill Clerk briefed the Committee on the options available in progressing its consideration of the Bill and provided a draft Committee amendment on commencement for consideration.

11:22am Mr McElduff joined the meeting.

11.26am Mr McCrea re-joined the meeting.

11:28am Ms Brown left the meeting.

Agreed: The Committee agreed that it was content with the proposed Departmental amendment to delay the start of Phase 2 charging until Monday 5 January 2015.

11:30am The meeting moved back into public session.

7. Formal clause by clause consideration of the Carrier Bags Bill

The Committee commenced its formal clause by clause consideration of the Carrier Bags Bill.

Agreed: The Committee agreed that it was broadly content with the Bill as drafted, but expressed general concern regarding the clarity of the commencement date. The Committee welcomed the Department's agreement to bring forward an amendment to specify a firm date for Phase 2 charging to begin. Subject to sight of this amendment, the Committee agreed that it was broadly content with the Bill.

11:33am Ms Brown re-joined the meeting.

Clause 1 – Extension of the 2008 Act to carrier bags

“Question: That the Committee is content with clause 1 put and agreed to”

Clause 2 – Regulations under Schedule 6 to the 2008 Act

“Question: That the Committee is content with clause 2 put and agreed to”

Clause 3 – Requirement to charge

“Question: That the Committee is content with clause 3 put and agreed to”

Clause 4 – Sellers

“Question: That the Committee is content with clause 4 put and agreed to”

Clause 5 – Payment of the charge

“Question: That the Committee is content with clause 5 put and agreed to”

Clause 6 – Carrier bags defined by price

“Question: That the Committee is content with clause 6 put and agreed to”

Clause 7 – Records and enforcement

“Question: That the Committee is content with clause 7 put and agreed to”

Clause 8 – Civil sanctions

“Question: That the Committee is content with clause 8 put and agreed to”

Clause 9 – Review

“Agreed: That the Committee recommends to the Assembly that clause 9 be amended as follows:

Clause 9 (Page 3, Line 30)

Leave out subsection (4) and insert-

- “(4) Subsections (1) and (2) do not affect the generality of subsection (5).
- (5) The Department may at any time review whether any description of carrier bag should attract the requirement to charge.
- (6) Expressions used in subsection (5) and in the charging provisions have the same meaning in that subsection as in those provisions.
- (7) In this section-

“charging provisions” means section 77 of and Schedule 6 to the 2008 Act and any regulations made under those provisions;

“the Department” means the Department of the Environment.”

Clause 10 – Short title

“Question: That the Committee is content with clause 10 put and agreed to”

Long Title

“Question: That the Committee is content to agree the Long Title of the Bill put and agreed to”

Agreed: The Committee agreed to schedule an additional meeting on Tuesday 26 November 2013 to consider its draft report on the Bill.

11:41am Mr Eastwood left the meeting.

[EXTRACT]

Tuesday, 26 November 2013

Senate Chamber, Parliament Buildings

Present: Ms Anna Lo MLA (Chairperson)
Ms Pam Brown MLA (Deputy Chairperson)
Mr Cathal Boylan MLA
Mr Colum Eastwood MLA
Mr Tom Elliott MLA
Mr Alban Maginness MLA
Mr Ian McCrea MLA
Mr Barry McElduff MLA
Mr Ian Milne MLA
Mr Peter Weir MLA

In Attendance: Mrs Sheila Mawhinney (Assembly Clerk)
Mr Sean McCann (Assistant Assembly Clerk)
Mr Neil Sedgewick (Clerical Supervisor)
Ms Antoinette Bowen (Clerical Officer)
Ms Roisin Kelly (Assembly Bill Clerk – item 5)

Apologies: Lord Morrow MLA

1:19pm The Committee went into closed session to consider the draft Committee report on the Carrier Bags Bill.

5. Consideration of the draft Committee report on the Carrier Bags Bill

The Committee considered the wording of a Departmental amendment to be brought forward at Consideration stage to specify that Phase 2 charging will not come into operation before 5 January 2015.

Agreed: The Committee agreed to defer further consideration of the draft amendment until its meeting on 12 December 2013.

The Committee considered a draft report on the Carrier Bags Bill.

Agreed: The Committee agreed the draft report, subject to minor amendments, and ordered it to be printed.

Question put and agreed:

‘That the Report be the Fifth Report of the Environment Committee to the Assembly.’

Agreed: The Committee was content to include in its report the relevant extract of minutes of this meeting without further approval.

1:22pm The meeting moved back into public session.

[EXTRACT]



Northern Ireland
Assembly

Appendix 2

Minutes of Evidence

6 June 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Mr Simon Hamilton (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Tom Elliott
 Mrs Dolores Kelly
 Mr Ian Milne
 Lord Morrow
 Mr Peter Weir

Witnesses:

Ms Jennifer McCay Department of the
 Mr Donald Starritt Environment

1. **The Chairperson:** Hello. You are all very welcome. Good morning. Donald Starritt is carrier bag levy head of policy and legislation team, Simon Webb is carrier bag levy project manager and Jennifer McCay is from the carrier bag levy policy and legislation team. You can give us a briefing for five to 10 minutes, and then I am sure that members will have questions to ask.
2. **Mr Donald Starritt (Department of the Environment):** Certainly. Thank you, Chair. It will probably not take me too long to give a quick summary. Members will know that the Bill was introduced to the Assembly last week, and the Second Stage is scheduled for 11 June, which is why we are here today. You should have two papers from the Department. The first one is the delegated powers memorandum, which essentially summarises each clause of the Bill that allows us to make subordinate legislation basically to put more detail into how the carrier bag levy will work.
3. **The Chairperson:** Donald, will you speak up a little bit? These microphones are not really for loudspeaking; they are only for recording. It is such a big room, and you are sitting at the other end of the room. I need to hear you.
4. **Mr Starritt:** Sorry. As I said, there are two documents. The first is the delegated powers memorandum, which explains the powers in the Bill to make any subordinate legislation. The second paper is an overview of the Carrier Bags Bill. There we have gone through each clause of the Bill and set out what the clause does and how we propose to use the clause, so that the Committee can see why the Bill is being brought forward in the first place.
5. It is perhaps worth confirming, for context, that the Bill provides for phase two of carrier bag charging, which is to extend the levy to a range of low-cost reusable bags and increase the levy from 5p to 10p. To do that, we need a mixture of primary legislation and further subordinate legislation. That is really what phase two is about. One point that I would like to make at this stage is about the reusable bags and which bags we are talking about. The legislation will allow us to define those bags with regard to price. There is no price figure that will appear on the face of the Bill; that will appear in the subordinate legislation. The Minister has not taken a final decision on what the figure should be. He has a figure in mind, which is 40p, so that means that bags with a retail price of less than 40p would be subject to the 10p levy. Effectively, that would increase the price of that bag by 10p.
6. **The Chairperson:** So, if it is 39p, they need to add on 10p to help to pay the 10p levy.
7. **Mr Starritt:** That is right. Typically, we think that low-cost reusable bags are mostly around 5p to 15p to 20p. Therefore, it would increase the price of those bags by 10p. The retailers would be required to pay the proceeds from that 10p levy — the same with the single-use charge — to the Department.
8. Intuitively, people will wonder why they are being charged for low-cost reusable bags; surely those are the types of bags that we want people to use? Yes, we

- want them to use them and reuse them. However, the danger is that if we do not apply the charge to those very cheap bags, they become the throwaway bag and are not reused as they are intended to be. A lot of shops operate a bag-for-life policy whereby you buy your first bag, you bring it back and you can get it replaced. That will still be possible under the legislation. It will be only the first bag purchased that will attract the levy.
9. **The Chairperson:** Those bags are less than 40p. The Tesco —
 10. **Mr Starritt:** Typically, they can be as cheap as 5p, and they could be up to 15p to 20p.
 11. **Mr Hamilton:** Sometimes dearer than that.
 12. **Mr Starritt:** That initial purchase would rise by 10p, assuming that the retailer does not change the price of the bag to start with, and the 10p levy proceeds would come to the Department.
 13. **The Chairperson:** It is making it so complicated. I still say that the principle is wrong. We are putting a levy on people buying reusable bags. A lot of people would support a levy on the single-use bags but, when it comes to reusable bags, they still have to pay a levy. The message is that we still do not want you to buy reusable bags at a cheap price.
 14. **Mr Starritt:** Intuitively, it does not seem right. Since the single-use bag levy came into operation, we have seen an awful lot of additional, very low-cost, quite flimsy reusable bags being sold by retailers. On the one hand, you say that that is fair enough and you would expect that to happen. The danger and the worry is that people will not reuse them. They will simply use them as a better bag to line their bin with. They will throw them away, and we could have created a new, more robust throwaway bag, which would be a bigger environmental problem. That is the reason for putting the charge on the bags in the first place. Equally, when people behave responsibly, reuse those bags and bring them back for a replacement, they will get a free replacement. That means that people who behave responsibly are not penalised.
 15. **The Chairperson:** They are not the same size as the single-use bags. They are a different size. I do not think that you can line the small pedal bins with them.
 16. **Mr Starritt:** I am quoting one use there, but they could be thrown away or used for other purposes. When people go into a shop and are faced with a flimsy single-use bag or a very cheap reusable bag, which would be even cheaper if it did not have the levy, there is no choice: they will pick the better bag, possibly with the intention of reusing it, but that does not mean that they will, and that is what we are trying to tackle. Without that, we think that we really could have an environmental problem on our hands.
 17. **Mr Hamilton:** Initially, I would have been sceptical about the introduction of the levy, even for the flimsier bags. Notwithstanding the genuine administrative concern that small retailers have, which we all appreciate, it would be wrong to say anything other than it has been a success in reducing the number of bags, which was the intention in the first place. From that perspective, it has been more than a success: it has been a roaring success.
 18. I know what you are saying, Chair, about it seeming a bit odd that we are now putting this levy on bags that, ostensibly, are helping the environment and are reusable, but I am aware of one major supermarket selling a reusable bag that is not much better than the carrier bags that it would have given away for free. It is only slightly stronger; it would not take too many goes. The price point is 6p. It has been deliberately put at 6p. It is a branded bag, so it is a nice bit of advertising for the company. People are saying that they will pay the extra penny because it is a better bag. It is not much better. They will need another every couple of weeks, so you get into that, and there is a risk that every major supermarket — given that they are the biggest users of these bags — will start to do that and people will get into the

- way of thinking, “Well, it is a better bag and it’ll last you a week longer than the last one would have, so I will pay the extra penny”.
19. **The Chairperson:** Rather than pay the tax.
20. **Mr Hamilton:** Yes, rather than pay the tax. People are funny. If multinational companies will do anything to avoid tax, some people will think, “OK, I am paying an extra penny but I am sticking it to the taxman, so it’s fair enough”. People will always attempt to game the system, and that is one such attempt. The supermarket has put 1p on for a bag that is not massively better, and the risk is that all the supermarkets follow that one’s lead, and they all do it at 6p, we will not quite be back at square one, because I do not think that we will go back to anywhere near where we were, but, after an initial huge drop in the consumption of bags, you may again see it start to go up slightly. That is better than where we were and all of that, but you just want to ensure that any scope for that happening is done away with. The price of better-quality bags that some supermarkets are selling will not be significantly affected by this. These are the ones that bridge the gap between really flimsy stuff that you got for free before and the stuff that is sold by playing on people’s psyche that this is a better bag, so I do not have to spend the higher amount of money, I will just pay 6p for this one.
21. **So, you are right:** it does not seem right, Chair, it seems counter-intuitive to what we intended and how we were trying to encourage people to behave. However, we have already seen evidence of some companies trying to game the system and get round it. Therefore, it seems to be a logical extension, given the evidence, because this has obviously been in the works for some time. We have only a couple of months’ worth of evidence, but within even that time, we can already see some retailers trying to work their way round it. I am not wildly enthusiastic about anything to do with this — it is hard to be — but I support the principle of it.
22. **Mr Boylan:** Thanks, Donald. It will soon be that everybody will have to do a degree to understand the kind of bag that they will use. I can imagine people like that walking into a shop like that from now on. The key element in all of this is getting the message of what we are trying to do out to the public again. My colleague mentioned the issue of cheaper bags coming in and being used. Simon talked about the 1p extra, and that is not acceptable either because that is not the focus of the legislation. We need to get away from this thing about the levy and the tax issue, which people out there still believe it is. You said that the legislation defines what type of bags will be affected. You clearly have an idea what that is, and perhaps the Committee will have sight of it. The important part is how you roll out informing the public about what exactly is coming down the tracks. Would you like to expand on those points?
23. **Mr Starritt:** Sorry, I meant to mention earlier some detail of how the policy will unfold. We are not just at this stage yet, but we hope to have a draft of the regulations, really to inform members as they look at the Bill at Committee Stage as to how the Department proposes to use it. That set of regulations will be an advanced draft rather than completely finalised. We would keep the Committee informed of the extent to which there would be any changes. It is really just to show how we are going to use the legislation.
24. **Mr Simon Webb (Department of the Environment):** Everyone acknowledged that the phase one communications campaign was very successful in relaying the 5p levy to the public. A similar campaign would be envisaged from January next year in the build-up to the implementation of phase two.
25. **Mr Weir:** Thank you for your evidence. I tend to concur with what has been said already. The communication side will be crucial, particularly around the reusable bags. The argument is to prevent people getting around the situation, particularly some of the larger companies. That

- message needs to get across, because it is counter-intuitive.
26. The other thing with regard to promoting the general idea is that it is not just going to be the reduced level of use of bags, and we have seen publicity around that already. When we get to the stage when money is generated and used for environmental projects, it is important that those are pushed from a high-profile point of view.
27. My other issue, which does not go to the heart of any of the direct regulations, is very anecdotal. I have spoken to some shopkeepers who run small businesses, and they have noticed two things. One is positive and the other is negative, and the hope is that the negative thing will not last that long. The positive side is that the amount of money that they are spending on plastic bags has been reduced significantly, and their costs have been reduced correspondingly. However, there is concern among some of the smaller shops that their trade, at least initially, has dropped. The concern, particularly from those who run convenience-type shops, is that it is producing a shift in consumer behaviour, because, rather than going for a few items and trying either to carry them out or use a plastic bag, people are simply thinking that if they are going to have to pay for bags, they will not get those few items from a particular shop but will wait until they do a large shop at the supermarket. I suppose there is a concern that one unintended consequence has been a shift in consumer patterns away from some of the smaller shops. I appreciate that we are relatively early in the process and that things may settle down, but is the Department doing any monitoring of the impact of that? If, as a result of this, there was an unintended shift, would we need to look at whether there could be any rebalancing or compensating measures — not so much on the plastic bag side — to shift that burden back a little bit?
28. **Mr Webb:** With regard to the evidence of the impact on smaller traders, obviously we have the carrier bag levy team with customer relations managers who interact daily with businesses. You are quite right: initial evidence suggested that there was that sort of immediate impact with customers having to carry their groceries out and buying fewer impulse purchases. However, one set of data that I have seen seems to indicate that that is tapering off now and that it was a short-term effect as people got used to bringing their bags on a very regular basis, even if it was just to the convenience store.
29. With regard to costs, the Department is not proposing anything at the moment that would differentiate between retailers. One of the principles of the legislation has always been to treat all retailers equally. However, it is hoped that those carrier bag cost savings would offset any small short-term effect in the impact on trade.
30. **Mr Elliott:** Thank you for the presentation. I was going to mention the point that Peter talked about with regard to the small retailers and people buying fewer goods. I have not heard that evidence yet, but I am pleased to hear that that may be tapering off. However, I would be pleased to get feedback on that, and I am sure that the Committee would as well.
31. It gets slightly confusing for the wider public as it progresses. Simon talked about one company getting a way round the 5p levy. People will always find a way round mechanisms. If you set the rate at 40p, for a bag that they may have been charging 35p for, they will just up that price to 41p, and then there will be no levy. No matter what you set, there will be a mechanism to find a way around it. I am just wondering — I am not recommending this at the moment; I am just interested to hear your views — if there is not a suggestion to ban all single-use carrier bags, and those lower-value carrier bags as well.
32. **Mr Starritt:** I know that, for single-use plastic bags, there was talk at one stage. Europe did a write-around questionnaire to member states to take views on it, and I know that a ban was

- one thing that was discussed there. My understanding was that they did not actually go for that. I wonder how you would actually do it in for low-cost reusable bags. I suppose we have to be careful that we do not deny people the opportunity to have any sort of low-cost, low-price shopping bag that they intend to use responsibly. That, in a sense, is why we have tried to design the legislation so that where people do use them properly as a bag for life, they are not penalised. They will still have to pay the levy at first purchase, but it is a relatively small outlay. If you use it properly, and assuming that shops continue to work the bag-for-life policy, effectively a 15p to 20p outlay at the start is all you really need to make. A ban might be something that we are forced to think about if Europe decided to go in that direction, but we certainly do not have any indication —
33. **Mr Elliott:** I am not recommending it; I just wanted to hear your views on it, that is all. I just wonder when you will be back next with something different in the legislative process over carrier bags, because I assume that it will not stop here. I can foresee this being almost a rolling process, with individuals, companies, people or organisations finding a way around the process or mechanism. What do you foresee in the future around all of that? Do you see us having to change and amend legislation quite often?
34. **Ms Jennifer McCay (Department of the Environment):** There is a provision in the Bill with two aspects to it. First of all, there is a provision for review in the Bill, which will require us to completely review the legislation and all its operational exemptions, and so on. We have to do that within three years of it coming into effect. As well as that, the Minister has agreed to bring forward an amendment at Consideration Stage — we will have to work out the detail of what it is going to say — specifically about review of exemptions. So there is provision; it really just depends what that reveals and whether the Department feels that there is a need for further legislation.
35. Referring back to what you and Mr Weir said about small retailers, it is worth mentioning that there is a clause in the Bill that allows the Department to define a seller by number of employees. As I said, at the moment, there is no policy decision to use that. All the retailers are going to be treated the same. There is a provision for that in the future. I think that is to future-proof the Bill. If, for example, there was evidence that it was harming smaller retailers, the Minister might take a decision to exempt certain retailers, such as smaller retailers, from the legislation.
36. **Mr Starritt:** That is probably the important point that we wanted to make. In designing the Bill, we have tried to future-proof it as much as we can. Members will note when you are in detailed scrutiny that there is also a provision in the Bill that attracts the Interpretation (Northern Ireland) Act 1954. The reason for doing that is to give maximum flexibility. It is not that there are any ulterior motives, because there are not. It is really just to make sure that we have flexibility so that, if some unintended consequence does emerge, we can deal with that a bit more quickly than we would if we had to bring in primary legislation and further subordinate legislation. That is the rationale.
37. **Mr Webb:** We will also need to look at the amount of the levy and the threshold at which the levy will apply once we get the first returns in and have had a couple of years of the system bedding in.
38. **Mr Hamilton:** I have a follow-on question about small retailers. Superficially, I imagine that what is proposed will have less of an effect on small retailers than the first Bill, because those who sell the type of bag that we are talking about tend to be the big supermarkets rather than small corner shops and other retailers. Have you looked at that or analysed whom it affects most?

39. **Mr Webb:** We do not have empirical data on that. It is more anecdotal evidence from the carrier bag team. However, you are quite right, and that is certainly the experience of the customer relations managers. When customer relations managers go out to stores, it tends to be the larger chain stores.
40. **Mr Starritt:** We have never been quite sure how small retailers could react. They could keep a stock of low-cost reusable bags as a service to their customers. However, even anecdotally, we have not heard a lot of evidence of that.
41. **Lord Morrow:** Thank you for your presentation. I have spoken to retailers, particularly those who operate in shopping malls where there are no restrictions on movement from one store to another and where casual shoppers come in, see something that they never intended to purchase in the first place and make that purchase. One retailer said that it was encouraging shoplifting, and I have witnessed people walking around from one store to another with goods in their hand and not in a bag. There are already horrific figures for shoplifting, and retailers say that this will exacerbate it and cost them a fortune. Would you like to respond to that?
42. **Mr Webb:** An analysis was done after the plastic bag levy was introduced in the Republic. It looked at elements such as the impact on shoplifting and found that there was a short-term impact. The study focused mostly on medium- and larger-sized retailers. It identified an initial upturn in shoplifting and shopping baskets being taken, but that subsided.
43. **Mr Starritt:** This is anecdotal and is only one example, but a shopkeeper made the point that he was concerned about shoplifting. A customer relations manager visited him in the store and, through their conversations, they came to the conclusion that the shop could be designed better — for example, the location of the till — to prevent that happening. On some occasions, it has prompted a retailer to think about the shop layout. In some instances, it may make shoplifting easier than it should be. You are right: it is a potential problem when people are using their own bags and wandering from store to store. That is an inherent problem in shopping malls anyway. I am not sure whether the levy will increase it by all that much.
44. **The Chairperson:** Lord Morrow is right. Previously, many shops had logos on their bags, so when a customer handed over money, the clothes, shoes or whatever were put into that bag. People are now bringing their own shopping bags or are carrying the goods around.
45. **Lord Morrow:** Stores that used a designer, for the sake of a better word, bag — a high-quality bag to advertise their goods as people stroll around with whatever brand name or store name on it — find that they will be decimated by all this because they also come under the whip. I am not talking about stores that were built 50 years ago but those that were built about 10 or 15 years ago when shopping centres were designed to circulate customers. The thinking was that once you got people in, you should get them on the roof so that they circulate around the shopping mall. As I was talking to the retailer who was expressing her concern, lo and behold, did someone not walk past with goods over their arm. The retailer said that she not know where those goods had been purchased. I am not saying that there was anything wrong, but those goods could have been purchased in one store or in four stores. The person had filtered through to the retailer's store and was about to leave the shopping centre. Everything was probably fine, but what proof was there? The retailer had no authority to ask for a receipt because the goods were not purchased in her store.
46. **Mr Hamilton:** If you suspect somebody has been shoplifting, there are protocols.
47. **Lord Morrow:** If you charge someone in error, there are also protocols.
48. **Mr Webb:** As Donald said, we have had only one approach from a retailer on that issue. Certainly, if there are concerns,

- the carrier bag team is happy for a customer relations manager to meet retailers if that would help.
49. **Lord Morrow:** That would be useful. I would love to speak to that person and bring them to the retailer whom I mentioned.
50. **Mr Starritt:** I do not have the figures, but the customer relations managers have been out and about and have completed quite a number of visits. If people do not understand the exemptions or have a query, they can make a phone call. Sometimes, a very simple query can be answered over the phone, and at other times, that will not be the case. Customer relations managers are happy to make visits.
51. **The Chairperson:** Have all retailers received the telephone number and other contact details if they have any queries.
52. **Ms J McCay:** So far, customer relations managers have completed over 2,000 visits.
53. **Lord Morrow:** On the issue of redesigning a store —
54. **The Chairperson:** It would cost a lot of money to do that.
55. **Lord Morrow:** Exactly. That is my point. I would not want people to have to spend £10,000, £30,000 or £50,000 to redesign their store to facilitate the new bag levy.
56. **Mr Starritt:** In the situation that I spoke about, the redesign of the store simply involved moving the till from one end to the other. I accept what you are saying; it will not be the answer every time.
57. **Mr Elliott:** For clarification: will the Bill give the Department the right to determine the type of bag, the size and the cost-charging mechanism? If so, it gives the Department a pretty wide range of powers. Am I right in saying that?
58. **Mr Starritt:** Yes; the type of bags that would be subject to the levy and the minimum charge can be set in subordinate legislation. Subordinate
- legislation that sets the charge has to be brought back to the Assembly. So, for example, we could not make an increase from 10p to 50p. Any increase in the charge would need new regulations.
59. **Mr Elliott:** Would a change to the type of bag need new regulations?
60. **Mr Starritt:** Yes.
61. **Ms J McCay:** Most of the provisions require affirmative resolution.
62. **Mr Starritt:** All the details have to go into the regulations, and they mostly require affirmative resolution.
63. **Mr Elliott:** So this is enabling legislation.
64. **Mr Starritt:** Yes.
65. **The Chairperson:** Cathal, you have been very patient.
66. **Mr Boylan:** It is brilliant: we have a carrier bag team. It could be called “Team Carrier Bag”.
67. **Mr Weir:** It would be suitably branded.
68. **Mr Boylan:** That is a good idea.
69. You said that the Minister may bring something forward at Consideration Stage for exemptions. Let us not confuse the issue. Many of the people whom I have talked to have bought into this: the response has been positive, and people are reusing bags. I would be concerned if we went down the route of bringing in too much. I go back to the issue of communications and the positivity around the measure.
70. **Mr Starritt:** It is possible that as the provision, and all the provisions for review, roll out, there could be unintended consequences. Perhaps the exemptions will not be sufficient, will need to be added to or will need to be taken away. It is not that we have something up our sleeve that we want to bring in very quickly. It is future proofing the legislation to give us the flexibility to react to a problem more than —
71. **Mr Boylan:** Sorry to interrupt you, Donald, but surely there are other

- models. It is not the first time that a levy has been used; it is in Ireland, Wales and so on. Surely you have looked at any possible issues, including theft and so on, that will arise from the introduction of levies.
72. **Mr Starritt:** We have spoken to colleagues in Ireland and Wales and have visited them. Our legislation is very much based on their legislation. We have covered the tweaks for Northern Ireland. The exemptions, in particular, are very similar to the provisions in Wales. As things stand, we do not anticipate any major changes.
73. **Mr Webb:** Phase 1 of the levy is more akin to the Welsh approach on single-use carrier bags. Phase 2, which brings in the price threshold, will introduce an element of the Irish system. So there is a combination of the best of both schemes, and the lessons learned in both jurisdictions will be taken on board. Indeed, the carrier bag levy team operations manager has just been over to Wales to discuss our proposals for phase 2 because Wales has seen an increase in very low-cost reusable bags since it brought in charging in October 2011.
74. **Mr Boylan:** A lot of industries that I know have certainly bought into it. Small traders have bought into it. It is a positive message.
75. **The Chairperson:** You are the carrier bag team, and there are 10 new members of staff based in Derry. Are you part of that team, or are you within the DOE?
76. **Mr Webb:** Effectively, we are the policy and project team, and we are based in Belfast in Goodwood House. We are responsible for overseeing the project and bringing the legislation through. You are quite right: the team in Orchard House has 10 staff and is headed by an operations manager. Once phase 2 is completed, they will carry on with the implementation, and we will drop away.
77. **The Chairperson:** So they are more on the administration side.
78. **Mr Webb:** Exactly; that is absolutely right.
79. **The Chairperson:** You mentioned exemptions a few times, and I know that there will be a review. Yesterday, a colleague and I went to a restaurant that had a sandwich bar attached. We wanted two packs of salad to bring down to Botanic Gardens; we wanted to sit in the sun for our lunch.
80. **Mr Hamilton:** Do not admit that; this is being reported by Hansard. We work hard all day, every day.
81. **The Chairperson:** I very seldom go out for lunch.
82. **Lord Morrow:** It was during your lunch break.
83. **The Chairperson:** It was.
84. **Mr Hamilton:** It was a working lunch.
85. **The Chairperson:** It was a working lunch. It was not with a colleague from my office; I was meeting someone for lunch. Instead of going to a restaurant, I said, "Let's get two carry-out sandwiches or something, and go to Botanic Gardens."
86. **Mrs D Kelly:** A bottle of Buckfast.
87. **Mr Weir:** A bottle of Bucky.
88. **Mr Hamilton:** She was not in Lurgan Park.
89. **The Chairperson:** No, it was Botanic Gardens, five minutes' walk from my constituency office.
90. **Lord Morrow:** Were you having a barbecue?
91. **The Chairperson:** Joking aside, we had salad, which is classified as cold food, and we were charged 5p for a bag. Had we ordered soup and a baguette, we would not have been charged 5p. I think that it would have come with a paper bag. I have seen some people carrying a paper bag. Soup, baguettes and sandwiches are sold, but if you order soup, you are not charged 5p. However, you are charged 5p for salad or sandwiches. There is an anomaly.

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92. **Mr Starritt:** You know the reason, of course, Chair; it is the hot food exemption. I know that we have discussed this previously.
93. **The Chairperson:** It is so confusing.
94. **Ms J McCay:** There is a food safety aspect to hot soup. The bag is an extra layer of protection for the consumer. I appreciate that it can be confusing for retailers and the public.
95. **Mr Weir:** Could you ask for hot lettuce next time? *[Laughter.]*
96. **The Chairperson:** Hot chicken or egg sandwiches. Will you look at instances of a shop selling both hot and cold food? It is so confusing.
97. **Mr Starritt:** If a shop is selling both, the exemption is specifically for the food, not for the shop. The decision has been taken that hot takeaway food attracts an exemption. Other than that, it is not needed. It is about trying to keep the exemptions as low as possible. If you buy your hot food in Tesco, it will still be exempt. It is about the food rather than the retail outlet, and I appreciate that that gives retailers a challenge. The customer relations managers have had no problems with that.
98. **Mr Boylan:** What happens if you get a salad burger?
99. **Lord Morrow:** It is part exempt.
100. **Mr Milne:** Are more people now bringing their own plastic bags with them? I have heard that people are buying thousands of bags on the internet for a couple of pounds. If you increase the price of single carrier bags, surely it will push more and more people towards the black market to buy bags and bring them to the shops?
101. **Mr Webb:** It is possible that a small number of people may bulk-buy bags online and have them delivered to their home. They may reuse them. It is about behavioural change. Even though they have paid less for those bags, they are still more likely to reuse them had there not been charging.
102. **Mr Milne:** The reports are of 1,000 bags for £2·50 or £3. People can purchase those. They may find it easier to buy 1,000 bags for £2·50 than pay 10p every time they purchase a single bag.
103. **Mr Webb:** It is not an issue that has been drawn to our attention previously. We might need to consider that.
104. **The Chairperson:** We seem to be broadly content with all the clauses. We will see you again soon. Thank you.
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26 September 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Tom Elliott
 Mr Ian McCrea
 Mr Ian Milne
 Lord Morrow
 Mr Peter Weir

Witnesses:

Mr Jonathan Bell	<i>Northern Ireland</i>
Ms Sue Christie	<i>Environment Link</i>
Mr Andrew Porter	<i>Northern Ireland</i>
Mr Glyn Roberts	<i>Independent Retail Trade Association</i>
Councillor Shaun Gallagher	<i>Northern Ireland Local Government Association</i>
Ms Karen Smyth	<i>Association</i>
Mr Aodhán Connolly	<i>Northern Ireland Retail Consortium</i>
Mr Joe McDonald	<i>Consortium</i>

105. **Mr Weir:** I declare an interest as a member of the Northern Ireland Local Government Association, which is giving one of the briefings.
106. **The Chairperson:** OK. I welcome Glyn Roberts, chief executive of the Northern Ireland Independent Retail Trade Association (NIIRTA) and Andrew Porter, its director. Quite a number of other organisations are to present their briefing, so can you do a quick five-minute presentation, and members will have 10 minutes to ask questions? We have your papers already.
107. **Mr Glyn Roberts (Northern Ireland Independent Retail Trade Association):** Madam Chair, thank you very much for the opportunity to present here today. You have our submission and, in the five minutes that we have, I want to build on that. Obviously, we have had very significant developments. The consultation ended with the Minister taking the right stance of capping

the levy at 5p. That is something that we lobbied strongly for from the very beginning of the levy and made representations to the Minister and his predecessor about. Therefore, that is a welcome move.

108. **I want to restate this for the record:** we very much support the objectives behind the levy. As an organisation of almost 1,500 members, we have always been strong supporters of tackling the challenges facing our environment. Indeed, for many years we had the Do You Need a Bag? campaign, and our members were educating customers when it was not, if you like, politically correct and there was no talk of a carrier bag levy. This was being done for many years. In many stores, that resulted in a reduction of between 25% and 50%. Therefore, we were already doing work. The commitment that we have to cutting down food miles means that we are sourcing nearly 100% of our meat and poultry locally. That, along with being able to walk to your local shop, are all important factors in our environment.
109. However, we had real concerns about the levy when it was introduced. Despite those concerns — we should not forget that this was largely imposed on the retailer sector — none of the substantial points that we put to the Minister was accepted. In many ways, this was railroaded in. Therefore, that is why we particularly welcome the moves of Minister Durkan to cap it at 5p. Despite our concerns, we are very committed to working with the Department to ensure that the levy is a success.
110. We have a number of points — recommendations, I suppose — that we would like to put across. First, we believe that phase 2 should be scrapped. It is a complete contradiction in terms of the environmental aspects of the levy to introduce a levy on reusable bags, because that is what the levy was

- about. It was so that people would reuse and recycle carrier bags. Therefore we believe that there is a fundamental contradiction. There are also significant issues in that this is adding 5p on to a product that retailers already sell. Therefore, there will be significant administration issues around that.
111. We also want to see extensive consultation with retailers about how the levy will be spent and the projects that will be involved. From the beginning, we emphasised the need for the Welsh system to be in place. Obviously, England and Scotland are going down the road of the Welsh system. For some reason, the Department of the Environment (DOE) decided that it would do something very different. So, we would still like the Welsh system to be considered. At the very least, the Minister needs to consult extensively with retailers who have worked hard to raise this levy, which many of them believe to be a stealth tax. I believe that that has to happen before any decisions are made, because the perception is that this carrier bag levy is in place to, if you like, fill a hole in the Minister's budget. We would also like consideration to be given to use the levy to fund environmentally friendly projects in town centres. That is something that the DOE is doing on derelict sites that blight the landscape in places such as Portrush anyway.
112. The other issue that has emerged, and I know that it has been raised by Committee members, is something that we have been hearing anecdotally for some time. It is that spending has gone down as a result of this levy. People are physically carrying stuff out of the store, rather than paying for a carrier bag, and that obviously means that they are spending less as a result. We have heard a lot of different reports from many members, and ahead of our meeting with the Minister on 22 October, we intend to survey a representative sample of our members to see whether there is a reduction in basket spend. Some retailers say that there has been and others that there has not,
- so we want to get a more accurate assessment because we can proceed in anything like this only on the basis of evidence.
113. There are a number of things that we would like to see. However, ultimately, the Minister has to consult with the people who raised this levy in the first place and retailers themselves. That is because my members see themselves as community retailers. They work with a lot of community projects and groups, so it is in their DNA, if you like. They would, I think, be very disappointed were the Minister to proceed to allocate the spend without consultation.
114. **The Chairperson:** I agree with a lot of what you say, Glyn. I am on public record as asking the Minister about the validity of the second phase. You made the point about the Welsh initiative spending the money on additional environmental projects rather than to plug a hole in the Department's budget. How do they do that? Is money actually given to projects by the retailer or put into a pot or something?
115. **Mr Roberts:** Our colleagues in the Association of Convenience Stores are developing work in that area. There will be a number of different case studies there that I will happily share with the Committee. Consultation would certainly give retailers, who have to spend a bit of time administering and collecting this for the DOE, a greater say. It is not just independent retailers; my colleagues from the Retail Consortium, from whom you will hear after us, would take the same view that its members would like a greater say in consultation about where this money is spent. So, if they are not proceeding with the Welsh system, I would certainly like to think that our members, or the organisations that represent retailers, are consulted in this. I think that that would be very much in keeping with the spirit of the levy in Scotland and Wales and, soon, England. Consultation is absolutely essential.
116. We would say that should happen not just by way of some sort of replacement to the green new deal. We are on

record as supporting the green new deal. We have actually suggested that it should be extended. In the past, we put evidence to this Committee about green rates; if a business invests in green technology, that business should get help with its rates, in the same way as the system, which I think is now finished, applied in domestic properties, where, if you build in energy efficiency people got help with their rates. We have put a lot of ideas out about this, so we want to see extensive consultation by the Minister. I would, frankly, be very disappointed if we read about it in a DOE press release.

117. **The Chairperson:** I do not know whether we will have time for that sort of consultation, but it could come later on.
118. **Mr Roberts:** This is something that we have been saying right from the very beginning.
119. **Mr Weir:** Thank you for your presentation. There is a lot of meat in the substance. If you are developing case studies, or as we progress the broader issue, it would be helpful if you could give us information on the Welsh model, particularly from a distribution point of view.
120. In a general sense, and from conversations that I have had with others, I am concerned about the extent to which this is evidence based, and I put down a question about that. It strikes me that it is very clear cut. The problem is that it could be common sense and anecdotal information in a lot of this stuff. However, one thing that seems to be resonantly clear is the fact that the introduction of the 5p levy has had a major impact on consumer behaviour with regard to purchasing bags. It has led to a dramatic decrease, and that is fairly unanswerable.
121. Do you have any case studies with regard to the impact on consumer behaviour? It appears that any increase in the 5p levy is on the long finger and has, possibly, been put off altogether. Obviously, the goalposts have shifted a bit as regards the reusable bags. I will not bother you with a direct answer now, but do you have any evidence on the impact of price variability on consumer behaviour or are you aware of any action that is being taken by the Department to try to study that behaviour? This may have been simply postponed for a while. However, if, at some point, consideration is given to whether 5p is the right rate or whether it should be 10p, and taking into account the other issues involved, it should be based on evidence. The principle purpose of this was to try to change consumer behaviour, and it has largely done that. However, if the initial estimates were that the 5p levy would generate a £4 million block, and it has clearly fallen well short of that, it suggests that there is not a great deal of concrete evidence on that.
122. **Mr Roberts:** I will ask Andrew to answer that, as Andrew is the manager of Creightons of Finaghy and is a retailer himself. I will talk about the policy points, and Andrew can come back on his experience.
123. You are right; we have picked up a lot of anecdotal evidence about basket spend being down, whereas other retailers have said that there was an initial drop and then it stabilised. We have to make sure that we get the evidence to the Minister on that, and that is what we will be doing. Over the next few weeks, there will be a telephone survey of a representative sample of our members. We will try to get that evidence with regard to food and non-food, and we will give that evidence to the Minister. There is a carrier bag stakeholder group, of which I have the honour to be a member. Officials briefed us on the expected amount of funds that it would raise, and it will probably clear, after administration costs, somewhere in the region of £800,000 for this quarter. I asked whether they expected that that would reduce, obviously, with fewer carrier bags being used and sold. They did not expect that, which I through was strange. Surely, it should lead to a gradual reduction in the usage and, therefore, the income that would be raised by the levy. However, we are

committed to work with the Department. Yes, we do not particularly like the scheme, but we have learned to live with it. Nevertheless, we want to put forward some sensible changes and, to the Minister's credit, it was good that he moved on the 5p. However, we need to find out whether it is having an impact on basket spend, and we need to get evidence of that from our members.

124. **Mr Weir:** I suppose it will be one of those things that will be quite difficult to disaggregate. As you are aware with consumer spend, a range of factors contribute at any one time. To disaggregate the impact on one will always be slightly questionable. For instance, by how much is it reducing convenience spend or to some level altering consumer behaviour, for example through people moving their spend rather than not spending? In other words, do people move their spending from a quite a small store to a larger retailer? There is obviously an overall spending issue, which we have seen in town centres, in large part due to a change towards internet spending. That is the one area where there has been high growth. Even the supermarkets have felt the impact. They may have picked up a little bit of stuff by people shifting their spending from town centres. How do you disaggregate what the experimental position would be if you did not have the bag tax? What impact would that have? I suppose that it is going to be quite difficult to disaggregate that.

125. One other issue that I want to touch on is your indication that you oppose the shift in the price that is to be put on reusable bags. I understand that we are dealing with a certain level of intuition and common sense rather than evidence, which is part of the problem. The Minister has considerably shifted down the threshold. I can understand an argument that may be used by the Department, which says that a levy on reusable bags clearly seems to go against the grain of the policy intention. However, the quality of such bags and, therefore, consumer attitudes to them

can vary according to the price of the bag. For the sake of argument, a bag on which you pay 30p or 50p is a bag for life; it is quite sturdy and one that you will probably use time and time again. A bag costing 8p or 12p may be different. It may well be regarded as reusable, but it will probably be used a few times and then put out with the rubbish after two or three weeks. Do you accept that there may be some differentiation between reusable bags? Although welcoming the general reduction, events have overtaken us on that since your evidence, and there has at least been a shift by the Minister. It would be useful to hear your views on that.

126. **Mr Roberts:** I hope that we can accommodate some of those points in the questions that we ask in our survey. I will happily share the results of that survey with the Committee to ensure that it adds to the body of evidence when you are considering this when it goes through the Assembly. My colleague Andrew may want to respond to those points.

127. **Mr Andrew Porter (Northern Ireland Independent Retail Trade Association):** Yes; we were at the coalface when the legislation was launched. I commend the fact that it was highly advertised and promoted, creating high customer awareness. But it was a huge culture shock and change for the public. The initial impact was a clear reduction in basket spend. That is heading back in the right way in our case; perhaps due to the public getting used to the legislation and bringing their bags with them. Typically, we were met with most people accepting it. We got abuse from some people because this had come in, but you will always get that anyway. So, I think —

128. **Mr Weir:** AS MLAs, we would know nothing about that. *[Laughter.]*

129. **Mr Porter:** No, not at all.

130. There was sort of a transition, awareness and education period for the public conducted by us. We had to do that; nobody else was doing it. So,

- that was a big mindset change for the public. It took several months to settle down, and now we are away. When Glyn told me that there was another phase coming, I thought, “Do we have to go through another training exercise with the public? Do we have to do this again?”. We reduced our carrier bags by 80%, which is a great achievement. That was the main target of the legislation. The 5p cap has been great news for us as well. As I said, we have gone through the pain, and we are ahead. We have achieved a significant reduction in plastic bags. Do we just leave it there? What more do we have to do when it comes to levies? At the outset, we encouraged our customers to use reusable bags.
131. **Mr Weir:** Do you see a differential? Depending on which store you are in and on what is available, you can get different types of reusable bag. Some are pretty cheap, and some are more expensive. I would have thought that there would be a differentiation. I know that some stores sell reusable bags — I will not use brand names —
132. **Mr Porter:** I think that you are either paying 5p for the throwaway bag, or you are spending £1 for a decent shopping carrier bag.
133. **Mr Weir:** Yes, but some bags are retailed at 10p, for instance.
134. **The Chairperson:** I wonder whether they wiped out those cheap reusable bags. You now have to pay 20p for that. Say they are 19p, you then have to put another 10p on top of it as a levy. People will not bother buying the cheap reusable bags, and they will spend £1.
135. **Mr Porter:** I do not know. I think that it flies in the face of educating the public by saying that there is a levy. To be honest, the public do not see it as a levy; they see it as a tax. They have got used to it and have been encouraged to go down the reusable route, but then they are told that will change.
136. **The Chairperson:** They are still going to be charged.
137. **Mr Porter:** I do not think that it would go down well with public opinion.
138. **The Chairperson:** Glyn, did your survey show that basket spend is lower but that people make more frequent visits to their local shops?
139. **Mr Roberts:** It is entirely possible that that could be the case.
140. **The Chairperson:** People can carry only three or four items in their hands, so they come back in two days’ time and buy more.
141. **Mr Roberts:** I have heard some interesting stories about people taking metal baskets out of shops, dumping the shopping in the car and bringing the baskets back again. There are lots of strange examples of consumer behaviour. We can talk anecdotally all we like, but we need hard evidence. That is what we hope to get. We want to work with the Department, but stage 2 is a stage too far, quite frankly.
142. **Mr Boylan:** Thank you for your presentation. I was concerned about impulse buying and people going into a shop to buy one item. I think that you hit the nail on the head, Glyn. For the Committee to scrutinise the Bill properly, we need evidence. I have heard different stories. I have to say that people have been very positive in my area. There has been an 80% reduction in carrier bags in most retailers, even the smaller ones. I have concerns about the impact on smaller retailers. We need to gather evidence from them about exactly what is happening.
143. You commented on some of the clauses, but there were some aspects that you did not touch on in your presentation, such as the payment provision in clause 5. Perhaps you could talk a little about that and about how you are going to gather evidence so that we will be better informed as we progress the Committee Stage.
144. **Mr Roberts:** As you said, small businesses would be especially penalised by the interest payment. When this started off, we were assured that

- the regulations and the enforcement would be light. Some of the fines that are included in the legislation are, quite frankly, excessive. We have taken a look at the clauses, and a lot of work has been done on consumer feedback. We need to find out the views of owners of small shops about the impact of the levy since April. We need to find out what the problems are and whether there are issues that could be addressed and changed to make it easier for them.
145. We want to provide solutions to the Committee and the Minister, rather than just bringing problems. We want, as a broad theme, to ensure that it is as user-friendly as possible to smaller traders. By and large, the administration has not been as bad as we originally thought. Retailers have adjusted to it and have been able to process it through their tills relatively easily. The concerns that we raised initially about the administrative burden have not materialised, but it is a constant process of monitoring and working with retailers. The carrier bag stakeholder group met only last Friday. Obviously, the levy has been in place since April. The group should have met more frequently and should have worked with this at every stage. We have done our bit to promote it. We have done our bit to try to help members who have problems to ensure that, if they need to speak to the carrier bag police, they can easily get in contact with them. If there is one thing that we want to get across to the Committee today, it is that stage 2 is a stage too far. It should be parked indefinitely. Let us work with the scheme that we have, which, as the Minister said, is a success.
146. Some returns are based on returns from the large supermarkets. I do not think that they have the full picture from smaller shops yet, and we need to see the bigger picture. All the stats that we are aware of are not yet in place, but after the first year of the scheme, the Minister needs to take a look at it to see what needs to be changed and what needs to be built on. The 5p levy is a good move. We hope that the Minister is open-minded and prepared to countenance more change.
147. **Mr Boylan:** Peter talked about reusable bags. Has there been any talk in the industry of looking at the types of bags that have been sold or used? What if parts of the industry decided to sell a stronger 30p bag that would last longer?
148. **Mr Porter:** From experience, customers are paying either 5p for a single-use bag or £1 for an everlasting bag. They are not looking for a bag that will last for only a few uses; they are looking to spend a higher amount on a bigger bag.
149. **Mr Boylan:** Obviously, you have talked about that in the industry. There has been a change. I talked to a lot of people in the community that I represent who are using reusable bags. It is not a big problem. You are right: maybe the idea was grand the first time round. I welcome the hold on the 5p charge. Many members of the public have switched on to it and are using reusable bags. That is why I say that any change needs to be evidence-based. Will you do research and bring it back to us?
150. **Mr Roberts:** Yes. People often refer to it as the plastic bag levy. It ain't; it is the carrier bag levy. There is a variety of bags. As the situation settles down, consumers will do what is right for them. Bigger stores and shops require many more bags. There is increasing evidence of shopping patterns changing, largely as a result of the recession. People are less likely to do a big weekly or fortnightly shop; they are more likely to shop on a more sustainable two- or three-day basis because, with a big weekly or fortnightly shop, you will waste food. That opens up a lot of opportunities for many of our members, but the way in which consumers shop is in a constant state of flux.
151. **The Chairperson:** Ian, do you have a question?
152. **Mr Milne:** No.
153. **Mr Elliott:** I have a very quick point. You said —

154. **The Chairperson:** Sorry; it was Pam, not Ian.
155. **Ms Brown:** Thank you, Glyn and Andrew, for your presentation. I am interested in hearing about other difficulties that your members may have encountered so far with the levy. I am thinking about shoplifting, for example. Many, many moons ago, I was involved in retail. Back then, somebody who came into the shop with a big reusable bag was looked on as a very suspicious character. Now, obviously, we are all doing it. We have had to adapt and bring our own bags. Has there been a consequence to that?
156. **Mr Porter:** Again, we will use the word “anecdotal”. I made the point to Glyn earlier. In days gone by, or a year ago, if someone had left our store with a bag that was not one of our branded bags, we would question what was in the bag. Now we have no control over that because the bag that is going out the door could be one of many types of bags. Although I do not have evidence on that, I would fear that it is having an impact. That is a very good point.
157. **Mr Roberts:** If you see somebody walk out of a shop holding onto groceries in a certain way, that will raise concerns. People walk out of some stores with a metal basket. We need to try to get a handle on lots of different things. That is definitely a legitimate concern. In the past, our big concern was about trying to decriminalise shoplifting, which we would oppose strongly. It is another factor, and it is a question that we will ask. When we present our findings to the Minister, I will be happy to come back to the Committee and talk through our survey results. Our aim is to try to survey at least 100 of our members, which is roughly 14% or 15% of our membership and would be a representative sample. After we do that, we will happily share the results with you. The more evidence there is, the better informed the Committee and the Minister's decision will be. That will be an important question.
158. **The Chairperson:** The scheme has been operating only for a short time. We need facts and figures to provide the evidence base.
159. **Ms Brown:** There is an issue, Chair. I know from going into a shop with a large reusable bag — I like the hessian-type bags, which are really good — that you are inclined not to want to carry a basket as well. In your common-sense head, you want to put your shopping in the bag and take it to the till. That could lead to people shoplifting by mistake or, in turn, it could make it very easy for people to shoplift.
160. **Mr Roberts:** That covers not only the grocery side of retail but every type of retail. There will be significant issues in fashion and clothes shops. We are still pretty much in shakedown time with the levy, but consumers have become used to it.
161. Another factor that we have to look at — this was evidenced in the South — is whether there has been an increase in sales of black bin liners. What happened in the South, as more single-use carrier bags are not being reused as pedal-bin liners, is that there was a big increase in the use of black bin bags. They are made from denser, stronger plastic, which, unless I am mistaken, takes 1,000 years to biodegrade. That is another question that we need to ask: has the levy led to an increase in the sales of black bin bags? If that is the case, and if the levy has substituted one type of plastic for another going to landfill, there is a big contradiction. The question will be asked: what is the point of doing all this if the same amount of plastic is still going to landfill and causing the same damage to the environment? That has to be evidence-based. We will try to do that.
162. **The Chairperson:** Tom, do you still want to come in?
163. **Mr Elliott:** No thanks, Chair.
164. **The Chairperson:** We are really running over time with your session. You were supposed to have only 15 minutes, and you have had over half an hour. Thank you very much. We will be interested

- to hear your survey findings when you share them with us.
165. Members, our next presentation is from the Northern Ireland Retail Consortium (NIRC). I am going to be quite tight with time. We will have 15 minutes for the director, Aodhán Connolly, from now until 12.00 noon. I suggest that we have two minutes for a quick briefing, followed by questions.
166. **Mr Aodhán Connolly (Northern Ireland Retail Consortium):** No problem. We must commend the Minister for his common-sense decision to remove the increase in the single-use carrier bag levy from 5p to 10p and to move the proposed threshold for reusable bags from 40p to 20p. However, we are vehemently opposed to the tax on reusable bags. What we heard from members this morning is that there is no scientific evidence or evidential basis for that tax. So, we are squeezing consumers and costing retailers hundreds of thousands of pounds on system changes and staff training on something that is really just taking a punt: there is no evidence for it. The stated aim of the Bill is to deter consumers from purchasing cheaper versions of reusable bags and to avoid the environmental impact. However, that will either drive consumers back to using 5p single-use carrier bags, which calls into question the purpose of the initial levy, or it will encourage consumers to buy more expensive, heavier bags that need to be used more often to offset their carbon footprint. An Environment Agency report has shown that the lighter reusable bags — the 6p, 8p, 10p and 12p bags — need to be used only around four times to offset their carbon footprint whereas the more durable bags need to be used up to 131 times before their environmental impact is negated.
167. **The Chairperson:** By that time, there may be holes in them.
168. **Mr Connolly:** If you are talking about the 6p, 8p and 10p bags, one good thing as far as our members are concerned is that they are not only reusable but recyclable and replaceable. If there is a hole in a bag for life, you simply bring it back to the store and have it replaced. We have found that many of our customers are doing that.
169. I said that it costs hundreds of thousands of pounds to change systems and train staff. It also takes considerable time. Our members are greatly concerned about the timing of the Bill and the proposed implementation dates. They need at least eight months to make the necessary changes rather than the few weeks that it seems that we will get. It is totally unrealistic to ask retailers to make those changes over the Christmas quarter, which is their busiest quarter of the year. Overall, we feel that it sends the wrong message to consumers. It effectively penalises them for being environmentally conscious. To reiterate what our colleagues in NIIRTA said: we have already seen that the single-use carrier bag levy has had an effect on large and small retailers, with customers not making as many impulse buys and putting items back because they simply cannot carry them and do not want to pay for a bag. A tax on reusable bags will exacerbate that position. If it is about money — if it is just a tax — surely the efficiency drive that the new Minister of Finance and Personnel announced will be able to fill that gap rather than taxing consumers and putting a bigger burden on retailers.
170. We are grateful to the Minister for his open dialogue. The current Minister, the former Minister and the Department have had an open dialogue and frank talks with us. We are glad of that. However, we are vehemently opposed to a tax on reusable bags.
171. **Mr Joe McDonald (Northern Ireland Retail Consortium):** I will give members a specific example. From Asda's point of view, phase 1 has been a remarkable success. We have seen a 97% drop in the use of single-use bags, which has far exceeded anyone's expectations. If we were to extend the levy to reusable bags, we simply do not have the evidence to know whether people would be less inclined to throw that bag away

- because it is now more valuable or to trade back down to a 5p bag because it now more affordable. If we bring in a levy, that will mean an increased cost to business and to the public. There is no other way to look at it, and it is a big concern. Our preference is to stick to phase 1 because, with it, we are in a really good place with shoppers. It seems that it has delivered its environmental objective. Let us see what evidence emerges in due course. The date of 1 April 2014 looks very unworkable for retailers. Please do not come back to the retail sector asking for a big project to be started before Christmas because it is such an intense period in retailing for big and small retailers.
172. **The Chairperson:** How big a burden do you think phase 2 on reusable bags will be?
173. **Mr Connolly:** It is starting the process of system changes all over again. The Northern Ireland retail sector has 50,000 front line staff who will have to be trained. It also takes time and man hours to implement those changes. There is also the burden of administration and the burden on the tills. Evidence from our large retailer levy survey stated that every five seconds at a till equals a £10,000 per year loss to a retailer. It not only puts a fiscal burden on retailers for training and system changes but puts a burden in removing impulse buys and the required administration. We do not agree with the tax at all, and we think that the timing and the proposal are particularly badly placed.
174. **Mr McDonald:** I think that there are a couple of ways in which it may be more difficult for phase 2 to be implemented. First, we have to phase out what is in the current system and phase in a new type of bag, with the associated IT, and so on, which is more complicated than starting from scratch. Secondly, it will be much more difficult to communicate with the public, because this is a counter-intuitive move. The public immediately understood the 5p context in phase 1, but environmentally conscious consumers now want to buy reusable bags, and explaining that logic will be a long process. Think of that in terms of politics: if you have to explain yourself, you are losing. That is where we are going with phase 2.
175. **The Chairperson:** There may also be more arguments at the till.
176. **Mr Connolly:** We have spoken to consumers and, anecdotally, have found that there is no awareness of the issue. Whatever awareness there is, there is not the same good feeling that there was for the 5p tax. Over the next few weeks, the Northern Ireland Retail Consortium will conduct a public poll across Northern Ireland — British Polling Council standards will ensure that every demographic is counted — to find out how the public feel. From what we have been told so far, it looks as though they are, first, not aware, and, secondly, there is not a good feeling. However, as soon as we have those poll results, we will be sure to share them with the Committee.
177. **The Chairperson:** It is a hard message to sell.
178. **Mr I McCrea:** You mentioned training and eight months being required rather than two to three weeks. I may be confused, but will you tell me why it will take eight months to explain to somebody how to —
179. **Mr Connolly:** Our members ask for an eight-month run-in time for anything that changes computer systems. All our members run different computer systems and tills. It takes that time to ensure that not only the initial input but every computer system on every till across Northern Ireland gets plugged in. Some 80,000 people work in retail in Northern Ireland, some 50,000 of whom are front line staff. We must train them not only on what needs to be done at the till but on how to deal with questions from the public. In the previous presentation, we heard about staff being abused. Thankfully, because of the levels of communication, there was not a huge amount. By the same token, we need to provide our staff with

- the tools to answer questions and to deal with queries and any more strongly felt — shall we say — points.
180. **Mr Weir:** Ian touched on my point. For the sake of argument, are you saying that if the DOE brings in the tax or moves in that direction, an eight-month period is required?
181. **Mr Connolly:** Eight months to a year would make it easier for our members. When the single-use levy came in, for example, one of our members had already tried to make the changes; they simply took a chance that it was going to come in. They needed nine months, which is what they gave themselves. However, we have not yet seen the regulations and do not have the full time frame, but the Department is still sticking to 1 April 2014. Think of the timescale for the single-use carrier bag: it was introduced in January of the previous year, which gave lots of time. This Bill was not introduced to the Assembly until 3 June. The Committee Stage is running until 17 November. By the time the regulations come out, there will be only a few short weeks, and it is simply not fair to ask retailers to do that in the Christmas quarter, given the number of computer systems that will need to be changed and the staff who will need to be trained.
182. **Mr Weir:** I do not expect you to respond to this issue today, but I am keen to get a paper from you. The Committee and NIRC seem to agree that there is a problem about which direction to go in because things seem to be based on intuition rather than evidence. I am sure that you are keen not to be put in that category. It would be helpful if we had written evidence from you on the required time frames and steps for implementation so we could quantify any practical difficulties. If you need eight months to a year, we would like evidence to justify that. Perhaps that is not doable in the sector. I do not know, Joe, whether you are in a position to provide an indicative case study from Asda's point of view.
183. You said that there will be training, administrative and IT costs, and we can understand that. Would it be possible for you to provide us with a short paper showing the cost implications? Nobody will tie you down to figures, but ballpark figures would be useful. People can grasp the fact that, anecdotally, there will be additional costs. However, if we are trying to weigh up the evidence, it would be helpful to drill down. If NIRC produced a paper, or if Asda produced a case study, that dealt with those two issues, it would allow the Committee to make a better judgement on whether those difficulties can be overcome or whether phase 2 should be altered or abandoned.
184. **Mr Connolly:** That is an eminently sensible suggestion, and we will certainly look at it. I will build on your point about evidence and time frames. It has been said that there is a need for a culture change among consumers in Northern Ireland. That received huge support not only from all the parties but from stakeholders. There has been a 97% reduction in the use of single-use carrier bags in Asda, with percentages of 80% to 85% with the rest of our members. Surely we need at least 12 months to find out whether we have managed to imbue consumers with a culture change. That goes back to your point about there being no evidence at present.
185. **Mr Weir:** To be fair, before the 5p levy was introduced, some siren voices were saying that it should be voluntary, that it should not be brought in and so on. Now that the levy seems to be broadly accepted, at least in the context of consumer cultural change, it has worked well. I appreciate that there is a limited evidence base, but it seems to be accepted that there has been a large reduction. We need evidence from all sides to make judgements.
186. **Mr Boylan:** Thank you very much, Aodhán. You are welcome back. I have the same view as Peter about having an evidence base. I certainly have some sympathy for business and retail, but I also sympathise with consumers. If

- it is possible, we should get evidence of problems that this will create for the industry and how it will impact, especially on the front line. That is from where you will gather most of the evidence about consumer behaviour and everything else. We want to see exactly what is out there, and the evidence base is the only thing that we can go on.
187. In my experience and having spoken to consumers, I know that a lot of people have embraced the 5p charge for a plastic bag. As a result, I now see a lot of people going to the shops with reusable bags. However, at present, there are questions over whether we should try to sell the idea to the general public that they should pay for reusable bags.
188. If we can gather evidence from consumers and the business community and bring that to us, I will support that and take it on board. I have no other points to make.
189. **Ms Brown:** I know that Joe and Aodhán were in the Public Gallery when I asked my earlier question about problems or difficulties as a result of the levy. Have you any suspicion or evidence that there is more shoplifting?
190. **Mr Connolly:** Funnily, Joe was telling me an anecdote about some of the crates that are being lifted.
191. **Mr McDonald:** It is difficult to tell. Earlier, you spoke about disaggregating information. We have a level of losses. However, it is hard to take anything from that, and we have only figures from the first quarter to look at. From experience, I do not think that we have seen a real spike in shoplifting, but we will see how that goes. The quarter coming up to Christmas is a really big one for retail, and there will be some seasonal changes. I could not say that we have definite evidence of that. Everyone shares that concern, but I could not go any further than that.
192. **Ms Brown:** Hopefully time will tell.
193. **Mr McDonald:** Yes.
194. **The Chairperson:** You need some facts and figures and surveys to find that out. You can understand that it is not easy. If someone has an armful of dresses, you do not know from which shop they have bought them.
195. **Lord Morrow:** That has been said to me. I spoke to someone from a store in one of these shopping malls, in which one store leads to another and there is no segregation. That person pointed out to me that an individual had come in from another store with different items of clothing over their arm. They had been paid for, but that person told me that that individual was now in his shop and, because he was also in that business, it was potentially quite worrying for him that that would exacerbate the problem of shoplifting. However, Joe, you said that there is no evidence, or clear evidence, of that at this stage.
196. **Mr McDonald:** I could not say to the Committee that we have any specific evidence that it has really spiked our losses. However, it is something that we will have to look at. If it becomes an issue that we can put our finger on, we will certainly feed our findings back into the debate.
197. **Mr Connolly:** Common sense tells us that it is not going to make it harder for people if they wish to break the law; rather, it will make it easier.
198. **The Chairperson:** You asked whether Committee members would like to come out to a shop to see the operation. What do you mean? Talking to your staff, or something else?
199. **Mr Connolly:** The reasons that I sent that request into the Committee were threefold. First, so that you could see how the original levy is being implemented on our side of things, see the computer systems, see what has to be changed on the ground and even get a feel for the different types of bags that our members have on offer.
200. Secondly, it was to talk to front line staff so that you could see exactly what the implementation has meant to them and what problems and benefits they

- have encountered. I suppose that the third thing — the most important as far as this debate is concerned — is that you would have the chance to see the impact, hear from the store managers and see what difference the proposed legislation will mean to retailers at the coalface. We can talk facts and figures, and Joe and I can give you the arguments from our side, but we really wanted to afford the Committee a chance to come out and tangibly see what difference the existing legislation has had, and the proposed legislation will have, on the ground.
201. **The Chairperson:** Where do you suggest we go?
202. **Mr Connolly:** Obviously, because you are in Stormont, somewhere within a few miles of here. We have several members with excellent stores around here. It would be up to Committee to decide what store was most appropriate for it, but I can certainly give you a list of recommendations.
203. **The Chairperson:** Sure. If you can send us a list of where we can go, we will have a chat. Thank you very much, Joe and Aodhán.
204. **Mr Connolly:** Thank you for your time.
205. **The Chairperson:** I welcome the witnesses from Northern Ireland Environment Link (NIEL). Sue Christie is the chief executive and Jonathan Bell — not that Jonathan Bell but the other one — is its projects and policy officer.
206. Sue and Jonathan, we are tight for time and have only 15 minutes or so. We can give you two or three minutes in which to make a presentation. We already have your written presentation. In contrast to the two previous sets of witnesses, you seem to be quite supportive of the reusable bag levy.
207. **Ms Sue Christie (Northern Ireland Environment Link):** I think that we need to support what good behaviour has done. Jonathan will give a short presentation, and we will then answer your questions.
208. **Mr Jonathan Bell (Northern Ireland Environment Link):** Thank you very much for inviting us here to speak today. As you know, NIEL is a forum and networking body that represents over 60 organisations that are interested in the environment in Northern Ireland.
209. As one of the initial proponents of the levy on carrier bags, we welcome the progress that has been made, and we would like to congratulate the retail sector and the public for how they have embraced the change. Initial figures suggest an 80% reduction in the first quarter. For some, those results may seem insignificant in the context of wider environmental policy issues, but, for us, they are important, given the staunch resistance in some quarters to the proposal when it was first mooted. It serves as a great example of how willingness to accept positive change and a small financial incentive can have a dramatic impact on achieving win-win outcomes for the economy, the environment and the public. We also welcome the channelling of funds received to environmental projects, which has provided community benefits across Northern Ireland.
210. Progress has clearly been made; however, it is important not to take our foot off the accelerator. A total of 17 to 18 million single-use bags were still used in the first quarter in which the levy was in operation. That would equate to well over 60 million single-use bags per year, so we still have a long way to go. Although we feel that the proposed increase in the levy would have ensured the continued downward trend in single-use carrier bags, we acknowledge and understand the Minister's decision to reward the public for their efforts to date. However, it would be useful if future increases in the levy were to be allowed if progress does not continue in usage reductions. The second phase is now necessary to reinforce the good work carried out in the first phase and to ensure that the environmental gains and public action are sustained.
211. We are generally supportive of the clauses in the Carrier Bags Bill, and

we will take the next minute or two to focus on one clause that seems to be contentious. We support the proposed extension of the levy to reusable carrier bags, rather than just single-use carrier bags, and endorse a price threshold that would exempt bags above that threshold from the levy. Although that would have been absolutely essential if the planned increase in the levy to 10p had proceeded — as, otherwise, reusable bags at around 10p would have been the same price as single-use bags — it will still serve as a useful additional encouragement for people to reuse their reusable bags and provide an opportunity to raise the issue again in the public consciousness. It reinforces good behaviour, which has begun, and will act as an additional driver to encourage those who have not yet changed their bag usage behaviour.

212. We believe that the possibility of the public purchasing larger reusable bags at the same price as two single-use bags represents a continued threat to fulfilling the environmental goal of the legislation. We believe that the substitution effect will be lessened by applying the levy to cheaper reusable bags, as proposed. Differentiating cheaper reusable bags from single-use bags by way of price will also reinforce to customers that reusable bags are reusable, have a value and are not intended for single use.
213. Most of the bags in that category are bags for life, allowing free replacement for worn-out bags. Therefore, the consumer will have to pay the levy only once and will have a permanent shopping bag of superior quality. There is no incentive to use it as a single-use bag. Some stakeholders have argued that a levy on reusable bags will penalise customers for doing the right thing or drive them back to throwaway bags. We do not agree with those arguments. Rather, the extension of the levy is a reinforcement of the message and further encouragement for people to behave in an environmentally sensitive way.
214. If the public have embraced the shift to the extent that the figures suggest,

there has clearly been a cultural shift in shopping habits. Therefore, most people already own a number of reusable bags and will not be affected by the levy. Choosing to purchase a single-use bag rather than making use of your existing reusable bag would not make practical or financial sense. Reusable bags are bigger and stronger. One reusable bag can carry the contents of two or three single-use bags. Therefore, a 5p levy on a larger bag is clearly more sensible than a 5p levy on a number of smaller bags. Furthermore, encouraging people to purchase their reusable bags before the introduction of the levy could act as a further stimulus for people to make the transition to reusable bags, and that would help to tackle the unacceptable figure of 60 million single-use bags still potentially being used.

215. The levy has been a great success. It was not met with the predicted resistance on the part of the public. Continual review, ongoing promotion and encouraging retailers to limit the availability of single-use carrier bags at checkouts are necessary to make further progress on the issue. The proposal to introduce a 5p levy in England and Scotland will build on the profile of the issue and result in a UK-wide 5p charge, which will provide consistency for consumers and retailers.
216. I reiterate that the carrier bags levy demonstrates how a public awareness campaign combined with a small financial incentive can encourage better environmental practice and awareness, and that has a considerable benefit for society as a whole. The carrier bags levy has been in operation in Wales since October 2011. Patterns of usage in Wales will not necessarily play out in the same way here, so it is perhaps not appropriate to compare the exact detailed numbers or percentages. However, we can learn from Wales's experience. A 2013 report into consumer behaviour by the Welsh Assembly Government noted concern that people were not making use of the free replacement policy, with the possibility that old or worn-out bags

- were going to landfill. The report noted that the issue could be resolved by levying the cheap reusable bags. Given the growing recognition of the issue in Wales, it would make sense for us to incorporate the provision to extend the legislation to give the Department the power to introduce a levy on cheap reusable bags in order to avoid the substitution effect. That would give the Department the ability and confidence to ensure that the environmental goals of the legislation are fulfilled.
217. I will pass over to Sue, who has a couple more points to make.
218. **Ms Christie:** I will make a couple of points to summarise some of the comments that we have heard so far today. The main aim of the bag levy was to increase consumer awareness and change consumer behaviour. That is working extremely well. The income derived should be used locally. I would be absolutely delighted if the retailers were involved in deciding how that money is used. It was never the intention at the beginning that the money would be filling holes in the DOE budget. I do not think that any of us are particularly happy with that.
219. Evidence would be really good. We are glad that NIIRTA has stated that the admin has been less onerous than expected and that people are shifting to using the very long-life bags. However, we need some evidence about the impact of a 5p levy on impulse buys. That seems to be totally anecdotal. I am not quite sure whether that makes a lot of logical sense. Unfortunately, 5p is not very much money.
220. We would like to see the good work by the public kept up by reinforcing the message of reusing your bag, by further reducing the 60 million bags mentioned and by ensuring that bags taken are disposed of properly. There are two aspects involved: one is less bag use; and the other is to ensure that bags are not littering the countryside. We want to build on the success to date, and continue to address consumer behaviour change and other environmental
- issues. We need to accept the practical difficulties that have been stated today. Perhaps there are other ways to encourage continued consumer action at less cost to retailers. However, changing consumer behaviour and attitudes is the most important goal of the legislation, and that is what needs to be reinforced.
221. **The Chairperson:** Thank you. As I said earlier, Sue and Jonathan, the message seemed to be very difficult to sell. People would ask why they are being taxed for reusable bags. How do we say, in very simple terms, that we are charging for reusable bags because it is right to do so?
222. **Ms Christie:** That is not really the right question. All bags are valuable resources, and we need people to recognise that they are valuable, reusable and need to be taken care of properly. We are putting the same cost — the same differential — on to a reusable bag that is put on to a single-use bag. You are changing the cost of a reusable bag. Remember, the limited information that we have today is that people are not tending to move to the long-life bags.
223. You are talking about a 5p levy on a life-long bag — something that is going to be there for ever. That is not the same as putting 5p on a bag that has no cost to begin with. We are talking about 5p on a 10p bag that you have for ever. People are perfectly happy to buy such a bag before the levy comes into play, which can be used as a very strong publicity agent to encourage people to get into using the reusable bags: if you get your bag now, you can keep it for ever.
224. I say thank you to the retailers for continuing to provide the bags for life, because it is a really good incentive. I am not sure that 5p as a levy is that significant an amount, proportionate to the cost and the benefit that you would get from your reusable bag.
225. **Mr Jonathan Bell:** Judging by the figures, a lot of people already own reusable bags, so they should not be affected once the levy on reusable bags comes in.

226. **Mr Weir:** One of the areas of concern that has been raised, which has more to do with the administrative side of things, is that the time frame for introducing the levy is too short. Will you comment on that?
227. I want to pick up on the Chairperson's point. From a public message point of view, you have perhaps underestimated the hurdles that exist when differentiating. When you discourage the use of single-use bags and say that there is a levy going on them that is environmentally friendly, that is a very easy message for people to buy into. The message about reusable bags is a lot more complex or counter-intuitive for people to buy into. At the very least, were there to be changes made there, from a consumer awareness point of view and from the point of view of selling it to the public, there would have to be a much greater lead-in time. What thoughts do you have on the lead-in time?
228. **Ms Christie:** I accept that completely. I see a very big problem in getting the message tooled up, as well as having the technology for the retailers. It would be highly desirable to delay things, because the lead-in time has been truncated, through no fault of the retailers.
229. As far as the message goes, our main message is that bags are valuable and should be reused. We are not trying to differentiate between what has a levy and what does not. In some ways, the simplest public message is that there is a levy on carrier bags. It is about selling that message.
230. **Mr Weir:** There is a complication from the public's point of view, however. They feel that by getting a reusable bag, they are doing the right thing for the environment and are being ethical, and they may well have that in their mind more than the economic argument. The problem is that it is a lot easier for someone to accept the levy because it is pushing people towards using a reusable bag. They will think that they are doing the wrong thing by getting a single-use carrier bag, yet they will still be charged if they do the right thing and get a reusable bag. Whatever the rights and wrongs of it, that will be a difficult message to get across to the public and for it to sink in.
231. **Ms Christie:** You could go all the way and get a really long-life bag and have no levy to pay again. It just concerns this particular type of bag, which is slightly better than a single-use bag as opposed to —
232. **The Chairperson:** The cheap reusable bags.
233. **Mr Weir:** In certain ways, this is an argument in favour of bringing in the levy, albeit perhaps in the way in which you have put it. When I buy relatively cheap reusable bags, I do not treat them in the same way in which I would a more expensive reusable bag.
234. **Ms Christie:** Exactly.
235. **Mr Weir:** I suspect that people will not take the attitude of getting their bag early because they will be able to use it for the rest of their life if it is a 10p bag, or whatever. I think that people's attitude — it is the substitution effect — is that, if they get a 10p reusable bag, they will use it two or three times and then the next time that they will use it is when they have to put stuff in the bin. It will not be used for life. I would treat that bag quite differently from how I would treat a much more substantial bag for which I paid perhaps 50p.
236. **Ms Christie:** Perhaps you are making a good argument for why the levy should be more than 5p on reusable bags, which is an argument that we are not going towards at the moment.
237. **Mr Weir:** No, I am making the argument that people will have a different attitude to cheaper bags, which gives a level of merit to that bit. There is a level of substitution effect. I can see a good, logical argument that there is a substitution effect on both sides of the coin. What I mean is that, without a levy, some people will decide to go the next step and get a 10p bag, because they will get a few uses out of it. However,

- they will not treat that bag the same as they would a 30p bag. There is some merit in that argument from what has been put to us previously, which is that if you get a 10p reusable bag suddenly going up to 15p, there may well be a strong temptation for people to substitute downwards. There are arguments on both sides.
238. Mention was made of various assumptions about consumer behaviour. Sue, as I asked others, can you provide us with any evidence that shows how consumer behaviour will be affected by the impact on a reusable bag? You mentioned Wales. If I picked you up correctly, that report more or less came to the conclusion that it is something that should be done, rather than it being an example of a levy on reusable bags for the past five years and demonstrating the impact on consumer behaviour as a result. Is there any evidence that can be produced that clearly shows the impact as opposed to a useful direction of travel?
239. **Ms Christie:** I do not know that there is. We will look to see whether we can find anything from elsewhere in the world. There is certainly not anything else in these islands. We will see whether we can find something from elsewhere.
240. **Mr Weir:** I appreciate that it is not directly your problem, but we are getting contradictory views. Maybe, using a different timescale, it could be a reasonable route by which to try to establish some of this. On either side of various arguments, people are making certain suppositions about the implications. There seems to be a very limited amount of concrete evidence on both sides of the argument. That puts us in a more difficult position when it comes to legislating. That is more of a comment than a question.
241. **Ms Christie:** I agree with that very much. We do not know what the impacts are. We have had a brilliant response so far from the public, and we want to continue to encourage that.
242. **Mr Jonathan Bell:** It is appropriate to recognise that one of the threats to achieving the environmental goals of the legislation is the idea of the substitution effect. We need to have that tool in the legislation to be able to challenge that if the issue —
243. **Mr Weir:** I understand the logic of that, Jonathan. My concern is that there is a counterargument that the substitution effect could, in practice, operate the other way. People could think that if they are paying a levy, they might as well get the cheapest 5p bag and just use that. In theory, somebody who is sufficiently mean spirited and environmentally friendly could reuse a single-use carrier bag on other occasions. It is not an absolute.
244. **The Chairperson:** As bin liners.
245. **Ms Christie:** Don't we all? The point is that we want to differentiate more strongly between single-use bags — there are times when we all need a single-use bag — and reusable ones so that you do not end up throwing away or littering with your reusable bags.
246. **Mr Weir:** I understand the logic of that. It is just about ensuring that what is done is practical and actually works rather than something that may or may not create more problems.
247. **Mr Jonathan Bell:** Some retailers are selling a cheap reusable bag for 6p, which does not provide a differentiation between the single-use bag and the reusable bag.
248. **Mr Boylan:** Thank you for your presentation. I have some sympathy with this. I have talked to some people who have embraced the single-use levy, and they are asking me whether they are going to be charged for a reusable bag. That is the impression that you get. It is about how we get the public to buy into that. It may be a wee bit too early to do that at this point.
249. The retail industry has things to do to get itself set up for this. It was interesting to hear some of the comments that the representatives of

- the retail traders' association made. They said that they were not exactly ruling it out, but they have concerns about it. The only way in which to clarify or support a point is to gather evidence. We all have anecdotal evidence from consumers in our constituencies, but we need a body of evidence to suggest what to do, one way or the other.
250. I think that the public have bought into this and that attitudes have changed. I know that you are talking about 5p, Sue, but 5p is 5p to some people.
251. **The Chairperson:** If you have 10 bags, that is 50p.
252. **Mr Boylan:** Given the economic situation that we are in, you need to take that on board. I think that you need to get supportive evidence one way or the other.
253. **Mr Jonathan Bell:** Given the value of that 5p, it makes much more sense to encourage people to use the reusable bags. OK, there is going to be an extra 5p levy on it, but that one-off payment of 15p, or 11p, depending on where it is bought, makes much more financial sense for someone rather than buying three single-use bags.
254. **Mr Boylan:** I do not disagree with that, but we are going from getting the public to buy into the idea of paying for single-use bags to charging them again. There is an interesting point to be made about gathering evidence. A lot of people are buying reusable bags.
255. **Mr Jonathan Bell:** You could turn it around and say that we are rewarding people for using the reusable bags because they are not going to be financially penalised. We are rewarding the use of reusable bags.
256. **Mr Boylan:** That is the message that you need to get out before you try to sell the levy.
257. **Mr Jonathan Bell:** Exactly. If it comes alongside public awareness, it could be bought into.
258. **Ms Christie:** I will say something about the timing. From our point of view, public awareness and public action is the most important aspect of this, because it could roll out into other areas of consumer behaviour. That, to me, is much more important than the levy or whatever it is that you are doing. It is about the public message. That has not necessarily been as well promoted as it could have been. I would urge action be taken on that now, through DOE supporting public awareness messages on why we need to value plastic bags, fuel, wood, and so on, as resources.
259. **The Chairperson:** The wider aspect of it, yes.
260. **Ms Christie:** As I said, I would have no particular qualms about delaying the levy in order to allow the retailers to get their technology in order, especially if it was accompanied by public awareness.
261. **The Chairperson:** It is coming up to Christmas, and there is not much time for the industry to cope with all the changes.
262. Thank you very much, Sue and Jonathan.
263. Members, we need to keep the next evidence session tight, because we are going to have a big presentation from the Department on the Local Government Bill afterwards. I will limit members to a short question each. I welcome Ms Karen Smyth and Councillor Shaun Gallagher. It is nice to see you again, Shaun. We are really pushed for time, so I will give you two or three minutes and then let members ask you questions.
264. **Councillor Shaun Gallagher (Northern Ireland Local Government Association):** We will not take up much of your time. I thank the Committee for the invitation to give evidence on the Carrier Bag Bill today. The Northern Ireland Local Government Association (NILGA) is keen to assist you in any way it can to develop robust and useful legislation for Northern Ireland. As you know, NILGA has a keen interest in waste management, which, even post reform, will be the area of work that involves the biggest ongoing financial outlay for councils. We are keen to ensure that waste and resource management

- is seen as an economic opportunity locally and by the Assembly. We are working to promote waste as a potential source for the creation of green jobs in addition to developing the positive environmental impact that councils are having through modernising processes and infrastructure.
265. NILGA is supportive of schemes to reduce packaging waste and to extend producer responsibility. Therefore, it was broadly supportive of the introduction of the single-use bag levy. That continues to be the case, and we are delighted that the introduction of the levy has had such a positive impact on behaviour already. It is noticeable that, in some areas, there is evidence that some small retailers are opting out of the scheme due to what they perceive as prohibitive administrative arrangements and are no longer providing bags for their customers at all. Therefore, we are keen to ensure that adequate information is given to retailers, particularly in relation to the packaging of loose food items to overcome any confusion about bags for food safety purposes.
266. NILGA has been and continues to be broadly supportive of the proposal to extend the scheme to cover reusable bags, as is the case in the Republic of Ireland. I also highlight our view that funds raised through the scheme must not be used as a replacement for DOE budget shortfalls. We recommend that funds raised should be used to monitor existing waste streams and to track new waste streams to assist in the development of the robust evidence base for future waste management work. As the Committee will know from my previous meeting with you, there are serious concerns in local government about the lack of evidence base for departmental waste policy.
267. I will now hand you over to Karen, who will discuss our request for an extension of the proposed legislation and comment on the clauses.
268. **Ms Karen Smyth (Northern Ireland Local Government Association):** Thank you. As per our written submission,
- it is NILGA's view that the further legislation should be used to introduce the requirement for all plastic bags to be biodegradable and to further develop the retail take-back services for packaging. We respectfully request that the Committee considers formulating amendment clauses to the Bill to achieve those proposals, although it is noted that they would not be without complication for councils. For example, the implementation of biodegradable bags would require careful communication to the public regarding disposal. The other consideration is that any take-back schemes would require closer working between the retail sector and councils to advance recycling rates together rather than in isolation.
269. NILGA is broadly supportive of clause 1, although one of our member councils has queried the application of the Bill to paper bags. In relation to clause 2, we note that the Minister stated his intention to maintain the levy at the current level for the foreseeable future. Given the concern that some of our members have expressed about a potential increase, NILGA is content with that proposal. Given, however, that any increase would need to be made through regulation anyway, it is suggested that the clause be retained to, effectively, future-proof the Bill in the face of what is currently an unclear economic picture.
270. NILGA is broadly supportive of clauses 3 and 4. In relation to clause 5, we encourage the Department to liaise closely with the retail sector to ensure that the requirements are practical and achievable. In relation to clause 6, we encourage the Department to liaise closely with the retail sector to ensure that the requirements are easily understood by and well communicated to retailers. One of our member councils suggested that there should be an upper limit to the price of bags.
271. We are broadly supportive of clauses 7 and 8. Clause 9 is about review. We are particularly keen for the Department to explore how the introduction of charging for bags for high-end retail items, such as clothes and shoes, is being perceived

- and implemented. We have no comment to make on clause 10.
272. That is our presentation, Chair.
273. **Councillor Gallagher:** You will be glad that it was short.
274. **The Chairperson:** Thank you very much. You put forward a very interesting idea about biodegradable bags. However, there is obviously a cost element to it. I am sure that it would be a lot more expensive to produce biodegradable bags than ordinary plastic bags.
275. **Ms Smyth:** I am not across the detail of the costs of production. Purely from a disposal point of view — obviously, councils deal with disposal — it would be much more effective in the long term for what we are trying to achieve, which is to remove waste from the landfill stream, if we had biodegradable bags.
276. **The Chairperson:** Obviously, councils give out biodegradable bags for food waste.
277. **Ms Smyth:** Yes.
278. **Mr Weir:** In light of your comments, I will ask just one question. Concerns have been raised about the timescale for implementation. Previously, when this was brought in, there was quite a large lead-in, and it was an easier message to sell initially with regard to reusable bags: in phase 1, we are charging for single-use bags and consumers need to use reusable bags. However, as well as broader implementation issues, this may be a tougher sell, and it may seem a bit counterintuitive.
279. We are getting contradictory views. There seems to be a very limited amount of evidence-based information. If NILGA has any evidence, even from other jurisdictions, on the impact of consumer behaviour where there has been a levy on reusable bags, it would be helpful if that could be sent on to us. However, that evidence may not exist. We are concerned that we are getting contradictory evidence on consumer behaviour. There is a concern that a lot of this is based on both sides of the argument, and some of that may be based on supposition rather than evidence.
280. **Councillor Gallagher:** Certainly, Peter. We can look into that. We do not have it all to hand. As you know, with this, as with every other aspect of environmental issues, there are experts on all sides. However, NILGA can certainly find that out.
281. **Ms Smyth:** With regard to the timescale, one of the key concerns about the initial introduction of the previous Act was to ensure that it was well communicated to the public and the retailers. That took time, and it is still working its way through. If the Committee decides that a longer timescale is necessary, NILGA would not be concerned about that. It should be based on what is practicable and achievable. There is a fear that people will use the reusable bags as disposable bags. It is really important to get that message and that culture change across.
282. With regard to the evidence base for any of this, it is all quite new policy. There should be some more evidence available, potentially, from the South. I will endeavour to get that for the Committee, if it is available. I would not hold out too much hope for evidence from across the water, but I will see what is available from other jurisdictions in Europe.
283. **Councillor Gallagher:** The one thing not to be lost in this whole debate is how popular the scheme is.
284. **The Chairperson:** Absolutely. It has been very successful.
285. **Councillor Gallagher:** The general public have signed up to it.
286. **The Chairperson:** You see people carrying stuff to their car rather than pay 5p for a bag. That shows how tight and how cost-conscious we are.
287. **Ms Brown:** Thank you for your presentation. To go back to the point that the Chair made on your suggestion of using biodegradable plastic bags, I

- think that that is very interesting. It is the first that I have heard of that. My first concern would be the confusion with recycling. A lot of people should be used to using their biodegradable bags for their food waste and getting to grips with that. However, I still see merit in the idea. You could easily design the bag to be very similar in looks or colour to what people use for their food waste. Hopefully, that would not cause too much confusion. I think that it is a very interesting idea and something that should definitely be looked at.
288. **Councillor Gallagher:** On that point, I think that the Committee should be challenging the major retailers — the likes of McDonald’s and others — on this by saying to them openly, “Yours are the products that we pick up as local councils. We are cleaning them up.” The challenge should be put down to the retailers. I have no doubt that, whoever does it first, will be very popular. The recent advances in packaging are enormous. I am led to believe that the major chains are not far off from developing biodegradable packaging for food. It might do no harm for the Committee to ask the retailers politely where exactly they are at. We believe that it is something that could be introduced in the future.
289. **The Chairperson:** Obviously, you cannot have reusable bags that are biodegradable.
290. **Councillor Gallagher:** No.
291. **The Chairperson:** You cannot keep them forever.
292. **Councillor Gallagher:** You will find that there is a market for everything. They will be used.
293. **The Chairperson:** Yes, for other things.
294. **Councillor Gallagher:** If they introduce the packaging side of it at the same time, that could have a major impact, for example, on landfill and recycling. We must all come together on this. In fairness, we are starting to put in the infrastructure for recycling in Northern Ireland. Our rates of recycling are going up and we want to encourage that.
295. **The Chairperson:** I take your point too, Karen, about the take-back services for packaging. That is more for them to reuse, and it furthers the idea of social responsibility, does it?
296. **Ms Smyth:** It would be very much linked to the producer-responsibility aspect of waste management. I know that some of our waste officers actually leave packaging in supermarkets, when they are buying their groceries. So, that practice has started.
297. In relation to the bags themselves and biodegradable bags, the Committee needs to take cognisance of other uses of the bags. It is not just about bringing your shopping home. There is a practice that is quite prevalent in households of using those bags as bin liners.
298. **The Chairperson:** Yes. We all do that.
299. **Ms Smyth:** We must look at that continuity of use and decide what material the bags are best made from.
300. **Councillor Gallagher:** The other point is that there are job opportunities in the bringing back of major packaging. If you are major electrical retailer, and you send out all that packaging with, for example, a TV, which has to be packaged to be kept intact, the same material that you use for packaging is a major resource on the recycling market. So there is an opportunity for that company in home deliveries, or it could subcontract the service. They would unpack the TV in your living room, and then take away the packaging, recycle it, and get the revenue from it.
301. **The Chairperson:** Absolutely. So much is thrown away and wasted. OK. Are there no more questions? Thank you very much, Shaun and Karen. Thank you for coming.
302. **Councillor Gallagher:** Keep up the good work.
303. **The Chairperson:** Thank you.

3 October 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Tom Elliott
 Mr Ian McCrea
 Mr Barry McElduff
 Mr Ian Milne
 Lord Morrow

Witnesses:

Mr Rory O'Boyle *Department of the*
 Ms Janice Riddell *Environment*
 Mr Donald Starritt

304. **The Chairperson:** I welcome Donald Starritt, from the environmental policy division; Janice Riddell, from the policy division; and Mr Rory O'Boyle, from carrier bag levy team operations. You are very welcome. We are delighted to be here in Derry, where Mr Rory O'Boyle is based. I remind officials that this session is being recorded by Hansard because it is to do with the Bill. You can brief us for five or 10 minutes on how it is going for you and then allow members to ask questions.
305. **Mr Rory O'Boyle (Department of the Environment):** Good morning, and thank you for affording us the opportunity to speak to you today. Just to clarify: Janice is the operations manager in the levy team, just in case any flak comes my way, I wanted to make sure that it also comes her way. *[Laughter.]*
306. **Ms Janice Riddell (Department of the Environment):** Thank you, Rory.
307. **Mr O'Boyle:** Again, thanks for the opportunity to provide an update on our work. We have provided you with a detailed briefing on the operational arrangements. You should be aware — I think that you will have got a good feeling from some of the other individuals and stakeholders who have spoken to the Committee in recent weeks — that, to all intents and purposes, the administration and implementation have gone relatively smoothly. With the charging arrangements beginning on 8 April, we have now gone through one quarterly return period, and today we are just beginning the second return period.
308. The arrangement was to try to make the administrative burden as light as possible on retailers, large and small. We are very happy to report that, in quarter 1, in excess of 85% — almost 90% — of our returns were made online. That gives an insight that people are buying into the mechanism that we had. You will be aware that the administration team is only one year old almost this week. Putting a new team together with new legislation posed significant challenges, but I think that the input and the levy of returns that we processed in quarter 1 were a great testament to the team.
309. I also welcome the opportunity to assure you that the levy is being implemented and administered in a very robust, but very sensible, manner. You will be aware that, in the months leading up to the introduction of the levy, the Department had a strong communications campaign in which we worked closely with small and large retailers. We have always been aware that the levy was to be phased in, so, as we sit today, phase 1 is implemented, and we are now starting to give serious consideration to phase 2, which is the subject of some of today's deliberations.
310. Having read what other stakeholders said, I think that we have developed strong relationships with the retail sector; we have worked very hard to do that. However, it would be remiss of me not to say that had it not been for the sensible approach taken by retailers and consumers, I am not sure whether we

- would be in the position that we are in today.
311. I have given you a broad briefing on where we are and what we have done. We are happy to take questions. I reiterate that we are only at the start of a transition period and that significant steps are ahead. We have made significant progress, but we need to build on it.
312. **The Chairperson:** Thank you for your presentation and congratulations; I think that you have done well. As you said, the team is only a year old and this was thrown at you quickly. Last week, we met two organisations representing retailers. We got the sense that they were happy with the regulation and the need to do this for environmental reasons. The system seemed to be working for them, as well, in reporting back. However, they queried whether carrying through on the second phase next April is too hasty. How do you feel about that?
313. **Mr Donald Starritt (Department of the Environment):** First, we had always intended to go to reusable bags, and I will explain why. Since the levy was introduced, the sale of low-cost reusable bags has rocketed. We do not yet have those figures, but we know, because retailers are telling us, that they have rocketed. To some extent, you would expect that to happen, and one would initially say that those are the very bags that we want people to reuse. However, we are not convinced that they are being reused. Many reusable bags are going out because they are relatively cheap, stronger than a single-use bag and perhaps only a penny dearer. We are very worried about the number of such bags going out.
314. When we first did our figures, we forecast a 70% increase; however, Wales experienced an increase of 130% . We are gathering figures from the major retailers, on the basis that they are prepared to share those with us. We think that we will leave 130% trailing, but we do not know that for certain yet.
315. **Mr O'Boyle:** Donald is right: where we have not specifically gathered figures, some retailers have shared evidence with us — I will not mention the large retailer — that it sold more reusable bags in the week after the levy went live than in the previous year.
316. **The Chairperson:** The cheap ones?
317. **Mr O'Boyle:** Yes; it is there for all to see. We have written to the large users — there is no statutory obligation on them to provide evidence about the usage of reusable bags — in recent weeks specifically asking them to share information with us because that would be helpful. We will be pleased to feed that back, on the basis that they give us that information.
318. **Mr Starritt:** The objective was always to reduce the number of bags in circulation. The job is half done, as we have reduced the number of single-use bags, and we hope to continue reducing it. However, it will remain only half done unless we go to low-cost reusables and encourage people to reuse them. Particularly with supermarket bags for life, it must be borne in mind that people pay for those up front. Once the levy comes, they will pay a little more up front, but then that is it. Those bags will be replaced free of charge every time they wear out. If we achieve that, it will mean fewer sales of such bags for retailers, but the objective of the levy is to reduce the number of bags.
319. **Mr O'Boyle:** We have a cadre of staff working with retailers large and small, and we have a designated large-case manager, who is with us today, who works significantly with, and specifically for, large-case users. As Donald said, the feedback from our staff is that there has been an explosion in the use of such bags. If we have figures to support that, we will be happy to share them with you.
320. **Mr Boylan:** Thank you very much for the presentation. There are two elements to this: the business element and the consumer element. I can speak only from my experience in my constituency,

- but people have been very positive about this; there is no doubt about that. My only concern is about the confusion that will reign from paying for a single-use bag. People are buying reusable bags; some of them are up to £1 or whatever. How we get that message across is vital. I think that people would definitely question why that is. That is one element.
321. The other element is the pressure that will go on business. We heard from two representatives last week. You are still intent on bringing that forward in April. Is there an opportunity to phase it in over a longer period? That would give the consumer more time to absorb what is coming; it would also give business an opportunity to adapt to it. Has any consideration been given to that? That is the bones of last week's presentation.
322. **Mr Starritt:** To do that, we would need the Bill to go through the Assembly; we would then need regulations to be affirmed by the Assembly. We have always known that, even with a fair wind, there was a great deal of work to do to make April 2014. Both Ministers — Mr Attwood and now Mr Durkan — have said that they would keep that timetable under review. It depends on how quickly the legislation passes. We recognise that retailers will need time to prepare. However, for policy reasons, it needs to happen as quickly as possible. I am happy to take that back to the Minister.
323. **Mr Boylan:** It is all right supporting the industry, but I have concerns about the general public in doing this. They did very well in buying into it, but it is one impact after another. We have done it this year, and we are going to do it next year again. If it was considered over time, it would certainly lend some support to it. I am not saying that everybody will support it, but it is something to consider.
324. **Mr O'Boyle:** As Donald said, we can take that back. The go-live date for phase 1 was 8 April. You might wonder where that date came from, as it seems quite strange. The date was derived from the fact that 1 April to 8 April was Easter week. We had representation from retailers that it would have been very unfair of the Department to bring in legislation at one of their busiest times of the year. We listened to them. That is a clear indication of how we have listened to the retail sector and tried to build relationships with it. The 8 April date was derived almost on a consultative basis from having worked with the retail sector.
325. **Mr Boylan:** I was mindful not to say this to the business industry last week, but it seems that all types of bags are being sold all over the place. It may not be easy for us to do this, but it is something for consideration. You go into different shops and you get bags at 6p or 10p, and they are saying that they are bags for life or reusable bags. Can we not look at working with the industry to provide a certain type of reusable bag?
326. **Mr Starritt:** If the legislation were to go through, the distinction between what constitutes single use and reusable would go; bags with a retail price of below 20p would be subject to the levy. The only place where it will stay will be for a bag for life, where a retailer says, "We will give you a free bag for life. You pay so much for your bag, but we will replace it free of charge." There will be specifications for what constitutes a bag for life. We are due to brief the Committee in the next two weeks. We can go through the detail of that.
327. **The Chairperson:** How much are those bags for life?
328. **Mr Starritt:** It varies between 5p or 6p and 20p plus.
329. **Mr O'Boyle:** One of the dangers — we see evidence of it on the ground — is almost a high-scale substitution effect, whereby a customer would be inclined to buy a cheaper reusable bag at 5p or 6p, ideally because they thought that they were getting greater value. Our statistics show that only 56% of people reuse those bags. That is a disaster for us because it is a significant substitution effect, and those bags are going to landfill much more quickly.

330. I share the member's thoughts that there is a very positive message here. As I said earlier, implementing the levy was a phased approach. We have plans to promote this. One of the main reasons for the success of last year's awareness campaign for the levy was the "free media" that we got. "Free media" is events such as this. This time last year, people were talking about the difference between paper and plastic. Was paper in? Was plastic out? What was in, and what was out?
331. **Ms Riddell:** When is a bag not a bag?
332. **Mr O'Boyle:** Yes. The customer has become more discerning and more aware, and the ongoing debate is helping us to raise awareness. However, I agree that we have work to do to make the Department's rationale clear to customers. We have a communications plan in place. The large retailers would say — I think that the small retailers would agree — is that we had a very successful communications campaign last year.
333. **Lord Morrow:** Some of my questions have been answered, but there are two aspects that I would like to hear the panel on. First, the new bag, which I suppose you might call a stage up from a plastic bag. Is it inevitable that we will produce another type of disposable bag of little or no value that will start littering the countryside like the plastic bag before it?
334. Secondly, you mentioned Wales. Was there any hint on the horizon that that could be a problem for them? Is there any possibility that the new scenario will encourage, in some way, a black market here to produce bags that, at least on the fact of it, will be environmentally friendly but which, at the end of the day, are not? Are we perhaps moving from one type of problem to another?
335. **Mr Starritt:** There may be three points there. The main purpose of putting the levy on the low-cost reusable is to increase the economic worth of the bag. Let us take the scenario where we do not do it, and we have a 5p single-use bag and a 5p or 6p low-cost reusable bag. Very soon, people have started to accept, if you like, the 5p level. They go to the shop and will pick the best bag, which will be the low-cost reusable. Some — not as many as now, but some — will discard that bag prematurely, and that will give us our problem. That is why we are imposing the levy: to increase the worth and to encourage reuse. Yes, it will mean a wee bit more first off, but if it is a bag for life it will be replaced free of charge.
336. As for the Welsh experience, I am not aware completely that anyone has said that they are going to low-cost reusables. However, some of our colleagues in Wales — and in Scotland — are looking with interest at what we are doing and why we are doing it. We anticipate that they will be looking at their policy, but I cannot say that they are going that direction just yet.
337. The other point was a possible black market in bags. Any bag that appears in a store and is sold for anything less than 20p will have to have the levy applied to it, regardless of where it is sourced. England is considering exempting a certain type of biodegradable bag, and we will keep an eye on what happens there. Going back to the underlying policy objective to cut unnecessary bags, regardless of what they are made from, our concern is that there is a certain amount of myth about biodegradability. Bags will biodegrade if they are disposed of properly; if not, they will litter streets for a considerable time.
338. **Lord Morrow:** I once had the rare experience of walking past a boutique and being hollered in. That was a new experience for me. *[Laughter.]* I was looking for the exit door the whole time. However, the person who has that boutique has a very upmarket bag that she gives to ladies who buy their finery there. She was very critical of the fact that this bag could not be used. She gave me three samples to take home. I do not know why three, but that is by the way.
339. She said that those bags were costing her from £2 to £4. Yet, they would not

- be deemed biodegradable, and she had a dilemma. She also complained that — I would like to hear you on this point — it could encourage theft. I think that I raised this before. It was one of these shopping malls where you can walk through from one to the other without ever going outside; and some people come through with garments over their arm. I was told, “It would be quite easy for that person to lift another garment”. The person was not doing that, but she said that her concern was about the potential of that happening in future. Have you any evidence of that from the retailers that you have been talking to?
340. **Mr O’Boyle:** It would be remiss of me not to say that some small retailers have raised issues with us in relation to the potential for theft. However, we have no strong evidence that there has been a spike as a result of the introduction of charging for carrier bags. This morning, I told a retailer who lives in the city that I was going to be speaking to you today and asked him what he wanted me to tell the Committee. His is a medium-sized store, and he said, “You should tell our elected representatives that the savings that I am making on a monthly/quarterly basis are more than £1,000 a month because I do not have to purchase carrier bags”. He said, “I think that the levy has been very successful”.
341. I asked him about shoplifters and he said, “Let’s be honest, Rory, if a customer wants to shoplift, he will shoplift irrespective of carrier bags”. Again, we have no strong anecdotal evidence to gauge that or to suggest that there has been a spike in shoplifting. In our discussions with them, the large retailers said something similar.
342. **Lord Morrow:** I take the point that someone who is bent will remain so and will continue to do what they always have. However, we do not want to make it easier for him. That is all that I am saying.
343. **Mr Starritt:** A study in Ireland after its plastic bag levy came in looked at shoplifting and identified a slight increase. However, it later fell back to, more or less, the previous levels. It is potentially a factor for a while; however, it was not felt to be a significant one.
344. **Ms Brown:** Thank you for your presentation. Donald kind of answered the question that I was going to ask. I was going to raise the fact that the Northern Ireland Local Government Association (NILGA) had talked about all plastic bags being biodegradable. I still think that there is probably merit in that idea, particularly given that the food industry — chippies and that — are exempt from the levy. That is the type of bag that you will find, more than any others, stuck in trees and bushes because of people eating on the run. There is still merit, although I take your point that how they are disposed of is what makes them biodegradable.
345. **Mr Starritt:** The Department’s view is that, to the extent that people are going to buy single-use bags — some people will — we would obviously much rather that those bags were biodegradable. It will be about how we tackle that issue. If we were to create an exemption for biodegradable bags, manufacturers would simply switch to that type of bag and our usage figures would go up again. There may be another way around this. Perhaps it can be taken into account when we review our policy, which we are required to do. In fact, our proposals are to tighten the review clauses; so, I think that we will look at this off and on for some time.
346. **Ms Brown:** I am thinking more about biodegradable bags just for those who are exempt, in an attempt to cut down on plastic.
347. **Mr Starritt:** Yes. It would need to be along those lines.
348. **Ms Brown:** I like the way things are now. It has changed the shopping experience. This is probably a male/female thing: a man does not want to be walking about with a nice big bag, such as Maurice requires, over their shoulder. It is not a look that they want. I think that the males are the ones who want something that they can get easily and get rid of

- easily. Women do not mind going in with a big hessian bag.
349. **Mr O'Boyle:** The levy has definitely engendered a challenge to bag producers. They are looking at a whole range of bag types. You will probably see on the market the small bag that rolls up and can be put in your pocket. That might take away the bad look from males. I am always very conscious of having a bag with me in case somebody snaps me coming out of a shop with a plastic bag. I always have one in my pocket.
350. **Ms Riddell:** Operationally, we have taken the view that all those types of paper bags are not exempt from the levy. There was such a vast range at the beginning of April; people were coming in with different types of bags, and every time we met a retailer, we were being asked whether certain bags were in or out. We have adopted a consistent and uniform approach to the exemption when it comes to designer bags, which are all really paper.
351. **Ms Brown:** More of a campaign on the issue could clarify things.
352. I cannot remember what shop I was in, but I was asked whether I would like to buy a hessian bag for a children's charity for £1. It is much easier to give your pound when it is not going to the shop to make profit from, whatever type of bag it is —
353. **Lord Morrow:** Did it ease the pain of parting?
354. **Ms Brown:** Yes; it was knowing that the money was going to a children's charity. It was also advertised on the bag what it was for. That might be a good way to sell a bag to a man.
355. **Mr Boylan:** Are we not allowed to use designer bags? *[Laughter.]*
356. **The Chairperson:** Are the exemptions on the list still the same? Are we still talking about the levy not applying to bags for hot food and raw meat?
357. **Mr Starritt:** There are no changes to those.
358. **Mr O'Boyle:** It might be useful to give you some anecdotal evidence. Without doubt, when the levy went live, there was some confusion, as you have alluded to, about some exemptions. We had particular difficulties with the butchery sector. There was a general feeling that butchers were totally exempt. Again, this was more about education about that. Within a very short space of time of the levy going live, we received a significant number of calls from butchers. We did a special exercise and wrote to butchers. I think that our customer relations managers visited 96% of the butchers in Northern Ireland. A specific type of smaller bag that they can use is exempt. They had issues about food safety, so we worked closely with the Food Standards Agency, which produced a letter for district councils. There was a specific incident that we were able to deal with by working with other Departments and agencies.
359. **The Chairperson:** As Pam said, the bags that you can put raw meat into should be biodegradable. People should use those rather than the plastic ones that will last for 2,000 years.
360. **Mr Elliott:** Thanks very much for the presentation. My question is about the link with traders and retailers. You said that you do not have all the information back from retailers, except from those who decided to share it with you at this stage. How much discussion do you have or intend to have with retailers on that?
361. Rory, you mentioned one retailer who you spoke to in the city here this morning and who seemed to be quite positive about the scheme. He said that it is saving him £1,000 per month and that if people want to shoplift, they will shoplift anyway. I do not agree with that. Although I accept that if people are determined to shoplift, they will do so, but if you make it easier for them, more will be inclined to do it.
362. I take the point about saving £1,000 per month on the purchase of plastic bags. However, a lot of smaller retailers where I am from in Fermanagh and South

- Tyrone would indicate that they found, certainly at the start, that many more people were buying less. They bought just what they could carry out to the car, so they were spending only £10 as opposed to £30. That proved to be quite a reduction in their sales for a period, so I do not agree with all that your retailers are telling you.
363. You said that you had figures showing that only 56% of people reuse the reusable bags. Where did that figure come from or how did you get it?
364. **Mr Starritt:** The figure came from an independent survey by Millward Brown in June. I think the question was whether people regularly reused bags. We are trying to establish whether that has become a pattern.
365. **Mr O'Boyle:** We communicate with retailers large and small in a range of ways and through a range of mediums. We have customer relations staff on the ground who have had a significant one-to-one interface with retailers. We took the opportunity to engage with retail sectoral groups, from the Northern Ireland Independent Retail Trade Association to the Ballyhackamore traders' association and city centre managers. That process is ongoing. The next major group that we will speak to is the Northern Ireland Council for Voluntary Action, which is having a seminar for charity retailers in Northern Ireland. We will have somebody going to that next week.
366. We continue to build relationships, and that is important for us. I have a strong sense that, as the operational team, we are the Department's eyes and ears. We are on the ground, so it is important for us to get a strong feel about what is going on and feed that back into the process. I am not holding my local retailer up as a bastion of society but in relation to your point about people shopping less, he said that in a store of his size he gets to know his customers. He probably agrees that people take less, but he said that could be an individual who, before the levy, would have come to his shop twice a week. He now sees him coming in five or six times a week. There is evidence on both sides, but that is a one-off, so I could not say that it is the case throughout Northern Ireland.
367. **The Chairperson:** They buy less but come more frequently.
368. **Mr Starritt:** That is one example.
369. **Mr Elliott:** I am not so sure that that is great for the environment, particularly if you live in a rural area and have to drive a car every time you want to go to a shop for a loaf.
370. On the issue of continued relationships and discussions with traders, whether large or small; how much of that will be based on getting definitive evidence? We had the traders in front of us last week, and some of them said that they had found an 85% reduction in bag use. Others said that they had 97% or 98%, which is very high. At some stage, will you collate a reasonably accurate picture of where we are?
371. **Mr O'Boyle:** Some of you may have seen the Department's answer to a recent freedom of information request. I think that the journalist jumped to conclusions and produced figures that, to me, were totally inaccurate. The Department wants to be very clear that if it gives you any figures, they are validated. We have some figures from the first quarter. However, we need to factor in seasonal variations. In the first quarter, we had a week for which we had no returns at all, because Easter week was not in there. In this quarter, we had the fleadh in the city and the World Police and Fire Games. So, it is probably conceivable that consumption might go up.
372. Christmas comes into the next quarter, so we plan to produce statistics at the end of the year when we have a clear and full picture of what the four quarters look like. We can then say that those statistics are validated, and that will enable us to look at the trends and stand over them. Until then, I think that we would be treading a difficult and dangerous path in jumping to conclusions on figures. We certainly see

- trends emerging from small to medium-sized businesses. We are quite different from Wales, with which, as we said, we have had some discussions. Retailers in Wales have to publish their figures. They do not have to make a return to the Department; they publish them on their website. When we get in quarterly returns, we can collate them and, once validated, we can provide them to you as validated statistics.
373. **Mr Starritt:** The other difficulty we have in forecasting percentage reductions is that there is a level of uncertainty about the baseline; in other words, how many bags were in circulation before the levy came in. The figure of 300 million that we had is an estimate. It might be too high; we think it more likely to be slightly low. What we are really about now is trying, as Rory said, to gather our own figures. By the end of the year, we will know how many bags were issued in Northern Ireland. So, we are producing our own statistics.
374. **The Chairperson:** It will give you a baseline as well.
375. **Mr O'Boyle:** As of today, roughly 18 million bags were dispensed in the first quarter. As of 5.00 pm yesterday, the revenue we gleaned in the first quarter was just short of £908,000.
376. **The Chairperson:** That is a far cry from the £4 million that we were thinking of. *[Laughter.]*
377. **Mr Boylan:** But, Chair, this was for a quarter.
378. **The Chairperson:** It is the £4 million per year that I am thinking of.
379. **Mr Starritt:** The figures are higher than we had anticipated. We knew that, in the first year, we probably forecasted figures for the year, for just single-use bags, at around the £2 million mark.
380. **The Chairperson:** I was thinking of £1.5 million. I remember that figure.
381. **Mr Starritt:** We had different figures — £1.5 million net would be right. The £900,000 that Rory talked about is gross.
382. **The Chairperson:** From how many quarters — two?
383. **Mr O'Boyle:** One.
384. **The Chairperson:** Not good enough.
385. **Mr O'Boyle:** We would say that that is because we are doing a great job. *[Laughter.]* The net admin costs associated with that would be around £120,000 or £125,000.
386. **Lord Morrow:** Are you working with retailers across the whole Province on this or is it condensed in one area?
387. **Mr O'Boyle:** As I said, we have a team of customer relations managers who are deployed the length and breadth of Northern Ireland. Each of them has been allocated a geographical area.
388. We have had a range of queries from small and large retailers. I can provide the Committee with an assurance today that, where we have had any queries from retailers, we have been able to have a customer relations manager go out and see that individual within three days. I think that that provides a very high level of service.
389. **Lord Morrow:** Can I get them up to that boutique that I was talking about? *[Laughter.]*
390. **Ms Riddell:** At the very beginning of the levy, when it went live in April, we had around 1,800 phone calls in the first three months. A lot of them were around exemptions from the levy but people were also seeking one of the customer relations managers to visit them to distinguish whether their bags were exempt. As Rory said, in that first three month period, the customer relations managers tried to get out within those times when they got a phone call.
391. **The Chairperson:** Do you go out to do spot checks to see whether people are complying with the legislation?
392. **Mr O'Boyle:** Perhaps this is something that Janice could pick up on. Again, despite some of the horror stories and scaremongering that has been going on in the press, I gave you a

- very clear assurance at the outset that the levy was being administered and implemented on a very robust basis. Janice can outline where we see ourselves at the moment.
393. **Ms Riddell:** Operationally, there are a number of ways in which we would make an assessment of whether a retailer was complying. Mostly, at the moment, it is through structured visits with the customer relations managers, but it will also be through monitoring the quarterly returns. Before we would consider any formal enforcement activity in relation to the levy, senior management would have to be satisfied that a number of key stages have taken place. I would expect that the customer relations manager would have visited a retailer and seen that he was not charging. There would have been an observation, a visit, and then on the foot of that observation visit, I would expect to see some demonstration of an educational role between the customer relations manager the retailer.
394. If the retailer was not on the premises, our customer relations manager would leave a letter including a time frame of 21 days for a follow-up visit. If, after that, they found that the retailer was not complying, I or Rory would visit the premises. It would only be after that time, and if the retailer would continue not to commence charging arrangements, that we would feel it necessary to start formal enforcement action. In doing that, the customer relations managers would have to present the case to us, documenting that previous case history. In taking that staged approach to enforcement, I feel that we are very in line with the best principles of good enforcement.
395. For me, it is really about providing a consistent and uniform approach across Northern Ireland. I want to see that a customer relations manager who has dealt with a retailer in Fermanagh is dealing exactly the same way in Ballymena, to give that consistent approach.
396. At the minute, we have undertaken in excess of 1,000 visits by customer relations managers since the levy went live, and all those visits are documented and recorded in our internal carrier-bag levy database. So, the history of that retailer, if a visit has been undertaken, is recorded, and, if we were going to take any formal enforcement activity, that is what we would look at when we got there.
397. **Mr O'Boyle:** You will recall that we brought our enforcement guidance to the Committee before we went live. We were very clear that the model of enforcement that we wanted to have was a relationship model where we wanted to build relationships with retailers. I think that had we have gone out with all guns blazing, making a massive amount of test purchases, you would be asking me today why we had done that. We said that we were going to have a relationship model of enforcement and I think that the approach we are taking has been very measured.
398. It would be remiss of me not to say that we have had significant assistance from other Departments in looking at enforcement and in looking at the levy and how we enforce it. Our colleagues in Northern Ireland Trading Standards Service, which has no responsibility for administration of the levy, have been exceptionally helpful to us.
399. **Ms Riddell:** To the team, and to Rory and me, success in relation to our resources and our time is compliance with the levy, which therefore negates the need at all for any enforcement action. That is what success looks like to us.
400. **The Chairperson:** You have been working very hard, then.
401. **Mr Boylan:** Are you officially the plastic bag police — the CSI team? *[Laughter.]*
402. **Ms Riddell:** We are the single-use bag police.
403. **Mr O'Boyle:** One of the retail groups called us the carrier bag police. I am not sure how we will manage that.

404. **Ms Riddell:** In April, when we were out and about talking to different people and organisations, such as the Northern Ireland Chamber of Commerce, we were asked; “Will it be like it was with the cigarettes? Will we know that you are coming?” We made it clear to all the people we visited that we would not be sending a letter to a premises telling people that we would be coming to see if they were dispensing bags. That will just not happen, and they know that. The whole essence of providing those briefings was to educate and advise them that our customer relations manager could be in their store at any time observing their behaviour.
405. **The Chairperson:** And buying goods from them.
406. **Ms Riddell:** Exactly.
407. **Mr Boylan:** We imagine a SWAT team landing at the door.
408. **Mr O’Boyle:** We have been called worse than the carrier bag police, but that is not for today.
409. **Lord Morrow:** The worst that you could be called is VAT inspectors. *[Laughter.]*
410. **Mr I McCrea:** We have all heard the other names that you have been called.
411. I apologise for missing your presentation. The car-parking situation out there is absolutely abysmal, I will not go any further than that, but I probably said a whole lot worse when I was in the car trying to get a parking space this morning. This is an important issue, and I am a wee bit disappointed that I missed the presentation.
412. At the Committee last week, the Northern Ireland Retail Consortium referred to an eight-month to one-year training period that would be needed if the bags-for-life levy were to be implemented. Have you had any discussions with retailers about that requirement? I presume that they have a reason for it, but why it would take eight months or a year to train somebody to add that levy? I have my own opinion on the policy, but what is your view on that requirement?
413. **Mr Starritt:** The same period was mentioned to us. We did ask about it, but I have to say that we still do not quite understand why it would take so long. When we were introducing the single-use bag charge, we were told that retailers needed, as a minimum, a three-month implementation period, which, as it turned out, is what we had. I can understand that they want time to prepare, but I am not sure that it would take as long as that.
414. **Mr I McCrea:** Explain to me and the Committee what the retailers need to do to implement this levy.
415. **Mr Starritt:** They need to re-programme their tills and train their staff.
416. **Mr O’Boyle:** I cannot speak for retailers, but the evidence from some of the discussions that we have had is that, when a lot of the large retailers introduced the levy in Northern Ireland, they already had a model in place from Wales. It was almost a simple read across. What they are saying now — and this issue was also raised by the carrier bag stakeholder group — is that it would take significantly longer to phase out their systems and bring in new systems. They also raised issues in relation to the training of staff, but it does seem like an inordinate amount of time.
417. The Department has always been aware that it will be a phased approach. To all intents and purposes, we are still proceeding on the basis that the levy will be introduced in April. We have our communications plan in place. If April is given the go ahead, we will be ready to roll with what we have planned.
418. **The Chairperson:** Could the long period be explained by the fact that the very big supermarkets have a lot of part-time staff?
419. **Mr Starritt:** We are partly guessing what retailers’ concerns are. With the single-use bag levy, one of their concerns was that they did not want their checkout

staff to have to take the flak for the Department's charge.

420. Addressing that issue was a lot about having posters up around the store to let people know that the charge was coming in and that it was a government-imposed levy. I can see why retailers would want a three- to four-month period, but I am not so sure why they would need longer. This levy will affect the bigger retailers more than the smaller ones, because it is the bigger retailers that sell the bags for life.
421. **The Chairperson:** OK. We have no more questions for you.
422. **Mr Boylan:** There are specific questions at page 119 of our packs that have not been dealt with. Perhaps we could send those to the Department and get a written response.
423. **The Chairperson:** OK, that is fine. Thanks very much indeed.

10 October 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Tom Elliott
 Mr Alban Maginness
 Mr Ian McCrea
 Mr Barry McElduff
 Lord Morrow
 Mr Peter Weir

Witnesses:

Ms Jennifer McCay *Department of the*
 Mr Donald Starritt *Environment*
 Mr Simon Webb

424. **The Chairperson:** I welcome Simon Webb, the carrier bag levy project manager; Donald Starritt, who was with us last week and is the head of policy and legislation team on the carrier bag levy; and Jennifer McCay from the carrier bag levy policy and legislation team. I remind everyone that the session is being recorded by Hansard. Please give us a briefing of five to 10 minutes, and we will have questions afterwards.
425. **Mr Donald Starritt (Department of the Environment):** I will not take up too much time this morning, because we covered a lot of this ground last week. Today, we will focus, really, on the Bill. The Bill is pretty short; it is the underlying policy that is significant. It allows the Department to apply the levy to a broader range of bags, and we intend to do that by setting a price threshold that will determine which bags will be subject to the levy. We are suggesting a levy of 20p — sorry, a threshold of 20p.
426. **The Chairperson:** You frightened us.
427. **Mr Starritt:** Breaking news.
428. The detail of what we are doing will be in a set of regulations, and we have undertaken to provide the Committee

with a copy of the regulations.

Those should be on their way to the Committee, and you should have them for next week. There are really no surprises in the Bill, and there are no surprises in the regulations. Essentially, it is the same policy as before with the crucial difference that a broader range of bags are included and those bags determined by price.

429. The only thing I wanted to do today was to pick up on some of the key themes that stakeholders raised at your meeting of 26 September. I am sure that we will get into that in more detail later. There is a perception that what we are doing with phase 2 is at odds with the environmental objectives of the levy and that, in some way, we are looking to penalise people for doing the right thing in buying those bags. To that, we say that the right thing is not simply to buy new reusable bags but to buy your bags and reuse them, treat them as bags for life, which many retailers supply, and bring them back when they are worn out and get new ones. We are concerned that that is not happening, and I will maybe talk about that a bit more later. I am conscious of the need for us to gather evidence on that.
430. It has been put to the Department constantly that the extension in phase 2 is a way of raising additional money. If that were the objective, we would have raised the levy to 10p, because our modelling clearly showed that that would bring in more money. As it stands, keeping it at 5p and extending it to reusable bags will raise very little additional revenue. In fact, if people do what we want them to do and bring their bags back, it will raise practically nothing. Really what we are doing is trying to get people to value their bags, and we are hoping that, by placing a higher value on those bags with an increase in price, people will be

- more inclined to bring them back for replacement.
431. The only other thing I wanted to say at the start — and again, I think we touched on this last week — is that there is a perception that, because there has been a big reduction in the use of bags, the job is done. As I said last week, we regard the job as being half done. We do not want people to keep buying these new low-cost bags. We want them to reuse the bags that they have. We are aware anecdotally and, now, are increasingly getting evidence that the sales of low-cost reusable bags have increased very significantly. In some ways, you would expect that to happen and people are buying the bags that you want them to use. However, that is a good thing only if those bags are actively reused. Worryingly, a survey in June indicated that only 56% of people regularly reused the bags. If anything, that probably overstates the position, because reports from Scotland and Wales show a big difference between what people say they do and actual observed behaviour. A certain amount of that is anecdotal, but 56% seems to be a low figure.
432. Last week, Rory said that he asked retailers to give him figures on how many reusable bags they were selling. That information is starting to come in. Unfortunately, it did not come in on time for us to get papers to the Committee in advance. We have information with us today that we can share, or send to the Committee, or both. We have limited evidence from four retailers that operate across Northern Ireland. We can get into the detail of that later. Suffice to say at the moment that the data confirms a massive increase in the sale of reusable bags, much beyond what we forecast.
433. We are concerned that, if we do not extend the levy, those bags will continue to be available at more or less the same price as single-use bags, and there is a real danger that they will become a throwaway bag. We think that there are signs that that already happens in a small way but will increase.
434. **The Chairperson:** Thanks very much indeed for coming back. We had a number of the retail groups with us — the consortium and the association — and they are saying to scrap it. They also say that the timescale is very tight, particularly over Christmas. They have to change their IT systems and do staff training. Is it possible to delay it a bit rather than starting phase 2 in April 2014? What is your response to that?
435. **Mr Starritt:** We talked a little about this last week, and retailers had mentioned that they felt that they needed eight months. We are not in a position to confirm or deny that. Obviously the retailers will have their reasons for saying that. In terms of delaying it, we are content to bring that back to the Minister. I am not in a position to comment on the implementation date, but I am happy to bring that back to the Minister.
436. **Mr Weir:** To pick up on the Chair's point, I am a little bit concerned. Last week, we heard from the Northern Ireland Retail Consortium, and from Asda, one of the main retailers. There is reference in the document that concern was expressed at the stakeholder event about the implementation time, yet at the end of that bit there is simply a line that says that no significant issues have been raised in recent months about phase 2 implementation time pressures. That seems to be a contradiction. For one thing, there would, at least, be a level of nervousness if phase 2 was going ahead on that basis. If a number of folk raise substantive concerns about the implementation, those should be taken seriously.
437. I have a certain amount of sympathy for what is being attempted. However, I hear contradictory evidence on low-cost reusables. On the one hand, I understand the logic that you will tend to treat a low-cost reusable much more akin to a single-use bag than a bag for life. That slightly defeats the purpose, and I understand that. I can see logic in that. The other bit of evidence to the contrary is that, if you go after the low-cost reusable bags, people may not

be prepared, quite frankly, to take the leap and pay for a 30p bag for life, or whatever it happens to be, and will shell out for the plastic bag, rather than pay 7p or 8p for a reusable bag that they might use just a few times. Maybe this is a very unusual situation, because, unlike some other jurisdictions where a levy was put that covered the single-use bag and the low-cost reusable bag in one jump, we are in the odd situation where, because of the way that it has worked out, phase 2 is, effectively, singly focused in on consumer behaviour on the low-cost reusable bags.

438. I have heard two contradictory indications of what the effect on consumer behaviour will be and, obviously, consumer behaviour is vital to the environmental impact, which is the main aim. I agree that it is a slightly spurious point about the fundraising. You are right about that side of it. What concerns me is that I do not know, in practice, which way consumer behaviour will go and where the balance will lie. I am not aware that conclusive evidence has been produced one way or the other on that specific change. Should some research or trialling be done to show how that would work out in practice before we take that leap? I would like the changes that we are making to be based on evidence rather than simply, as with a lot of this, anecdotal or a hunch or based on what has happened in the wider context of an overall charge. I wonder if you would care to answer that.
439. **Mr Simon Webb (Department of the Environment):** In relation to the consumer response to a change in the price of the reusable bag, I will take a few seconds to define the term. When we use the term “a bag for life” in a lot of the figure work that we have with us today, that is typically a bag that retailers offer for around 10p or 15p. It is a bag for life in the sense that the retailer will replace that bag, at no charge to the consumer, when it is worn out. Therefore, in that sense, a bag for life has an initial upfront cost that we are seeking to elevate slightly to discourage new purchases of those

bags — which, in themselves, negatively impact the environment — and instead divert customers to a cheaper alternative. Buying new single-use bags every time you shop is not a cheaper alternative to replacing your worn-out bags for free.

440. **Mr Weir:** This is where consumers will take a particular attitude to it, which is part of the rationale for the change. A lot of the various retail places have a 10p or an 8p bag — something which is pitched above the 5p bag. However, the problem is that a lot of people do not see those as bags for life; they see them as things that they may use three or four times and then use to tie up the rubbish. The concern has been expressed that you may knock those bags out of the market. You are probably going to have the 5p single-use bag, and then anything probably around 20p, in practical terms. The danger is that if the middle option, which is probably used a few times, is knocked out, a lot of folk will simply go for the 5p bag — there will be a sort of substitution downwards. To what extent is there evidence to prove or disprove that?
441. **Mr Webb:** There are limitations to generating evidence around that point. For example, if you were to survey shoppers and ask them how they would react, you cannot be sure that the answer that you get will actually be representative of how they would act in practice. We also have data from Scotland and Wales looking at carrier-bag behaviour there, and you have a copy of that report.
442. **The Chairperson:** Yes, it is really interesting.
443. **Mr Webb:** It is a very interesting report. There are quite a lot of important facts in there. One of the findings was that, although there were over 9,500 transactions observed, in only 0.07% of those cases did we find that shoppers brought back their bag for life to be replaced when it was worn out.
444. **Mr Weir:** That is all grand, but I am not altogether sure that that will be

the case. With a cheaper bag, in a lot of cases, people will not buy a bag for 8p or 10p and try to get it replaced as a bag for life. They will simply use it for a few bits, bung it in the bin and then, perhaps, the next time they are getting their shopping, they will just get new ones rather than a replacement. With the best will in the world, I cannot imagine that too many people will buy a 10p bag and then, three months down the line, come for a replacement for their worn-out 10p bag. I am not sure that that is the way that people operate.

445. **Mr Webb:** Indeed, and the communication campaign would have to play an important role in encouraging active reuse. We want to see the retailers cooperating with the Department to encourage and promote awareness of the bag-for-life policy so that the two can go hand in hand so that you are helping to steer people away from new purchases of the reusable bags and making them more aware of the availability of the bag for life. You will find that a lot of the public are simply not aware that they can replace those bags for free, and we might see that become a lot more commonplace. From the statistics that Donald mentioned from the four retailers that we have returns from on reusable bag numbers, we know that we are looking at an increase in sales of 600%, 700%, 800% and over 1,000% since the introduction of the single-use levy. So, there are massive increases. We know from Wales, where there was a full year's data, that reusable bag sales were up 130%. There are a lot of new reusable bags — bags for life — out in the system, and we want to see people reusing those. Millions of bags have been purchased since the single-use levy came in, and we want to see customers aware of the fact that they can replace those for free in a lot of the big stores, and price the low-cost reusable bags slightly higher to help to tilt the scales and direction of reuse and bag-for-life replacement.
446. **Mr Starritt:** The point is that there is obviously a massive volume of these

bags out there now, and they seem to be continuing to go out there. The objective is that, by placing a higher economic value on that, people will possibly think twice before they buy that bag, and will certainly be more likely to reuse it. We feel that people will be.

447. **Mr Weir:** I can see a certain logic to that, but it is a certain logical supposition rather than an evidential basis. My gut feeling is that the reason why numbers of reusable bags have gone up and up is that a lot of people are not treating them as reusable, or they are treating them as somewhere between a semi-permanent bag and a single bag. They are using them for a few occasions, and then they are throwing them out, and that is why the numbers are going up. There is a big message to get out there about the bag for life, because I think that people do not think of a bag for life as being something that they will have for a long period, rather than as the one purchase that they can keep, for want of a better word, cashing in on every so often once it has worn out. People make an assumption that a bag for life is something of a high quality that they can take back week after week, and they do not necessarily think of the replacement side of it. You mentioned the research in Scotland and Wales that showed that, out of more or less 10,000 transactions, only seven were exchanged. People who get a bag for life do not think of it as being replaceable after that.
448. **The Chairperson:** I agree that there needs to be an information campaign about this, but I can assure you, Peter, that I have brought a bag back to the supermarket. I put the shopping bag too close to the kettle or something, and I melted part of it. I thought "Oh dear, it is brand new", and I was definitely not going to throw it away. I brought it back, and it was exchanged with no questions asked.
449. **Mr Weir:** Chair, the issue is whether you would have felt the same compunction if — I am assuming that it was a reasonably good bag for life?

450. **The Chairperson:** It cost 10p or something. I cannot remember.
451. **Mr Weir:** I will not assume a correlation.
452. **The Chairperson:** I will not name the supermarket, but the bag was a blue and white one.
453. **Mr McElduff:** Chair, did you quote your capacity as Chair of the Environment Committee?
454. **The Chairperson:** No, I was an ordinary shopper.
455. **Mr Elliott:** Thanks for the presentation. How did you arrive at a price of 20p?
456. **Mr Webb:** We initially proposed a 40p threshold to draw a clear distinction between the cheap, single-use bags and the higher-quality bags, but that was just a starting point to initiate a consultation with stakeholders. Through consultation with the stakeholders —
457. **Mr Elliott:** You were never serious about the 40p?
458. **Mr Webb:** Well, no, I mean there was a —
459. **Mr Elliott:** Because the Minister was here one day and he was very serious about it, I felt.
460. **Mr Webb:** That would have been more on par with the price threshold in the Republic, which, at 70 cents, is at the higher end. The figure-work that we received back from retailers is supportive of the 20p threshold. The bags that have seen an increase in consumption, sustained through to the end of September, have been the cheap bags under 20p.
461. **Mr Elliott:** You do not think there is any need to go that extra bit to the 40p, then. Was it basically the retailers who influenced this?
462. **Mr Webb:** There is not a huge amount of statistical data on reusable bags and bags for life, so, to some extent, we had to rely on the evidence that we could get from the retail sector. To that extent, the information would back the 20p threshold, but there is a commitment to review, and that is one aspect that could be revisited.
463. **Mr Starritt:** Correct me if I am wrong, Simon, but the fact that we have 5p rather than 10p and a threshold of 40p rather than 20p, the two travel hand in hand. We felt that by keeping the levy at 5p, the threshold did not need to be as high at 40p. Is that fair?
464. **Mr Webb:** Yes, that is quite right. It is about drawing a clear distinction between the 5p single-use bags and communicating to the public that a bag that costs a good bit more than 5p is a good-quality, reusable bag. If low-quality reusable bags are affected by this, and consumers do not wish to purchase them because they do not feel that they are getting value for money, the market will take effect.
465. **Mr Elliott:** Do we foresee a problem of bags that are still not of great quality but for which we will be charged 21p?
466. **Mr Webb:** No, in that case, the market would take effect. Consumers would not be willing to pay in excess of 20p for a low-quality carrier bag.
467. **Mr Elliott:** Although I am not advocating it by any means, have you thought since about banning single-use bags?
468. **Mr Webb:** The European Commission has considered an outright ban. Donald, am I right in saying that that has been ruled out at this stage in favour of more price-driven options?
469. **Mr Starritt:** I think so at the moment, although it could not yet be ruled out.
470. **Ms Jennifer McCay (Department of the Environment):** I do not think that a final decision has been taken, but it certainly has not been approved.
471. **Mr Webb:** To get an economically optimum solution, having a price in place for a product should deliver a more efficient overall result because you are still giving the shopper the opportunity to make a decision as to whether they still wish to have a bag. Sometimes bags are necessary in certain circumstances, but the levy

- ensures that the social cost of that bag is being picked up and put back into —
472. **Mr Elliott:** I am not advocating it, but I am interested in the discussion. Just because Europe is not doing it does not mean that member states cannot do it. If you are going to charge for what we would term reusable bags, has any consideration been given to banning non-reusable bags or single-use bags?
473. **Mr Starritt:** We have not considered that at this stage. If we were to consider that, we would be required, under the European technical standards directive, to notify Europe of certain economic measures, and this is one of them. We already had to notify Europe about the single-use carrier bag levy and, in due course, of the extension. Were we to go towards a ban, that would completely change the nature of the charge, so we would need to go back to Europe. I suspect that we would have quite a bit of questioning to go through, because a ban is looked on as being a restraint on trade. That is not to say that it could not be done, but there would be quite a number of questions to be answered.
474. **The Chairperson:** The Northern Ireland Local Government Association (NILGA) and the Northern Ireland Environment Link (NIEL) both suggested making all plastic bags biodegradable. Might Europe be looking at that at some stage?
475. **Mr Starritt:** Again, it would change the nature of this charge, because, effectively, that would mean a ban on bags that are non-biodegradable. You would then have to define what biodegradable means, because, in theory, everything is biodegradable; it is just that some things take hundreds of years to biodegrade.
476. **The Chairperson:** About 2000 years.
477. **Mr Starritt:** So, we would be getting into a definition of biodegradable. Again, that could be looked at, and it is something that we need to keep an eye on when we come to review policy. At this stage, we do not think that it is the way to go.
478. **The Chairperson:** To follow on from Tom's point about the 20p threshold, have you looked at the types of bags that cost more than 20p? Are those the hessian bags or are they still plastic bags?
479. **Mr Webb:** Yes. Generally, if you are paying more than 20p, that will be for the likes of cotton bags, hessian bags and the fold-away type of plastic bags that fold up into a purse. Typically, they will be made of denser material, whereas a lot of bags for life cost 6p, 10p or 15p.
480. **The Chairperson:** OK. They are just heavier plastic bags.
481. **Ms McCay:** There is quite a noticeable difference in the quality when the price is above 20p.
482. **Mr Boylan:** Thank you very much for the presentation. A lot of the questions that I was going to ask have been answered. You responded to some questions about how we can facilitate retailers in adapting to the charge, but I am more on the other side of it, which is how we can relate to the consumer. That is a battle that we have. I am sure that you would get short shrift if you were to stop someone in the street and tell them that, just after the introduction of a plastic bag levy, there is another levy coming on reusable bags. Members have mentioned the need for an evidence base. I know that you have taken evidence from other areas such as Scotland and Wales, but I think that we need to do a small body of work ourselves on the effect on the consumer. Have we done any of that? When you go live with this, you will receive short shrift as far as people's attitudes are concerned. That is my view from talking to people on the ground about it. Have you any intention of carrying out such work?
483. **Mr Webb:** On engagement with consumers, we will be looking at running a communication campaign in the run-up to the introduction of phase 2, primarily focusing on encouraging consumers to reuse their bags and really driving that message home. At the end of the

- day, they can effectively avoid the 5p levy on reusable bags if they reuse the bags and replace them for free when they are worn out. So, it does not have to hit the consumer in the pocket if they comply with the policy. We have numbers from the retailers showing the numbers of reusable bags being bought by consumers, and, as I said, there has been a dramatic increase in percentage terms. From the figures given by retailers, we are looking at an increase of 800% in the numbers of reusable bags being purchased brand new, and, of course, each reusable bag that is bought new has a bigger impact on the environment than a single-use bag. Only through frequent reuse do those bags offset the single-use bags that would have been used and would have had a greater impact. As with phase 1, it is a case of having a communication campaign with in-store posters, which will be free to retailers, to convey that message and explain that we have added 5p onto the cheap reusable bags and to encourage shoppers to reuse them to avoid paying that levy.
484. **Mr Boylan:** Is that right across the industry? Does it include small retailers?
485. **Mr Webb:** The figures that we have cover four retailers. I do not have the names associated with those retailers; they are simply shown as retailers 1 to 4, and we are happy to share the evidence with the Committee today. The types of stores include chain stores that have smaller shops within those chains. However, we anticipate that the second phase of the levy will typically be of greater relevance to the bigger retailers, as they tend to sell those types of bags in larger numbers than the smaller retailers.
486. **Mr Boylan:** Like Peter, I have concerns. I know that people have bought 6p and 10p bags, which will probably be discarded. Are you working with the industry to try to encourage it to bring in a proper quality bag? I know that it may be difficult to do, but it would encourage people to buy a proper bag. Although the Chair said that she believes that she got a good quality bag for 10p, it was not steam-proof or whatever. *[Laughter.]*
487. **The Chairperson:** It was beside the kettle, which was too hot.
488. **Mr Boylan:** You have to be serious about trying to get the public to buy into that.
489. **Mr Webb:** The 6p bags that you refer to tend to be not as durable or reusable in the long term in comparison with the bag for life. We suggest that the increase in the price — adding 5p on to the bags — will ensure that the market will work, and consumers will only be willing to pay that little bit extra for a bag that is good quality and reusable. Therefore, the increase in the cost of the bag will drive that process for us. If consumers feel that the 6p or the 7p bags are of sufficient quality, and they are now willing to pay 11p or 12p, those bags will continue to be supplied. Technically, all bags are reusable. We are happy for single-use bags, 6p reusable bags and 15p reusable bags to be reused. The point is that this policy is designed to encourage people to reuse all of those bags as frequently as possible.
490. **Ms McCay:** In order to qualify a bag as a bag for life, thickness specifications will be retained in the regulations. Therefore, the very-poor-quality bags will not qualify in the same way that they do not qualify as reusable bags. The thickness of the bag and other specifications will be included.
491. **Mr Webb:** That will allow those bags to be exempt when they are being replaced for free. They will qualify as a bag for life in the requirements of the legislation, and that allows the retailer to replace them for free when they are worn out.
492. **Ms Brown:** Thank you for your attendance. The more we talk about this, the more confusing it is. If we cannot get to grips with it round the table, what hope has the public got? I am concerned that, if phase 2 comes in too quickly, it might get people's backs up. They may think that it was bad enough that they were being charged for bags and they were trying to reuse them, but now they will be confused because they are being charged more.

- The information coming with those bags will have to be really good and very specific to get the right message across. In my opinion, I think that it would be reasonable to delay bringing in the second phase.
493. I want some clarity on the reusable bags, because I am very confused. There are bags for life that are replaceable. Which bags are they? Are they all the bags? Is it the 10p bag, the 38p bag, the 50p or the bag at £1? Are they all replaceable? Was that initiative brought in by the retailers?
494. **Mr Starritt:** The bag for life initiative is completely retailer driven. Typically, it tends to be the lower-cost bags, which can range from 6p to 20p. A number of retailers, mostly the larger retailers, offer the bag for life. In other words, they will replace that bag when it is worn out. Other stores offer bags in that category, but they are not bags for life, and, basically, you must keep buying them.
495. The other thing that I would say is that we have a communication challenge, but it is a slightly different experience this time around. The first time around, we were introducing a charge on a product that had previously been free. People were coming up to the tills, lifting bags and finding that the handful of bags in their hand was now costing 30p. That was a major communication challenge. Not every store sells low-cost reusable bags, though certainly the grocery stores will. What will be happening there is that people will see an increase in the price of that bag. I also suspect they will see a notice beside the stand that holds those bags, explaining that the rise in price is not due to the retailer but to a government decision. That directs flak away from the retailer and towards the Department. The challenge is for our communication campaign to explain why we are doing that.
496. Retailers may look at it differently, but I suggest that it does not present such a challenge at the tills for the retailers. Certainly, there is a challenge for them in changing their systems and training their staff. There definitely is. However,
- I think that the greater challenge is for the Department to communicate why this is being done.
497. **Ms Brown:** Thank you for that clarity. The more we talk about reusable bags being replaceable, the more it sounds as though it is a departmental initiative, which it is not. Therefore, we need the help of the retailers to get that message over to the consumer. When I am shopping, if I do not have a reusable bag, I would rather buy a bag at 38p or 50p or even at £1, which I know will be a bag for life. Actually, it is probably not a bag for life, because it can be damaged and holed, but it is not replaceable. It seems strange that you can buy a bag at 10p, which you know that you are only going to use three or four times, if you are being good. It is tatty and messy; you do not want to use it, you want to throw it out. So it is a bigger challenge to get out the message that that 10p bag is one that you can bring back and have replaced for nothing, as opposed to a bag for which you have paid 30p, 50p or £1 and, in doing so, you feel that you are being more responsible towards the environment by buying the better bag.
498. **Mr Starritt:** It is counter-intuitive. I understand that.
499. **Ms Brown:** It is a hard enough message to get over.
500. **Mr Webb:** A lot of the bags for life have on them, written in very small print, "Bring me back and replace me for free". However, unless you are looking for that, you will be unlikely to spot it. Therefore, we want to emphasise that.
501. **Ms Brown:** It is good that retailers are offering this. However, I do not think that it is very logical. Do you know what I mean? It does not strike you immediately that this is a bag that I can take back when it is done and have it replaced for free. It does not strike you as common sense when there are so many better bags available.
502. **Mr Webb:** Indeed. And we get into the whole territory of carbon footprint, etc. If you have one of those more durable

- bags at £1, and it is made of cotton or hessian, you may need to reuse it perhaps 100 or 200 times. And that is fine. A lot of the people who go to the effort of buying those bags reuse them that number of times. Equally, with the bags for life, if they are used until they are worn out and then replaced, rather than the customer constantly buying a new supply, that will give a better overall environmental outcome.
503. Let me just add that, in Wales, where they brought in the single-use bag levy in October 2011, with a 5p minimum charge, their study on reusable bags showed that nearly one third of the benefit that they generated through reduced single-use bags was lost due to increased reusable bags. That is to do with the raw materials that are being used to produce them. So, it is really a big area where we can get another win, in addition to the single-use levy.
504. **Mr Starritt:** I will just add to that. Simon mentioned Wales. We face other communication challenges. When we worked on the single-use bags, we did it on the back of charging being introduced in Wales. There had been a fair bit of public awareness about that. There was also the charge in Ireland. That applies to reusable bags, although it is not immediately obvious that it does. I think that I mentioned last week that we were not aware of any of the other jurisdictions going in this direction. We have become aware that others are looking at it. They are looking at the Northern Ireland experience and at what is happening in their stores. We may have more information on that fairly soon, which I will share with the Committee.
505. **Mr I McCrea:** Some members referred to the challenges in this. I am one of those people who will be a challenge to you, because I think that it is a load of nonsense.
506. **Lord Morrow:** Is that what you think when you go shopping, Ian?
507. **Mr I McCrea:** What — that shopping is nonsense? We will not go there. I get text messages before I get home in the evening that are the same as probably all men get. *[Laughter.]*
508. **Mr Weir:** No, it is just you. *[Laughter.]*
509. **Mr I McCrea:** Nonetheless, I do not believe that there is a need for this stage two. I think that the work has been done. When this was introduced, I could see the bags along the side of the road in nearly every hedge that I drove past. I am not seeing that to the same degree now, so, to me, there are benefits. Although I was not overly happy with the 5p levy in the first place, I can see the benefits. I think that it is more important to continue to drive that message home and to get the benefits of that levy. If it is the case that it is not working, another alternative should be looked at. I do not believe that we are at that point yet.
510. I think that people have changed their views about single-use carrier bags, but I do not believe that they will buy the notion whatsoever that this is an environmental issue. I think that people will see it as a further government tax. You have a challenge to try to change my opinion of it, and I assure you that that is a big challenge. Although even the bags for life are technically reusable, they are usable only for people's rubbish. You get more in them. That is what I see when I visit people's houses; that is what they are being used for.
511. **Mr Starritt:** Those are all valid points. When we looked at this at the outset, we felt that we needed to go to low-cost reusable bags. We probably would have done it in one fell swoop if we could, but the legislation would not allow us, which is why we are here today. However, we identified the reason why we needed to do it. So, I will summarise briefly the scenario if we do not do it. People will do their grocery shopping and come up to the till, and if they do not have their own bags with them, they have a choice of the 5p single-use bag or possibly a 6p reusable bag that is stronger, that will hold more and that usually looks better than the single-use bag. To my mind, and in analysing it, we felt at that

- stage that that was the bag that those people were going to choose. Also, as they do not have bags with them in the first place, they are much less likely to reuse the bags that they purchase. Our concern was that, as people start to become more used to the idea of a charge on bags and become used to the fact that it is only 5p, over time, those low-cost reusable bags will become the bags that are littering the countryside. Not to the same extent, by any means, but —
512. **Mr I McCrea:** Is it not the case that, when you go to the till and have a choice of a 5p single-use bag or a 6p bag for life, if that is what you wish to call it, you are just missing out on a bit of money going back into the Department on the 6p bag? That is what people are saying. If they are getting a 6p bag and there is no levy on it, surely a reason why people would generally go for it is because they can reuse it if they wish. I have not bought in whatsoever to this whole thing.
513. **Mr Webb:** You mentioned the litter, for example. That is one of the visible symptoms of excessive carrier bag use here. Yes, we can see a dramatic visual improvement, but litter is only a tiny proportion of the actual environmental impact. The biggest impact is not immediately visible. That comes from the carbon dioxide emissions through the production, transportation and disposal of bags. It is the air and water pollution that are caused and the chemicals and raw materials that are used in making them. So, millions of extra reusable bags are now being produced, which is having a significant environmental impact, but we cannot necessarily see that in our streets or hedgerows.
514. **You are quite right:** we need to continue to build on the success of the phase 1 levy. The communication campaign for phase 2 will tie in with that concept. We would say that people should reuse any of their bags — single-use bags, reusable bags or bags for life. Whatever they are, they should be reused to help to reinforce the success of phase 1.
- Putting the 5p levy on reusable bags will get the message back into the public's consciousness, and they will think, "I have to remember to bring my bags". That will hopefully help to build further on the success of phase 1.
515. **The Chairperson:** It is essential that there is that differential between single-use bags and reusable bags —
516. **Mr Webb:** Yes. It is in the public psyche.
517. **The Chairperson:** — and that people do not use them as a substitute for single-use bags.
518. **Mr Webb:** You are quite right: people are using a lot of those bags as bin liners, because they are nice and thick and durable. You can pop one in the bin and throw your rubbish in.
519. **The Chairperson:** They are too big. I have tried — at least, I have looked at doing that.
520. **Mr Webb:** That means, of course, that that bag ultimately ends up in landfill, and we do not want it to end up there until it has been worn out and cannot be reused.
521. **Lord Morrow:** How many years does it take to wear it out?
522. **Mr Webb:** It depends on how often you go shopping.
523. Chair, may I share with the Committee some of the information that we have from the retailers?
524. **The Chairperson:** Yes.
525. **Mr Webb:** There is information on the back and front of these bar charts, which I am passing round.
526. **The Chairperson:** Who are these from?
527. **Mr Webb:** They are from four retailers that recently supplied information to the carrier bag levy team. As I mentioned, they are not actually identified by name. They gave information to the team anonymously.
528. **Mr I McCrea:** Has it been verified?

529. **Mr Webb:** I will send the team out.
530. As I say, you will see that the increase in all the cases is quite significant. Figure 1 shows the numbers for a combination of two retailers that provide bags for life. You can get those bags for under 20p and replace them for free when they are worn out.
531. Figure 2 shows the numbers for the other retailers that have cheap reusable bags that are caught by the 5p levy. Those bags are reusable, but they are not bags for life. Again, you can see a massive increase in the numbers, and that is continuing to rise in quarter 3 of this year.
532. Figure 3 shows a similar sort of pattern, although the numbers are dropping down again in that case. However, you will notice that those are the more expensive reusable bags that we talked about, as they cost 75p, £1 or £2, which would not necessarily be hit by the charge.
533. **The Chairperson:** Very good. It shows that it is working.
534. **Mr Webb:** We obviously appreciate the retailers supplying that information. We appreciate their time and help in supplying that information to the carrier bag levy team at short notice.
535. **Mr A Maginness:** Thank you for your evidence. I suppose that I share the confusion of some colleagues around the table and the confusion that is perhaps in the public mind as well. What is required is an information or educational programme to inform the public about exactly what the Department has in mind and what this is really for. As I understand it, single-use bags were a fantastic success, and you got rid of them, by and large. However, we are now into the reusable bag phase, and this is a problem that has to be addressed. I share the Chair's experience of going to the local supermarket, which I do frequently, and a very charming young lady at the cash desk once told me that my bag was torn and that she could replace it. She replaced it for me, and I thought, "This is very nice indeed. She is just taking pity on this poor male shopper".
536. **Lord Morrow:** This novice shopper. *[Laughter.]*
537. **Mr A Maginness:** I had no idea that the retail policy was to replace those reusable bags once they had reached a point where they were no longer useful. That is just my ignorance, and I have to share that with you, but there may be other unfortunate consumers like myself — men in particular — who do not understand that system. So, there is a very real need for the Department to get that across. I do not think that the title "bags for life" really expresses the intention behind the bag. Perhaps calling it "replaceable on a continual basis" or something like that would be better. That raises another point. What happens if the retailer decides that they have had enough and they are not going to replace the bags? You are into a problem there, are you not?
538. **Mr Webb:** The retailers have opted to introduce the policies through their own measures. The policies have probably been in place over quite a number of years, but they may not be widely understood, and the public may not be widely aware of this option. It is in the interests of the retailer to promote their environmental status and to continue to offer, rather than to withdraw, that sort of arrangement. That is because the direction of travel here is obviously towards lower bag numbers and maximum environmental gain. So, I do not think that it would be in a retailer's interests.
539. **Mr A Maginness:** Although it is within their gift?
540. **Mr Webb:** It is within their gift, and it always has been.
541. **Mr A Maginness:** It is not a statutory duty or anything like that.
542. **Mr Webb:** No, you are quite right, but, obviously, the legislation will give them the flexibility to continue to do that.
543. **Ms McCay:** The legislation gives them the power to continue the scheme if they

- wish, but, ultimately, it is the retailer's decision.
544. **Mr Webb:** Even if retailers collectively decided to withdraw the bag-for-life-type replaceable bag policy, we would already have succeeded in bringing down the number of new purchases. By having that higher price, we would ensure that any future purchases were kept to a minimum.
545. **Mr A Maginness:** I have one last point on the timing of all this. I think that you have to consider the psychological impact on the public. The public will look at it and say, "There is another interference by government in our ordinary, daily life", and so forth. There will always be a suspicion that it is really a revenue-raising matter rather than an environmental policy being implemented. I think that phasing it is extremely important. I urge you to consider that and perhaps not to rush it.
546. **Mr Boylan:** We could always give out the Chair's or the Minister's home address if you are looking for somebody to blame. *[Laughter.]*
547. **The Chairperson:** I have just one last question. I remember from last week that the retailers talked about wanting more involvement in the decision on how to spend the money that is raised through the extra levy. Do you have any thoughts on how the money that you gather will be spent rather than used just to fill the hole in the departmental budget?
548. **Mr Starritt:** The same point was made to us at the stakeholder session on 20 September. One of the difficulties is that, at the moment, the Department has to spend any money that is brought in in the current year. For that to be done, some sort of estimate will have to be done of what the full receipts for this year will be. In other words, we will have to anticipate receipts. I do not think that there will be time to do a consultation in this current year, but that does not mean that we cannot work with retailers in subsequent years. I certainly understand retailers' concerns, but realistically, I do not think that it will be an option in this current year.
549. **The Chairperson:** As you know, in the Welsh system, they use the money for additional projects to promote the environment, and that is on top of the Government's current spending on that. It is given to the voluntary sector to set up projects. However, as Alban says, the public can very easily see this as a levy or tax.
550. **Mr Starritt:** The Welsh legislation, as it stands, leaves the decision on how the money is spent to retailers' discretion. I think that this would require subordinate legislation, but there are powers for the Welsh Assembly to bring in regulations that would determine — I hesitate to use the word "dictate" — how the money should be used.
551. **The Chairperson:** I am sure that it would not be a very good move to do that after it had been set up that the money would go to the voluntary sector for environmental projects outside of Government.
552. **Mr Starritt:** Those powers are obviously discretionary, so the Welsh may or may not use them.
553. **Mr Webb:** We had to get Treasury approval to retain within the Northern Ireland Budget the receipts from locally generated revenue. As part of that, we needed to assure Treasury that those funds would be used for additional new projects. Treasury has approved the money on that basis. It is fair to say that there will be significant coverage when the funding is allocated. So, the public will see the money going back into communities at ground level and making a real environmental difference.
554. **The Chairperson:** Our understanding is that DFP took money off you and that the money that you gain from the levy will be used just for statutory spending in the Department.
555. **Mr Webb:** I know from the recent savings delivery exercise that the Department sees the money generated from the levy as a distinct pot of money. The Depart-

- ment is addressing the other shortfalls through its own internal efficiency measures rather than, as you suggest, using this money to plug that hole.
556. **The Chairperson:** OK.
557. **Mr A Maginness:** I just want to clarify that. The Chair's point that this money is additional is important. If DFP takes the money away from the Department of the Environment and says, "You can spend that money whatever way you want, but we are taking x amount away", surely it is not additional.
558. **Mr Webb:** It is all about how the money is spent. The money will be identified to go into projects that would not have had funding otherwise. The Department has effectively broken the link between the £4 million budget reduction and the levy money so that that money can go to new projects that would not have gone ahead without the levy.
559. **The Chairperson:** No one explained that to us.
560. **Mr A Maginness:** I am rather suspicious of that sleight of hand. *[Laughter.]*
561. **Mr Webb:** You would have to speak to our finance division about this issue. However, the £4 million shortfall in the budget is being handled through other savings measures.
562. **The Chairperson:** Through monitoring rounds that have not been successful.
563. **Mr Webb:** Indeed.
564. **Mr Weir:** On a broader level and with the best will in the world, there will be a certain level of spin and sleight of hand with any model. We are holding up the Welsh model as the example. The Welsh may allocate the money that is raised directly to voluntary projects. I do not know what the position is in Wales. However, you may find that the Welsh equivalent of DFP also tells Departments, "That money is ring-fenced, but, by the way, we are introducing a 3% efficiency cut across all Departments." So, sometimes it is a question of the precise terminology that is used, and impressions can be given. At the end of the day, there is a certain amount of money coming in and a certain amount of money going out with particular projects. I would not get too —
565. **Mr Webb:** There is also an additional economic benefit locally to be gained. By applying a government levy, which is different from a minimum retailer charge, as is it is in Wales, we would not lose a significant amount of VAT from the local economy to Treasury. Wales would lose that VAT, because its measure is not classed as a government levy. So, there are benefits to the approach that is being taken here.
566. **Mr Boylan:** It is always good to end on a negative note. *[Laughter.]*
567. **The Chairperson:** Thank you very much indeed. You have certainly clarified a lot for us. Will we see you again next week?
568. **Mr Starritt:** Yes. Thank you.

17 October 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Tom Elliott
 Mr Barry McElduff
 Mr Ian Milne
 Mr Peter Weir

Witnesses:

Ms Jennifer McCay *Department of the*
 Mr Donald Starritt *Environment*
 Mr Simon Webb

569. **The Chairperson:** I welcome Simon Webb, Donald Starritt and Jennifer McCay. It is nice to see you all again.
570. The officials will outline the significant aspects of the regulations that will accompany the Bill and will then be available to comment on the key issues that have been raised. Let me remind everyone that this session is being recorded by Hansard. I invite the officials to speak about the regulations. You can give us a 10-minute presentation and answer questions afterwards.
571. **Mr Donald Starritt (Department of the Environment):** Do you want us to give a presentation on the Bill first?
572. **The Chairperson:** Yes. We have the regulations, and then we have the Bill. It would be better if you would clarify the regulations first. I was taken a little aback when I saw the regulations as well as the Bill in the members' pack. Members, a copy of the draft regulations is at page 81.
573. **Mr Starritt:** Before I go into the detail, I would like to address a question raised by the Committee last week in relation to a request for deferral of the implementation date. Deferral was asked for on two grounds: to give retailers a bit more time to prepare and to gather more evidence.
574. As we said last week, we have taken this to the Minister, and we have discussed the timing with him. We acknowledge that the Committee and the Assembly will need time to look at the Bill and the regulations that come from it. We also appreciate that retailers will need legislative certainty to make their preparations.
575. The Minister looked at this matter and has decided to ensure that there will be a two-month gap between making the regulations and the implementation date. Let me explain. The Bill that we are here to talk about, on a clause-by-clause basis, is, obviously, at Committee Stage. Assuming that it passes, we then need to bring a set of regulations to the Assembly giving effect to charging. We sent the draft regulations up today to give the Committee an idea of how we propose to use the powers in the Bill. Hopefully, the Bill will complete its passage through the Assembly by early next year. After that, we will have to wait for it to receive Royal Assent; and, after that, we can bring the regulations back. It is hard to judge the timing, but it might be March or April 2014 by the time the regulations come to the Assembly. We will ensure that there is a two-month gap between those regulations being made and their implementation date. It means that we cannot specify a date because we cannot predict how quickly the legislation will travel through the Assembly. However, the Minister has decided that he will make sure that there is that two-month gap.
576. **Mr Weir:** I appreciate that point. I have two points in relation to it. In the draft regulations, you have made some working assumptions that they will probably be made in February and come into effect in April. You have actually named that as a sort of a draft—
577. **Mr Starritt:** And that probably predates —

578. **Mr Weir:** OK. I understand that. The other thing is that I cannot remember the exact time frame. I suspect from what has been said by the retailers that — putting aside their wider concerns about the Bill — they probably still feel that it is far too short a time frame. I appreciate that this is maybe what the Minister has agreed.
579. **The Committee Clerk:** April was the original time frame.
580. **Mr Weir:** I appreciate that it has not been altered, but retailers were saying that there had to be a reasonable level of lead-in time. I think that they were talking about eight or 10 months to prepare for it.
581. **Mr Starritt:** I appreciate the point and would like to comment on it. We are saying that the Bill should, hopefully, be through by January 2014. Obviously, I cannot be precise. Once the Bill has completed its passage through the Assembly, there is relative certainty at that stage for retailers, because we have given the Committee the draft regulations and we have said what we are going to do with the powers. We would say that, from January 2014, there would be certainty for retailers about the direction of travel.
582. We still have to bring the regulations through. That is likely to be in March or April 2014. We will then allow a couple of months after that, so that you are really talking about June or July.
583. **Mr Weir:** I understand that. However, though you are talking about the regulations coming through in March or April; they will go through very quickly. That is the case with regulations; that is the nature of the beast. However, I suspect that retailers are not in a position to do anything until there is certainty. It could still be five months. Retailers were talking about 10 months.
584. **Mr Webb:** A range of figures has been quoted by retailers on the amount of time they need, depending on which one you speak to. One major retailer indicated that it could do it in three months.
585. **Mr Weir:** Yes, although the evidence that we have from others suggests that it would take longer than that. Let me put it this way: I appreciate that we are not looking at the regulations at this stage, other than out of interest. It is very useful that you have at least shared the draft regulations with us. It is helpful to see the full picture. However, the time frame concerns me, given the evidence that we have received.
586. **Mr Starritt:** I should also say that the Minister has asked us to clarify that we are still satisfied that the evidence justifies phase 2, the extension to low-cost reusable bags. The data we shared with the Committee last week bears out that original assumption, that we were going to need to extend to low-cost reusables. I cannot remember whether the chart showed it, but that data represents 168 retailers and 1.5 million bags. We asked a broad range of retailers to give us data. Not all have responded; they do not have to respond. However, it appears to us that sales of low-cost reusable bags have increased massively.
587. **Ms Brown:** Thank you for that. On your last point, about the graph you showed us last week; this is the first period of time after the introduction of the carrier bag levy. Surely, you would expect to see a massive rise in the purchase of bags for life and that type of product. That is what you were encouraging.
588. **Mr Starritt:** We expected an increase of 70%; that is what we built into our original modelling. Wales found that there was a 130% increase, but our figures at the moment are closer to 800%. We accept that those figures will probably come down a little, but it suggests to us that people are buying those bags in massive numbers but are not reusing them in massive numbers. That seems to be the experience.
589. **Ms Brown:** That is down to confusion. Consumers are not aware of the bag-for-life issue, or what a bag for life is. It is not common sense to think that a thicker plastic bag is a bag for life.

590. **Mr Starritt:** It is a communication challenge for us.
591. **Ms Brown:** There is need for a big PR exercise, which could lead to people reusing bags in the way that we want them to reuse them. At the moment, it is still very confusing. We should delay phase 2, not just for retailers but also for consumers, who have been very good, abided by the new laws and altered the way in which they shop. They should have extra time to allow the message to bed in and get used to reusing bags. It would also give retailers time to get the message out about how they want consumers to use and reuse bags. It is very confusing, and there could be a lot more clarity to help people. That would have a big impact on your figures.
592. **Mr Starritt:** I accept that we need to clarify that, and it has to be a key feature of the communication campaign. We feel that increasing the price is part of the picture, but only a part of it. We have to encourage people in the run-up to the implementation. Essentially, if they buy bags now, and if they buy bags for life, they will see no impact from the levy because they will be able to replace those bags. However, as you say, we have to make sure that they know that.
593. **The Chairperson:** It is not only that, it is the change of behaviour needed. People go to the shop and then it is a case of: "Oh dear, I have forgotten to bring my bag." They then buy reusable bags, take them home and put them in a cupboard. Then, the next time they go shopping, they forget to take them out of the cupboard. It is really to remind people to keep their bags in their car, handbag or whatever, and that when they go to a shop they remember to bring their purse — but also bring their bags.
594. **Mr Weir:** There is another issue. I can see certain elements of logic in that. However, it is a double-edged sword. There are two problems with cheap reusables.
595. Clearly, the figures show that there is a problem with the volume of the cheap reusables purchased. To me, it also shows two other things. The Department originally estimated that there would be a 70% increase, but it turned out to be an 800% increase?
596. **Mr Starritt:** For these retailers.
597. **Mr Weir:** To my mind, it suggests that your prediction of consumer behaviour and action seems to have been very wide of the mark. To be fair, you probably had no opportunity to have that. You talked of a 70% increase, but it ended up being an 800% increase. Therefore, this slightly calls into question the Department's assumptions as to how further action would affect consumer behaviour and actions.
598. The other issue relating to this is Nisa's concern. I can understand the logic that says: let us get something done about the cheap reusables because, apart from anything else, people do not see them as reusables. Part of that comes down to education. The volume suggests that people are treating them, at best, as either slightly better single-use bags or limited-use carrier bags. They are using the bags perhaps two or three times.
599. The logic of putting a levy on reusable bags is that you are saying that what people should be doing is buying the sturdier, and slightly more expensive but ultimately much more cost-effective, bag for life. The logical response for anyone faced with a charge on a bag is that instead of buying a 10p bag, which they could use three or four times, they could buy a 35p bag and use it 100 times. However, that consumer choice has been there since the implementation of the 5p levy. If people are thinking rationally and logically, they should be leaping straight from single-use carrier bags, because the others will be more efficient. However, people have not done that. If they are switching to the next cheapest bag, and if you add the levy to the cheap reusable bags and knock those bags out of the market, the danger is that instead of making the logical switch to a 30p bag, people may substitute the 8p bag with a 5p one.

600. I do not know whether, or in what volume, that will happen. The problem is that there does not seem to be a very robust economic model showing what will happen. We are unfortunately weak there. Even where levies have been brought in elsewhere, for example in Wales, there has been a package which has involved both single-use and reusable bags. A set levy was put on. Essentially, we are taking a leap of faith on one particular aspect. Knowing how weak the consumer modelling is, it will be very difficult to do. That is what I am concerned about.
601. **Mr Starritt:** I accept the point that we were wide of the mark with the 70% figure. Something similar happened in Ireland when they brought in the charge. They made predictions, a lot of which were based on surveys which asked people how they would behave. However, when they introduced the charge, people behaved completely differently to how they said they would behave. So, it is difficult to get the information. In fact, one report on the Irish study said, effectively, that sometimes with these things the only thing that you can do is to press ahead with your policy, but keep it under review and adjust it as necessary.
602. **Mr Weir:** To be fair, the captain of the Titanic thought the same thing. *[Laughter.]*
603. **Mr Starritt:** We try to do what we can, but we accept that we were wide of the mark.
604. **Mr Webb:** We have data from Wales for a full year of single-use charging that suggests that, over the full year after the introduction of a 5p charge on single-use bags, the Department's modelling has understated the increase in reusable bags but not quite as dramatically as these figures suggest. The Welsh increase over the year is 130%, so we are in the right sort of magnitude with the 70% estimate. In other words, it is around a doubling of the volume, give or take a bit, of the overall sales viewed over a full financial year.
605. Obviously, we have seen a huge increase in the first six months. The four retailers for whom we have the data were distributing less than 80,000 reusable bags a quarter, and that figure is now over 750,000 a quarter. It is a massive increase, and a lot of the big retailers are not included in the data. So, we have a very substantial increase. The bag-for-life policy is something that we want to encourage, as Donald said, and it will feature in our communication campaign. However, it will not necessarily have an immediate effect on this sort of sale; these are bags that will not have worn out yet. This is just the first six months. With a bag for life, you should be able to get a longer time out of it.
606. **Mr Weir:** I understand that. The problem is that it is very difficult to predict consumer behaviour. I am concerned that there should be unforeseen circumstances, or a situation in which the particular impact is not to push people towards the more expensive bag, which would be treated as a bag for life. A lot of this depends on how people treat the bag. There is a danger that the levy will simply shift consumer behaviour to the one-off bags.
607. **Mr Webb:** We do not so much want to drive shoppers to using the more expensive, more durable bags in the long run. It is just about reusing all bags, whether it is a single-use bag, a bag for life or a hessian bag. As you say, we cannot be sure which bags consumers will opt for. The point is that the reuse option is the free option; it has the lowest cost compared to all other options, which involve a new purchase.
608. **The Chairperson:** I have Cathal and Pam next. Are your questions about the regulations? If not, we can move to the clause-by-clause consideration of the Bill, and then your questions can come at that time.
609. **Mr Weir:** With the best will in the world, I think that the regulations and the clause-by-clause consideration will be closely intermeshed. It will be difficult to disaggregate them.

610. **Mr Boylan:** I would like to ask a question at this point. Donald, I have concerns that value for money is going out the window. If you are paying 8p, 20p or whatever it is, you have to give some consideration to that. I encourage people to get a proper bag for life. The Department may have a different view.
611. I want to pick up on two points that I think are important. Retailers are not keen on this, as you know, and they have asked for an eight- or 10-month run-in period. They will wait until there is a definite date before they act. Even if you are saying January, for talk's sake, they will only regard the regulation as law when it is officially in. I am concerned about that.
612. This is my other point. Say, the Bill passes in January, and you give it to April, and then there is the two-month run-in period, which brings you to June: that will be running into the summer holiday period. Have you given any consideration to the time of year when this would be most effective? That is one element; the retailers and how they will run this out. Will you consider extending the period of two months? Another point is the interests of the consumer. I cannot remember the point at which you introduced the levy last year. Have you considered the time of year when the levy would be most effective, and when you can get the message out? Obviously, communication is a big issue here. It is one of the key elements. I suggest that you think about introducing the levy over the summertime.
613. **Mr Starritt:** All along, we have been working to the Executive decision and the Programme for Government (PFG) commitment, which is to introduce the levy on single-use carrier bags by April 2013 and on low-cost reusable bags by April 2014. So we have been working to those dates. On the single use, we did delay it for a week. That was in response to retailers coming to us and saying that 1 April was not a good day. Apart from the fact that it is April Fool's Day, it was also Easter Monday. We accepted that that was not a good idea, we worked with them and went back a week. We are certainly prepared to work with them as regards a precise date on which it happens. We do appreciate the need for a certain amount of lead-in time. There are obviously different views as to how much time they actually need and what work needs to be done, but we are certainly prepared to work with them.
614. The other thing I will say is that it is a two-stage process. There is the Bill, which comes through now, but the Bill in itself does not deliver reusable bag charging by April or June, or by any date. It simply gives us the power to bring forward regulations. Those regulations still have to be brought forward and will still have to be approved by the Assembly, so the Bill and the regulations are two different things. We need the regulations before implementation, so I suppose, in a sense, we are pushing that issue ahead of us.
615. **Mr Boylan:** In terms of the time frame and the communication, you do not see a problem over that period?
616. **Mr Webb:** The communication plan is just in the process of being finalised at the moment, and the project board is due to sign off on that next month. The intention is that there will be a communication effort around Christmas to remind shoppers about reusing bags — obviously with that being a particularly busy time of year — and making downloadable posters freely available for retailers to display in store. Obviously, in the build-up to implementation next year, there will be an increased campaign through a number of outlets, including social media.
617. I can say that there does not appear to be a dramatic difference in bag numbers between the quarter one and quarter two returns from the single-use levy. That suggests that, in relation to our timing next year for phase two, there will not be any particular issue with it being in the first quarter or the second quarter of the year.
618. **Mr Boylan:** Sorry, Chair, for labouring the point. I agree, but the issue for

- me is that there is opposition from retailers this time around, and, from my soundings of it, there certainly will be an issue with the general public about paying for reusable bags. I think it will be slightly different this time.
619. **Mr Webb:** We will have stakeholder exercises in the build-up to next year. We are going to have an event before the end of this year, and there will be a further event in the new year. The intention is to give retailers as much notice as possible and engage with them to ensure that there is not a clash with the likes of public holidays or particularly busy shopping days.
620. **The Chairperson:** At this juncture I want to welcome the children from St Michael's Primary School on the Ravenhill Road. Hello, everyone. You all look very attentive, listening to us. We are talking about the Carrier Bags Bill, which is a piece of law to say that, from next April, even if you or your mum or dad buy reusable bags, you have to pay 5p. At the moment we are charging 5p for the single-use bags, like in supermarkets, where you have to pay 5p to buy a bag to carry away your groceries, but from next year we are hoping that you will also have to pay 5p for the bigger reusable ones. That is all to help the environment, because too many plastic bags are not good for us. We have to take them away to dispose of them, and most of them take hundreds of years to melt or be disposed of. They are not good for birds or for our environment. Thank you for coming to see us. You are very welcome to stay.
621. **Mr McElduff:** Chair, will you consult the young people? Maybe do a vox pop question as part of the consultation exercise.
622. **The Chairperson:** Do you think it is a good idea to have a levy — a charge — on plastic bags? Anyone who thinks it is a good idea, put up your hand. Good, good. There you go, Barry.
623. **Mr Boylan:** That is very important, Barry. You know who to blame now, children, if this is introduced. *[Laughter.]*
624. **Mr McElduff:** Anna Lo, Chair of the Committee.
625. **Ms Brown:** I will be as quick as I can. On the back of what you have been saying, I am just wondering something. I asked the Minister a question about eco-schools. He talked about two schools in Northern Ireland which had managed, through their eco-schools project, to send no waste to landfill. I think it would be great to have those schools in here, to tell us what they are doing. It would be very educational.
626. **The Chairperson:** Or for us to go and visit them.
627. **Ms Brown:** Absolutely. That would be fabulous. One of them is in Ballyclare, in my constituency. And obviously — *[Interruption.]*
628. **Mr Boylan:** Do not record that.
629. **The Chairperson:** The election is coming, is that right?
630. **Ms Brown:** I have two points. Although it has been mentioned before, I have heard no mention today of biodegradable bags. Is the Department giving any thought to the introduction of biodegradable bags, even for single use? The other point I wanted to make was about online shopping. That is obviously huge now, especially with the large grocery retailers and others. In this busy time of our lives, when the Assembly is in full swing, it is very difficult to go out and get groceries, so online shopping is a good thing. I have done it a few times, but I noticed that there was no option for me not to purchase single-use bags. That could be keeping up sales of single-use bags, given the amount of online shopping that we do now, when consumers cannot choose not to purchase the single-use plastic bags.
631. **Mr Webb:** In the case of online shopping, you are quite right. We want to see a reduction in the number of single-use bags in use for delivery. Ultimately, it is up to the retailer whether to continue to offer single-use bags on websites. In a lot of cases, the retailer will give you a choice: do you want a

- single-use bag or a bag-less delivery?
We are aware of some retailers, however, who insist that a bag will come with your delivery. You will get a fixed number of bags associated, and you will pay a fixed charge. At the moment, that is currently within the retailer's gift, if they wish to do that, as long as they pass the charge on to you, the consumer. That has been the case since the single-use regulations were introduced. Certainly, any delivery coming from premises in Northern Ireland has to apply the levy if they dispense single-use bags.
632. **The Chairperson:** Can this apply to smaller ones? Say you are in a supermarket and you buy, for example, apples or pears, you get much thinner, smaller bags. You do not pay for those. Can they not put things into them, instead of charging 5p for bags?
633. **Mr Webb:** It is fair to say that, in a lot of cases, they do. They use the smaller bags to protect fruit and stuff. However, to aggregate the shopping and make it convenient for transfer from the van into the house, they tend to use a crate or carrier bags. Some prefer to use those carrier bags to keep the shopping separate for individual orders.
634. There has been a lot of correspondence with the Department about exempting or promoting biodegradable bags. At this stage, we do not advocate an exemption. From an environmental perspective, it is not how quickly the bag breaks down that is the main environmental concern. It is the production and transportation of the bag when it is being made, the pollution and resources involved in the production process. To that extent, a biodegradable bag is much the same as any other.
635. Donald, do you want to say a wee bit about biodegradable bags?
636. **Mr Starritt:** When the point was made before, it was partly about whether, if we were to continue having single-use bags, we could make them biodegradable. It is not something that we could do under this legislation. We would need to bring more legislation through to address that.
- We have concerns about it. We think it is difficult to establish a standard as to what constitutes "biodegradable".
637. We will be keeping an eye on the work being done in England, because apparently they are going to try to come up with, in their case, an exemption for biodegradable bags. The Department does not think that an exemption for bags would be the way to go. It would be good to at least encourage shops, to the extent that they have single-use bags, to make those biodegradable. If a standard is brought through we can possibly work with retailers to do something on that.
638. **The Chairperson:** The biodegradable ones melt away much quicker, I think — in months, rather than 500 years for a normal plastic bag.
639. **Mr Webb:** There is certainly a benefit in terms of litter in public spaces. That is one of the main reasons why you would want a biodegradable bag.
640. **Ms Brown:** If the introduction of biodegradable bags was looked at, it could be produced in a similar fashion to what we use to dispose of our food waste. In relation to communication, that would make sense to the consumer as well. If it was similar in look, feel and style, they would know how to dispose of it, which would be along with their food waste, grass and whatnot.
641. **Mr Starritt:** I think if we were to legislate in that area we would probably have to explore it with Europe. If we were effectively saying in legislation that a particular type of bag, i.e. non-biodegradable, was to be banned — I am not saying we could not do that, but we would need to understand the implications more than we do now, and to get a view from Europe.
642. **Mr Weir:** It may not be a question of banning it but of having a differential cost. Is there an internationally recognised standard of what counts, or do you think something can be developed that gives a reasonably clear-cut dividing line between what is counted as biodegradable? I appreciate that it is a spectrum in certain respects.

643. **Mr Starritt:** We felt that it would be difficult, but the work in England seems to suggest that it can be done. They are going to work with retailers. It is something that we want and need to keep an eye on.
644. **Mr Webb:** It is also quite a technical issue, because there is an important distinction between biodegradable bags and degradable bags. A lot of the carrier bags that you get now are degradable, and if you put them away in your cupboard for a year, when you go to lift them out they will break to dust, but, fundamentally, they are still made out of plastic, and those microscopic plastic particles blow off in the wind and enter food chains and the environment. So the bag has not completely broken down into a nice, neutral environmental substance in that sense. If you want something more along the line of the food bags, you are looking at something that breaks down organically and can go back into the soil.
645. **The Chairperson:** What about cost? Is it a lot more expensive for them? Would there be a carbon footprint from producing them?
646. **Mr Webb:** I am not aware of any big, dramatic difference in the cost of producing the bags themselves, although we have not collected a lot of data on that yet.
647. **Mr Starritt:** We have been told that it would be a bit more expensive, but we cannot really say definitively.
648. **The Chairperson:** Members, is it OK if we move on now to look at the Bill clause by clause? I will start by briefly reminding members of the issues that have been raised on each clause, and then, if there are questions, we will come back to you on each clause.
649. **Mr Starritt:** Chair, could we just give a bit of context to the Bill? It will just be one minute.
650. **The Chairperson:** Yes, sure.
651. **Ms Jennifer McCay (Department of the Environment):** Members will be aware of this already, but I briefly remind you that it is the Climate Change Act 2008, which is a UK-wide Act, that provides the basis for the whole charging regime in Northern Ireland. That Act was amended by legislation that was taken forward by a private Member, the Single Use Carrier Bags Act 2011. That amended the Climate Change Act to allow the Department to collect the proceeds from the levy, which the original Act did not allow, so we could not just use it directly. Once that Act was made, the Department went forward with the Single Use Carrier Bag Charge Regulations 2013, which allowed charging to be introduced last April.
652. This latest Bill will make further amendments to the Climate Change Act, so it is an amending piece of legislation. The two main things it does are to allow the Department to extend the charge to a broader range of bags and to allow those bags to be defined by price, neither of which is possible at the moment. This is how the regulations fit in. We intend to use the new powers, assuming the Bill goes through, to revoke the 2013 regulations and make new regulations which will extend the levy to bags priced at less than 20p. The levy itself will remain at 5p. As you mentioned earlier, Chair, we have provided the Committee with a copy of the draft regulations. That was made using the powers in the Bill. The presumption is that those powers will be as they are in the Bill. We have gone through the regulations and highlighted the key changes from the current regulations. The changes are quite minimal. The regulations are mainly like the 2013 ones and there should be no surprises there for members, but we are obviously happy to discuss any aspect of those. So that briefly sets the context for the primary and subsequent subordinate legislation.
653. **The Chairperson:** If Members are OK with that, we will move on to the clause-by-clause consideration of the Bill itself. This is the initial consideration of the clauses, to establish whether members have all the information that they need,

- if they think that clauses may need to be amended, or if they require any further information from the Department. The Department has already responded, in writing, in the summary table in your master file.
654. I will start with clause 1, “Extension of the 2008 Act to carrier bags”. It represents a major change in current policy by omitting the term “single-use” from carrier bags subject to the levy. Concerns expressed in opposition to the extension on cheaper reusable bags are: the first phase of the levy has not yet had a chance to bed in, so there is a lack of hard evidence about the consumer behaviour; consumers may be confused by an extension of the scope of the Bill to reusable bags for life — also mentioned earlier by the members; the proposed timescale for the introduction of the Bill does not allow significant time for consumer education or for retailers to change their IT systems or the training of the staff; there is confusion around the type and size of bags that the levy will apply to, encouraging consumers to purchase heavier, more expensive plastic bags which are not replaceable bags for life and which need to be reused many times to minimise the environmental impact; and the Bill does not promote the use of biodegradable bags, nor does it propose an outright ban on single-use bags. All those were mentioned earlier by members.
655. There is no specific clause indicating when the provisions of the Bill will commence. It will come into operation on the day on which it receives Royal Assent. That is correct, is it not? There is no commencement date.
656. **Mr Starritt:** That is right, Chair. It is important to say that this clause, and indeed the Bill itself, does not achieve the extension. It only gives us the powers to do it. We still need the regulations. In terms of the timing etc, the earlier the Bill comes through, the quicker we could — in theory — bring in implementation. However, the Bill itself will not do that. We will still need the regulations.
657. **The Chairperson:** You said that the regulations will come two months after the Bill receives Royal assent?
658. **Mr Starritt:** The Department's view is that, assuming that the Bill completes its passage, we will bring the regulations through as quickly as possible, and then allow two months. That is correct.
659. **The Chairperson:** Have Members any questions?
660. **Mr Weir:** I have one question. A lot of the ground has been fairly well covered, and on that basis I have only two points. The first is about the timescale, and I appreciate that this may not be the Department's view.
661. There is one possible way to get around the implementation side of it. There are some concerns. It could be dealt with by regulations. It could be that a timescale is agreed, or there may be the possibility that, if the Department brings forward a timescale that we do not agree with, we may refuse to put the regulations through until we feel that. One other possible way for the Committee to deal with the timescale — one possible amendment — might be to say that regulations bringing this into operation shall not be in operation until, say, for the sake of argument, eight months after Royal Assent. That could be one route.
662. The other point and the broader concern, leaving aside the other issues that have been discussed is that there is a lack of confidence in the certainty of how this will operate in practice. It may not be so much from the point of view of a direct amendment as such, but I wonder whether the Department could provide some kind of indication in writing of how it intends to monitor the use? You have figures, but we want to see how robust those are and what the monitoring arrangements are. Largely speaking, the purpose should be to re-educate people and shift consumer behaviour, but I wonder whether your projections are based on a certain indication of how many single-use and how many cheap reusable bags are being used at present, how many that would be above

- the threshold and what the monthly or quarterly tracking figures of those are?
663. If, for the sake of argument, this was put in place, and a year down the line from the implementation, we could see, in terms of the way that the figures had gone, that 250,000 cheap reusable bags were being used instead of three quarters of a million, and that there had only been a marginal increase in the single-use bags — in net terms, it had actually shifted largely the other way — we could have some degree of reassurance, at least. Can we have information in writing on how you do the monitoring, or if indeed there are other ways of doing it that could beef up that side of things?
664. As I said, my biggest single concern, leaving aside the implementation issues around education and getting the timescale right, is whether there will be unforeseen circumstances. It could actually be counterproductive, in certain regards. If we could see what monitoring arrangements there are, and therefore some sort of review on that basis, it might be one way to at least look at that as a possibility. Now, it might be that when you come back and tell us what your monitoring arrangements are, that only leads to greater uncertainty or ill feeling, but, without prejudice to the clause, I think that that information would be helpful to the Committee.
665. **Mr Webb:** The IT system has been built to allow for phase 2 already, so in that respect, the IT system does not need any further amendment. When a retailer logs on, they are currently asked how many bags they have dispensed at the 5p level and how many they have dispensed for more than 5p. That will continue to be the case in phase 2. Typically, the first of those entries are single-use bags and the second will be predominantly the low-cost reusable bags that are now being —
666. **Mr Weir:** Yes, but are you going to ask for a differentiation between low-cost reusable bags and the ones that are outside the threshold?
667. **Mr Webb:** No, there would be no statutory obligation on retailers to declare the higher-end reusables.
668. **Mr Weir:** Could you at least put some mechanism in place to monitor that? If one of the impacts is that this hopefully shifts people towards using more reusable bags or at least slightly higher-quality ones that fall outside the levy, that would be a shift in opinion. Now, if consumers are essentially shifting from using an 8p bag to using a 25p one, but all that shows up is that prior to this, one bag was purchased and after it, one bag was purchased, that does not really help us. I am just wondering, and it may not be that there is a statutory requirement, but presumably there can be some way of monitoring or at least channelling the information as to what the impact is on consumer behaviour. I think that if we got some sort of —
669. **The Chairperson:** I am sure they could do it. It is just a matter of how many you have bought from the manufacturer and how many bags are left behind.
670. **Mr Starritt:** We would certainly be very keen on that. Assuming that all this goes through, there is still a commitment to review it, so we need as much information as possible to get that review right.
671. **Mr Weir:** It does not have to be a computer system that logs every single bag in terms of what category it falls into. Take the Chair's point: you could get information that, this month or this quarter, the various shops have purchased so many bags at such-and-such for consumers' use. That presumably —
672. **Mr Webb:** Absolutely. Technically, that can be done. The data from retailers is certainly available. It is just that we would have to rely on retailers voluntarily sharing the information on higher-end reusable bags with the Department.
673. **Mr Starritt:** We mentioned the 168 outlets and the 1.5 million bags, but I should say that we asked many more retailers than that for information. What we have presented is just the returns

- that we got. A considerable number of stores have not come back to us as yet. Again, to some extent, we are relying on them for that information. As Simon said, there is a certain amount of information that has to be captured on the database. We would have liked to go beyond that, but we did not want to make the requirement any more onerous on retailers than it had to be. However, we will continue to ask for that information.
674. **The Chairperson:** That is it. That is what we were saying — the lack of data. You do not really have enough time to look at and collate all the data, because some of them have not returned it to you. What we are seeing now are the initial reactions to it. We are not seeing the levelling out of people buying or using reusable bags. It is a very short time in which to do the research and look at the trends overall.
675. **Mr Starritt:** The other thing is that we have been keeping an eye on the position in Wales. Obviously, they are a bit ahead of us in introducing this charge. They have been looking at our proposals with interest. I understand that they will be coming to some decision on that very soon, within the next week or two. As soon as we get information on the decision, I will share that with the Committee.
676. **Ms Brown:** I just had a thought about what Peter said in relation to how the bags are monitored. I was trying to think of a way to fight through this confusion about the bags. The energy efficiency ratings — A, B, C, D, E, F and G — are quite easy to grasp. What is good? When you go to buy a new fridge, you know whether it will use less energy and be better for the environment or whatever. I just wondered whether you could do the same with the bags, from single-use bags right through to the best types of bags. People would know clearly, then, which bags you are encouraging them to use and purchase. I think that it is so confusing. The whole bag-for-life issue — the 10p that you can take back and replace — does not really make sense to me. That should be —
677. **The Chairperson:** Too good to be true.
678. **Ms Brown:** Yes. It does not really make sense, because it is not a bag that people really want to reuse an awful lot. It is not for me to tell the retailers what to do, but, to me, it would make more sense if it was a much better bag at 50p, £1 or £1.50 that they were offering to replace. That is obviously not being encouraged. To me, a bag for life is a good, thick, hessian bag that you pay money for and that you actually like the look of, as opposed to a bag that gets a bit tatty after a few goes. I think that that would make more sense. So, I just wondered whether the Department had looked at the idea of introducing some kind of grading that might make communication easier.
679. **Mr Starritt:** We can certainly look at that.
680. **The Chairperson:** That is a good idea, Pam. We talked last week about maybe telling the retailers not to use the phrase “bags for life” but to use “replaceable bag” or whatever to make people understand that you can bring it back in exchange for a new one.
681. **Mr Starritt:** That is a decision for the retailers rather than us, but I entirely take the point.
682. **Mr Webb:** It is certainly a message that we can bring back to retailers in future stakeholder engagement to see whether we can convey it to the public more.
683. **The Chairperson:** Do members have any more questions on clause 1?
684. **Mr Boylan:** Pam highlighted that there is going to be a lot of confusion. We need to be very careful about the message that we put out in communications. We were talking about a 10p bag and a bag for life. I would encourage people to buy a proper bag, to be honest, but that is my personal feeling. I have concerns, and I think that the retailers need a bit of time to sort themselves out so that they can roll this out. However, I am looking at it from a consumer’s point of view, and there needs to be a proper message.

685. **Mr Webb:** The Department's message to consumers is that they should purchase new bags only when they absolutely have to and reuse existing bags as much as possible, regardless of whether it is a bag for life, a single-use bag, a hessian bag or a cloth bag.
686. **Mr Starritt:** We are not especially keen on people buying the low-cost bag for life. If they use them the way they want to, it will not bring the money to the Department anyway. We really want them to reuse whatever bags they want to use. However, I take the point about the stronger bags.
687. **The Chairperson:** We should take away the description of single-use bags. We should say that people should continue to use them but not for single use.
688. **Mr Webb:** To some extent, this legislation will do that, in the sense that it will, largely, do away with the distinction and will be price driven. Anything that is under 20p will have the levy added, and anything above 20p will not.
689. **Mr Milne:** What are we doing that is so different from, say, what is happening with the Welsh experience that means that we are finding this type of problem?
690. **Mr Starritt:** I suppose Wales started in the same way that we have. In their view, the charge on single-use bags was the way to go. We looked at the Welsh experience and at that in Ireland. I have to say that it took a wee while for us to come to this conclusion after a bit of research, but, for the reasons that we outlined, we felt that we needed to go to low-cost reusables. We understand that Wales are looking at that again. I expect to know in the next week or two; it may be that they decide to go in the same direction as us, but I do not know for certain yet.
691. **Mr Webb:** I think that it is fair to say that Wales have the same problem. Reusable bag sales have exploded there as well; they are up over 130% over the financial year since they brought in their own charge.
692. **Mr Milne:** A family might have someone who is organised to go shopping once a week, but there are occasional shoppers who will always see 5p as nothing. They will continue paying for the 5p bags regardless of what type it is. Does that not defeat the purpose a little bit?
693. **Mr Webb:** I agree to the extent that we cannot be sure how every individual consumer will react. Shoppers will react differently, but we perceive those shoppers that you were talking about to be at the fringes. For example, only 3% of people who were surveyed in June indicated that they would continue to buy single-use bags. The number of people indicating that they would continue to do that is very small and contained. We would say that the bigger effect of the extension of the levy would be to bring reusable bag sales down, which would be better for the environment, and to encourage greater reuse. All bags being reused produce a better environmental result.
694. **The Chairperson:** It is probably going to be an easier message to sell to say that all bags are valuable and should be reused than to say that we are charging for reusable bags.
695. **Mr Elliott:** People's reverting to the 5p bags has been highlighted. What about the Welsh model, which Ian mentioned. Have they not tried to do something about the cheap reusables?
696. **Mr Starritt:** Our understanding is that, because they have had a 130% increase in sales of reusable bags, they are concerned about that and are reacting. We do not absolutely know yet how they are going to react. I expect to know in the next week or so, and we understand that we will know by at least the end of the month.
697. **Mr Elliott:** How does our usage of reusables compare with theirs?
698. **Mr Starritt:** I have to say that my response is based on the limited data that we have, but our figures appear to be much higher than the figure that they quote. Our usage of low-cost reusable

- bags appears to have gone through the roof.
699. **Mr Webb:** The time frame is different. Our figures cover only the first six months. There is a full year's data for Wales, so they have a bigger picture. If we are still seeing a 130% increase after a year, that means that there are millions of additional reusable bags, which are typically three times the weight of a single-use bag. If those bags are just being thrown out, you are losing a lot of the environmental benefit that you got from the single-use levy. In Wales, they estimate that they are losing about a third of the overall benefit that they got from their original levy because of the spike in reusable bags. So, it will have a big impact on the overall outcome.
700. **The Chairperson:** It is the substitution effect.
701. **Mr Milne:** Will it not become established here that people who go and shop — not the organised family shopper but occasional shoppers — will just go ahead and pay 5p for the bag? Is that not defeating the purpose? You would be better setting a cut-off date for the use of all those bags, charging £1 or £2 for them, or doing something that makes people sit up and say, "I need to remember to bring a bag with me."
702. **The Chairperson:** I do not know.
703. **Mr Weir:** We could table an amendment for that. His last act as an Assembly Member. *[Laughter.]*
704. **Mr Milne:** I understand, but it will establish itself here that people will just pay 5p for the bag, whether it is reusable or not. That is what will happen from here on in. I do not see you overcoming that. What was the purpose of the 5p in the first place? Was it not to bring it to people's attention that something is happening? It was like a shock. That has now settled, and it has just become a way of life. It is not a case that people do not forget their bag; they just do not have one.
705. **Mr Webb:** I do not anticipate a big rush back to single-use bags because of an extra 5p levy on low-cost bags. In Ireland, where the levy applied to all bags from the outset, they have achieved massive reductions in single-use bag numbers. So, I do not anticipate a surge in demand for single-use bags.
706. **The Chairperson:** OK, members. I think that that is the clause that people have the most issues and contention with. I was happy to spend some time on it. Are members content with the explanations that the departmental officials gave? Do you feel that you have enough information? Do you feel that you want to ask for an amendment? As Peter said, we could ask for an amendment to the timescale.
707. **Mr Weir:** We could maybe ask for something about a timeline to be drafted.
708. My other point is in response to what Tom said; it is not about an amendment. I think that Donald mentioned that the Department anticipates, within the next week, or certainly by the end of the month, having more information on what Wales intend to do. It would be helpful if the officials could bring that back.
709. **Mr Starritt:** We are happy to do that.
710. **The Chairperson:** We will move on to clause 2, which gives powers to the Department to increase the minimum amount of the levy through affirmative regulations and to exercise discretion in how it applies the charging requirements. Issues raised about clause 2 include the comment that there is no need for it for the same reasons that were outlined for clause 1, which is that there is no hard evidence of consumer behaviour. Another view is that current charges are adequate to create an incentive to reuse bags without adding to inflation. I know that you have covered that before, but maybe you will come back to it quickly for us.
711. **Mr Starritt:** Sure. We are not actually using the power to increase the minimum amount. The power is there,

- but we are not using it. At the moment, the levy is staying at 5p.
712. Clause 2 also talks about the procedure for regulations under the Act. Our regulations will be subject to draft affirmative procedure, so they will be brought to the Assembly.
713. **The Chairperson:** So, they will come to the Assembly and the Committee. Are members content with that?
- Members indicated assent.*
714. **The Chairperson:** Let us move to clause 3, which deals with the requirement to charge. It clarifies that the charge will apply to bags whether they are used to carry away goods and provided that they are capable of being used to do so. I think that members are fairly content with that. Maybe you could just explain that to us. The only stakeholder comment on this clause was from NILGA, which was broadly supportive of the clause.
715. Shall we move on?
716. **Mr Elliott:** Can I just ask whether that provision is already in legislation?
717. **Mr Starritt:** The way that the legislation is phrased at the moment means that it covers carrier bags that are used for the purpose of taking away goods purchased. That is generally what single-use bags were being used for. We anticipated a possible loophole, in that people could say, "I am actually not using these bags. I am taking this handful of bags with me, but I am not using them to take away goods purchased, therefore I do not need to pay the levy." So, the bags could go out the door, and you could put your goods into them outside. In a sense, I suppose we are trying to close the loophole before anybody opens it.
718. **Mr Elliott:** That is quite interesting. I would have thought that that would have been an automatic issue in the legislation. Maybe we will have a flood of people going into supermarkets and asking for single-use carrier bags and putting them in their pockets and baskets. Maybe they will just come in and fill their bags for life with single-use carrier bags.
719. **The Chairperson:** They might say, "I am not using them yet, so I am not paying for them".
720. OK. We are closing a loophole. Do members agree with that?
- Members indicated assent.*
721. **The Chairperson:** Let us move on to clause 4, which deals with sellers. The clause gives the Department the power to specify retailers by the number of full-time or full-time equivalent employees that they have. The Northern Ireland Independent Retail Trade Association (NIIRTA) agreed in principle with clause 4, but it urges the Minister and Department to consider using this statutory power to offset some of the more burdensome elements of the Bill on the smallest retailers. I suppose that that is quite a sensible suggestion. What would you say to that?
722. **Mr Starritt:** This was a decision from the outset. We are similar to Wales and to Ireland in this respect. We felt that, for the charge to be applied equitably and most effectively, it needs to apply to all retailers. We have tried to keep the compliance arrangements as straightforward as possible. We also contend that there are savings for retailers in that they have to buy significantly fewer single-use bags at the moment. I think that, for smaller retailers, it is really the single-use bag charge that affects them, rather than the charge on low-cost reusables.
723. **Ms McCay:** I will just add to that. The view was that a carrier bag has the same environmental impact whether it is used in a newsagent or in a supermarket. That was one reason.
724. The other point is that this is just future-proofing. Later clauses show that there is provision and requirement for review, and if a decision is taken at a later stage to make smaller retailers exempt in some way, it will make it easier to change. However, as I said, there are no

- plans at the moment for that. If there were, it will be easier to do it through legislation in the future. It is just putting the power there.
725. **Mr Starritt:** It gives the Department the ability.
726. **The Chairperson:** Are all retailers subject to this levy? Does it mean that small corner shops, newsagents and anyone who hands over a plastic bag will have to do that?
727. **Mr Starritt:** Yes. That is right.
728. **The Chairperson:** I was a bit confused about why you wanted to put that in, but I see that it is just future-proofing.
729. **Ms McCay:** There is a requirement to review, so, if a future Minister decides to make any changes, that can be done more easily than going back and making future primary legislation again.
730. **Mr Starritt:** In theory, it would allow us to make different arrangements that are not necessarily complete exemption for smaller sellers.
731. **The Chairperson:** In a camera shop or whatever.
732. Do members think that we need more information or should have an amendment? No. Are members content with that?
- Members indicated assent.*
733. **The Chairperson:** Clause 5 is entitled “Payment of the charge”. The clause gives the Department powers, through affirmative regulations, to stipulate how the proceeds of the levy are to be paid over and to charge interest on payments received late. NILGA gave the clause a cautious welcome but urged the Department to ensure that the provisions are practical. Other comments on the clause include that small businesses will be penalised to a greater extent than larger businesses by having to pay interest and that it makes the levy appear more like a tax-gathering exercise than an environmental measure. Others said that there is no information on the environmental projects to be supported by the levy and asked whether they are local, identifiable and additional and whether local retailers have been consulted. We touched on that before. The Minister recently issued a press statement to say that £1 million will be given to the challenge fund from the levy, but, if I recall correctly, the Department has been giving £1 million to the challenge fund for the past two years anyway from its own budget.
734. **Mr Starritt:** My understanding is that it was given £250,000 in previous years. It is not my area in a sense, but my understanding is that the fund was there. It was funded initially as a pilot project.
735. **The Chairperson:** So, was last year only the second year?
736. **Mr Starritt:** That is right, and the money that came from that was the result of a bid made by the Department; it was not from the mainstream budget. It was extra money, and it is extra money that we would not have had this year. So, in a sense, that £1 million is full additional money. That is my understanding.
737. **The Chairperson:** Will you consult people about what projects should be funded?
738. **Mr Starritt:** The point was made last week that there are certain difficulties with timing, and there is a need to get the money out in the year that it comes in. This year and in future years, it is a matter of looking at how much money is coming in and trying to factor how that is likely to look in annual receipts and then making arrangements to get that money paid out. The Minister is looking at funds that already support the type of environmental projects that we want to support, that have robust arrangements in place and that can ensure fair treatment of applications rather than a knee-jerk reaction. As things stand, we are trying to use a mix of new and existing funds and have robust mechanisms to show how the money is allocated.
739. **The Chairperson:** The challenge fund is a very good programme, and it is up

- to mostly voluntary or local community groups to bid for the funding. In a way, that answers the queries about whether the projects are all environmental. It is more grass-roots endeavours. It was quite clever of the Department to come up with that.
740. Are members content with that clause?
Members indicated assent.
741. **The Chairperson:** We move to clause 6, which is entitled “Carrier bags defined by price”. The clause extends the definition of carrier bags to be specified by price, as well as the existing technical specifications. The Minister indicated that there will be a 20p minimum price threshold. One comment welcomed the measure as the introduction of a standard reusable bag. Concerns were raised that the threshold may lead to reactive pricing — that is, if someone charges 21p for a reusable bag, all of them will become 21p — and that a maximum price threshold has not been stipulated. Can you comment on that?
742. **Mr Webb:** I am not sure that a maximum price threshold would be required in this instance. The point is that this is a line in the sand between those bags that attract a levy and those that do not, so you only need that particular one. On a point of clarification, it is bags at 20p and above that will not attract the levy; it is those at 19p and below, theoretically, that will. So, you might get a lot of 20p bags rather than 21p bags. That said, it is a matter for the retailers whether they wish to price their bag at 20p and whether there will be sufficient consumer demand, given the quality of that bag. That will be subject to market forces. If anything, it should ensure that we get quality carrier bags that are durable and reusable.
743. **The Chairperson:** Does that clause — or maybe not that clause — give power to vary or increase the minimum charge at some stage; to increase it along with inflation, for example?
744. **Mr Starritt:** The power to do that is in an earlier clause.
745. **The Chairperson:** Is it clause 5? Sorry, we might come to that later. It just came into my head.
746. **Mr Starritt:** I just cannot put my finger on the clause, but we do have the power to do that. It is in the original Climate Change Act.
747. **The Chairperson:** OK.
748. **Mr Elliott:** It is very difficult to sit here in a Committee meeting and realise what a 20p bag is. I know that we have had invitations from some of the companies to go and look at bags —
749. **The Chairperson:** The consortium.
750. **Mr Elliott:** — but I think that we broadly said no to that at this stage. To be fair, I do not think that it is up to the Department to bring us samples, but it would be useful to see a 20p bag and a single-use carrier bag. For someone like me who perhaps does not have the opportunity to carry them too often because of the levy —
751. **Mr Boylan:** Especially if you do not have a handbag.
752. **Mr Elliott:** It might be useful to see them in reality, just to have a feel of what they are like and the difference in them.
753. **The Chairperson:** Maybe to go not even just to one but to a number of supermarkets — do the shopping for Tom.
754. **Mr Weir:** With respect, I do not know that you need to go to a range of supermarkets. All we actually need — I am sure that the Committee budget could afford this — is to purchase a small range of the bags and physically pass them around. I am just conscious of the best use of time.
755. **Mr Elliott:** I am not suggesting that we go out —
756. **Mr Weir:** I have a pound in my pocket if you want to — *[Laughter.]*
757. **Mr Boylan:** We will toss a coin to see who keeps them after.
758. **The Chairperson:** Fair enough; good idea.

759. **Ms Brown:** I propose that all the male members of the Committee cough up for the bags, because they do not know what they look like.
760. **Mr Weir:** I think that that is a very sexist assumption. *[Laughter.]*
761. **The Chairperson:** Ask them to guess how much they are.
762. **Mr Boylan:** Unfortunately, Chair, we cannot take ours in a handbag, so we are going to have to figure out some other way of taking our reusable bags.
763. **Mr Elliott:** In fairness, I could bring in a range of bags, but I just do not know whether they are reusable, whether they are bags for life or whether they would generally be more than 20p.
764. **Mr Weir:** I am not sure that you are digging yourself out of that hole, Tom, to be honest.
765. **Mr Elliott:** I am only making the point.
766. **The Chairperson:** Tom wants us to get a range of all the bags of different values.
767. **The Committee Clerk:** Is it just reusable ones, or all of them?
768. **Mr Elliott:** No, I think that we should look at the single-use ones and see what would be termed a very cheap reusable bag, which maybe only costs an extra 10p. Something that is in or around 20p could be used, and then something that is better quality again.
769. **Mr Webb:** You may also wish to clarify with the retailer at that point whether it is a bag for life. So, if it is 10p or 15p, is that replaceable as well?
770. **The Chairperson:** Do they have a label on them saying that it is a bag for life or that it is exchangeable?
771. **Mr Webb:** Yes, quite a few of them do, but it is in relatively small print along the bottom of the bag.
772. **The Chairperson:** OK. Are members happy?
- Members indicated assent.*
773. **The Chairperson:** We will move on to clause 7, which deals with records and enforcement. The clause gives the Department power, through regulations, to require retailers to keep certain records, which must be produced to the Department on request. Comments on the clause included that small businesses should be exempt from the requirement as it adds to the administrative and regulatory burden, and that the power contained in the clause should be strengthened to enable the Department to exempt small businesses in future.
774. **Mr Starritt:** My main comment is that that is something that retailers will have to produce anyway. If they are paying the money to us, they will have to keep a record of how much they have to pay. I am sure that most of them will want to do that. All that we are doing is tightening up the legislation to make that a requirement. It is information that the retailer will have and will give to the Department, and the Department will then have it on the system. It is really just to show an audit trail if there are any checks on the bags being purchased, the bags going out the door, or payments being made to the Department. It is not an onerous requirement at all.
775. **The Chairperson:** At the moment, they have to fill in online the number of bags that people purchase. What other information do they need to give you?
776. **Mr Starritt:** It is basically the number of bags and the price of them.
777. **Mr Webb:** In the quarterly return, once the retailer logs on, they have to enter information in two boxes: how many bags were dispensed at 5p and how many were dispensed for more than 5p in the quarter. That is all you need to do, and you then make your payment. They will need to keep other records for audit checks. If a customer relation manager were to call in and ask to see those records, they will need to have a record in their shop of the number of bags that were dispensed so that it

- supports the return that they made to the Department.
778. **The Chairperson:** What additional records might you ask them to produce?
779. **Mr Webb:** In the case of a small local retailer, if they have kept a paper record or log of the number of bags dispensed each day, they will have till receipts and evidence of that nature.
780. **Mr Weir:** Would the system not have to be varied? You have to give slightly different information in the system about reusable bags up to 20p. Presumably, if they dispense 1,200 bags above 5p in one quarter, some of those will be above the 20p and are not part of the levy.
781. **Mr Webb:** You are quite right. The definition must be “above 5p”, but —
782. **Mr Weir:** It is “above 19p”, actually.
783. **Mr Webb:** Indeed. It has to take account of that. At the moment, we have to be clear that we are asking for only the number of bags that they have applied the levy to.
784. **Mr Weir:** The question needs to be slightly adjusted.
785. **Mr Webb:** Indeed. It is a two-second IT adjustment.
786. **The Chairperson:** Are members content with the explanation?
- Members indicated assent.*
787. **The Chairperson:** Clause 8 concerns civil sanctions. It removes the requirement for the Department to lay in the Assembly a review of the operation of civil sanctions where there has been a breach of the carrier bags regulations. That has, effectively, been replaced by clause 9, which requires the Department to lay a report before the Assembly, within three years of the commencement of the Act, that assesses the effectiveness of the legislation and the need for any amendment. Is that correct? Is clause 8 effectively replaced by clause 9? I do not quite understand.
788. **Ms McCay:** In the Climate Change Act, there is a requirement for the civil sanctions provisions to be reviewed after three years.
789. **The Chairperson:** What type of sanctions would that be?
790. **Ms McCay:** If somebody breaches the legislation, a sanction is placed on them. That is either a financial penalty or a non-financial penalty. The Department needs to look at how those are used and how many are being issued. It needs to assess how the monitoring arrangements and sanctions arrangements are working in practice. At the moment, the Climate Change Act requires the Department to do that and to lay a copy of that review before the Assembly. The Department plans to fulfil that requirement to review the civil sanctions as part of the wider review under clause 9. So, we no longer think that it is appropriate that the Department would have to lay that civil sanctions review before the Assembly. The review will have to be laid before the Assembly, so it is only a minor amendment to the Climate Change Act in that respect.
791. **Mr Starritt:** In a sense, the two clauses really need to be read together, because there is still a requirement to lay a report before the Assembly, so it is not any sort of diminution in the transparency of the accountability.
792. **The Chairperson:** You are already doing a bigger review. That is fine. Are members content with that explanation?
- Members indicated assent.*
793. **The Chairperson:** Moving on, I am sure that everyone is content with clause 10, which is the short title.
794. **Mr Elliott:** I would not be so sure. We usually find something.
795. **The Chairperson:** I want to check something with you. We received some information to say that the Department may want to propose an amendment about a review of all the exemptions that are currently proposed or in operation. That has come from a request from the

- Office of the First Minister and deputy First Minister (OFMDFM).
796. **Ms McCay:** Yes, Chair, we are finalising the wording of that now. We hope to have the wording of the amendment with you within the next week or so, certainly before the end of Committee Stage.
797. **The Chairperson:** Previously, we discussed looking again at the exemptions, because it causes confusion at the counter when people are dishing out bags. For example, if you are buying hot food, you do not pay 5p, but, if you are buying cold food, you pay 5p. One of my experiences is that if you buy sandwiches and a pack of salad for lunch and want a bag, you pay 5p, but that if you want sandwiches and a pot of soup, you do not pay 5p. There is total confusion among people who are queuing up.
798. **Mr Weir:** We will not rehearse this one again.
799. **Mr Boylan:** Do not ask what flavour the soup is.
800. **The Chairperson:** We will wait to see that amendment coming through.
801. Thank you very much indeed. We think that we may not now be having the formal clause-by-clause scrutiny from next week.
802. **The Committee Clerk:** The original timescale was that we would move into formal clause-by-clause scrutiny at the Committee meeting next week. Do you want to leave that until we get the rest of the information?
803. **Mr Boylan:** There are that many amendments coming through that we need to leave it.
804. **Mr Weir:** It could be left until the week after recess, because there are a couple of items that we are getting information back on.
805. **The Committee Clerk:** That is 7 November.
806. **The Chairperson:** Yes, we will leave one week and do the formal clause-by-clause scrutiny the following week.
807. **Mr Boylan:** It is in the bag after that, Chair.
808. **The Chairperson:** Thank you very much indeed.

7 November 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Colum Eastwood
 Mr Tom Elliott
 Mr Alban Maginness
 Mr Ian McCrea
 Mr Ian Milne
 Lord Morrow
 Mr Peter Weir

Witnesses:

Ms Jennifer McCay *Department of the*
 Mr Donald Starritt *Environment*

809. **The Chairperson:** I welcome Donald Starritt, the head of policy and legislation on the carrier bag levy team, and Jennifer McCay from policy and legislation on the carrier bag levy team. Members will consider responses from the Department of the Environment (DOE) to issues raised by the Committee at the last consideration session before moving on to a more general scrutiny of the clauses.

810. I refer members to the three responses provided by the Department. There is a response on the possibility of deferring the commencement of the legislation; that issue was raised by the retail sector. The Department says that it plans to introduce the extended levy two months after making the final regulations. The Department also agrees that it would be useful to specify the implementation date in the Bill and will now consult the Office of the Legislative Counsel (OLC) about the best way to achieve that. Do members have any comments? Would that be after the final regulations? Is it right that the regulations will come after the implementation of the Bill?

811. **Mr Donald Starritt (Department of the Environment):** Once the Bill has run its

course and after the Final Stage, there is usually a period of up to six weeks to get Royal Assent. Only after that can the Department bring the regulations back to the Assembly.

812. **The Chairperson:** How quickly will the regulations be implemented or passed?

813. **Mr Starritt:** We will bring them to the Assembly roughly three months after the Bill has completed its Final Stage. There will then be two months after the debate on the regulations, so there will be another two months before charging comes into effect.

814. **The Chairperson:** It would be useful if we had the implementation date. Let us know about that. We have been talking about April 2014 as the date, but are we now talking about June 2014?

815. **Mr Starritt:** It is difficult to say without knowing when the Final Stage will take place. Say, for the sake of argument, that the Final Stage is completed in January 2014, which is perhaps reasonable, Royal Assent might then take place in March. So the regulations will come in only in April, and two months after that would be June or July.

816. **The Chairperson:** That would be the earliest date. Is that what you wanted to ask?

817. **Mr Boylan:** Yes. That is grand.

818. **The Chairperson:** The next departmental response is about details of the amendment requested by the First Minister. The Department indicates that an amendment will be brought forward at Consideration Stage to introduce a provision for an ad hoc review of exemptions. This will be in addition to the general review of the levy after three years, which is in the Bill at clause 9. The Department has attached the wording of the proposed amendment, and the Committee welcomes this. Certainly, we have heard that there

- is confusion about exemptions. Have members any comments about this? No. We will move on.
819. There is a departmental response about further information on the carrier bag levy in Wales. The Welsh Government are consulting on an extension to the Welsh Minister's enabling powers under the Climate Change Act 2008. The proposal is that minimum charges could be set for reusable plastic bags, if evidence shows that such changes are necessary. I am sure that the Welsh Government are watching us because we are taking the lead on this. Have members any comments on that?
820. Let us move on. At each clause, I will briefly remind members of the issues that have been raised. This is only the informal consideration of the clauses to establish whether we have all the information. If you need further information or think that we should make amendments, let me know. We are not starting the formal clause-by-clause consideration until next week.
821. Clause 1, "Extension of the 2008 Act to carrier bags", represents a major change in current policy by omitting the term "single use" from carrier bags subject to the levy. I remind members that there have been concerns about the extension of the levy to cheaper reusable bags. Those are, for example, about the timing of the legislation. The retail sector says that it needs more time to prepare and educate customers and consumers and that we need more hard evidence on consumer behaviour. People also expressed concern that consumers may be confused by an extension of the scope of the Bill to reusable bags for life and that it may be difficult to sell that message to the public.
822. The third major concern is that the Bill does not promote the use of biodegradable bags, nor does it propose an outright ban on single-use bags. Those issues were raised by the Environment Link. Are members content with the Department's response to the Committee's request for an amendment to defer commencement?
- Members indicated assent.*
823. **The Chairperson:** Do members wish to raise any further issues, or are you broadly content with clause 1?
- Members indicated assent.*
824. **The Chairperson:** Sorry, Cathal, did you say something?
825. **Mr Boylan:** That is a first. *[Laughter.]* Mark that down and record it properly in capital letters.
826. Chair, you spoke about getting the proper message out. Some people are still not too sure about what they are going to be charged as a levy for recyclables. It is important to recycle bags and to get that message out properly, because people have been asking me about reusable bags.
827. **The Chairperson:** Let us just say that communication is vital.
828. **Mr Weir:** I am broadly content up a point. I appreciate that the Department has gone some way about a delay in commencement, but I am not convinced that the timescale is sufficient. Let me put it this way: I may not necessarily press for a Committee amendment today, but I may look for a longer time frame. I want to think a wee bit more about what the appropriate time frame is. The timescale may be —
829. **The Chairperson:** I do not know whether you were in the room when we were talking about it possibly being June or July, but perhaps you think that that is still not long enough. What would be the impact if it were to be April 2015? Would that be difficult for the Department?
830. **Mr Starritt:** It is difficult for me to answer that. *[Laughter.]* My view is that I can see the logic in requesting a longer time frame. From what I have heard, even from the retail sector, I am not sure that that period of time would be needed. There may be a compromise.
831. **The Chairperson:** Are retailers saying that they do not need that length of time?

832. **Mr Starritt:** No, I am not sure that they would need as long as that after the Bill comes through. Hopefully, the Bill will be through by January 2014, which would give 15 months, and I am not sure that people would need that period of time.
833. **Ms Brown:** I sympathise with retailers in their request for a delay, and I know that some talked about a delay of eight, nine or 10 months being helpful to them because of their IT systems. However, because phase 1 was so recent and so successful, I think that you may need a much longer lead-in time because of the consumer confusion that will be caused.
834. **The Chairperson:** Is it right that the commencement date will have to come back to the Assembly?
835. **Mr Starritt:** Yes, the Department would bring to the Assembly the regulations, in which we will declare the operational date.
836. **Mr Weir:** Chair, I will try to clarify that. Regulations that presumably contain a commencement date are brought back to the Assembly. Given that they are regulations, it would presumably be a case of accepting or not accepting them. There would not be —
837. **Mr Starritt:** That is right.
838. **Mr Weir:** There is a little bit of a problem there, in that there is no scope for direct amendment; you always have to go to the nuclear option of throwing out the entire regulation. To be fair, I am not entirely comfortable with naming a particular date today, but I would be more comfortable if the delay were in the Bill rather than being happy that the regulations were or were not on time.
839. **Mr Starritt:** I think the —
840. **The Chairperson:** The commencement date will be in the legislation, so we will name the date.
841. **Mr Starritt:** As it stands, it is not in the legislation.
842. **The Chairperson:** No, but will it be?
843. **Mr Starritt:** No, the date will be in the regulations. As the Bill stands —
844. **The Chairperson:** It is in SL1s.
845. **Mr Starritt:** I can understand that retailers have requested a longer lead-in period. I am not sure how long is needed, but I can understand that. The main thing that consumers will notice is that bags for life in the major supermarkets will become dearer. It is not the same culture shock — maybe it is still a culture shock, but it is not the same — as introducing a charge for something that was previously free.
846. **Mr Weir:** That is true up to a point. In one sense, if people are suddenly faced with an increase, so be it. There is a counterintuitive logic that bags for life, although they are cheap, are now being charged for. From the point of view of consumers, it is not simply a matter of discovering that those bags are a bit dearer. It is an education process, and a certain lead-in time will be required. Although the commencement date will not be in the Bill, one way around that might be to table an amendment that states that certain regulations should not be put in before a specified date so that there is a delayed commencement date.
847. **Mr Boylan:** I have no problem supporting such a proposal. There is no proposal on the table today for a Committee amendment, but I would certainly look at that commencement date.
848. **The Committee Clerk:** We could ask the Department for an assurance that you would bring forward that type of amendment. You have said only that you are going to consider it at the moment — is that right?
849. **Mr Starritt:** We have said that the Minister has agreed to delay commencement until two months after the regulations. I suppose the options are that we can bring that back, or the Committee can propose something when it brings forward the report.
850. **Mr A Maginness:** I am not familiar with all the issues in the Bill, but what delay

- period are colleagues putting forward? I am not certain. I know that retailers want it and so forth, but what would be a reasonable delay?
851. **Mr Weir:** I am not going to draft an entire time frame on the hoof. There is talk about a two-month period, but retailers have said that, to get the IT systems up and running and for staff to be trained, they might need an eight- or nine-month period. That may be the sort of time frame that is being looked at. It would not be doctrinaire and specific.
852. **Mr A Maginness:** It would at least give some guidance to the departmental officials today if they were aware of it.
853. **The Chairperson:** The officials' response is that it does not take that long for them to change IT systems.
854. **Mr Weir:** You mean from the Department?
855. **The Chairperson:** Yes.
856. **Mr Weir:** Yes, but with the best will in the world, we have first-hand evidence from retailers. I appreciate that there will always be a wee bit of bias and self-interest. I am not denying that, but retailers are saying that it will take eight months. The Department has an opinion on how long it will take retailers to make a change. If we look at who is in the best position to judge that, even though there is some self-interest, I would have thought that the retailers themselves are in the best position to say how long they feel it would take to implement that. There is also a separate issue in that lead-in time is needed for consumer education. Although I understand the merits of what is being said, there is an element that is counterintuitive. There has to be a bedding-in period.
857. **The Chairperson:** Perhaps we should find out about the Department's timetable for communicating all this. We have been told when the television campaign will start and when the Department will be talking to retailers. Perhaps that will give us a clearer indication of how you are going to roll out the communication campaign.
858. **Mr Boylan:** I have listened to what the departmental officials said. I agree with what Pam said about communication, and I have further concerns about consumers. The industry has asked for time, but, from a consumer point of view, there does not seem to be a big gap between introducing the first phase and the full roll-out. Consumers need an extra six months or whatever. I support that, as well as all the messages about communication not only for the industry but for consumers.
859. **The Chairperson:** The other side of the argument is that there has been a massive increase in the sale of reusable bags. We do not want reusable bags being a substitute for single-use bags. That is the rationale of the levy on cheap reusable bags.
860. **Mr Boylan:** In the grand scheme of things, a number of months will not make much of a difference. The levy has gone well, and consumers have bought into it. It would not be unreasonable to ask for a period of time, whatever that might be.
861. **The Chairperson:** Will we ask the Department to think about a longer commencement time than two months?
862. **Mr Weir:** If the Department comes back with a specific amendment, we can look at it. If we feel that there is adequate time, fair enough, and if we feel there could be more time, we could make that clear. That might be the way to take it forward rather than looking at it, because something concrete would be put down.
863. **The Chairperson:** Are members happy with that?
- Members indicated assent.*
864. **The Chairperson:** Clause 2, "Regulations under Schedule 6 to the 2008 Act", gives power to the Department to increase the minimum amount of the levy through affirmative regulations and to exercise discretion in how it applies to charging the requirements. We do not have any concerns on this clause, so are

members content that we move on to the next one?

Members indicated assent.

865. **The Chairperson:** Clause 3, “Requirement to charge”, clarifies that the charge will apply to bags whether they are used to carry away goods or not, provided they are capable of being used to do so. We were broadly content with the Department’s explanation that the purpose of the clause is to close a loophole in existing legislation. Are members content?

Members indicated assent.

866. **The Chairperson:** Clause 4, “Sellers”, gives the Department the power to specify retailers by the number of full-time or full-time-equivalent employees that they have. Donald, remind me: does that mean that they are subject to the levy?

867. **Mr Starritt:** It is a future-proofing provision. It would allow the Department, at some stage in the future, to define that certain groups of sellers could be exempted from the levy. We do not propose to use that at the moment. It is simply to make the Bill a little more flexible.

868. **The Chairperson:** It depends on the number of people whom retailers employ. Is it right that, in the future, a corner shop may not be subject to the levy?

869. **Mr Starritt:** That is right. You could use it to exempt smaller stores. You could also use it to make the requirements a little different for certain groups of sellers when it comes to implementing the levy. It is to give a little more flexibility in the future, should that prove necessary. Otherwise, we would have to amend the Bill, which would require primary legislation.

870. **The Chairperson:** Are members content with that?

Members indicated assent.

871. **The Chairperson:** We will move on to clause 5, “Payment of the charge”.

This clause gives the Department powers through affirmative regulations to stipulate how the proceeds of the levy are to be paid over and to charge interest on payments received. I do not think that we expressed any concerns about this clause previously.

872. Are members content with clause 5?

Members indicated assent.

873. **The Chairperson:** Clause 6, “Carrier bags defined by price”, extends the definition of carrier bags to be specified by price as well as the existing technical specifications. The Minister has indicated that there will be a 20p minimum price threshold.

874. Members, we wanted to see at first hand the range of bags that are available at local supermarkets. Committee staff will pass round a selection of those bags. This was your suggestion, Alban, is that right? [Laughter.] You can sample all the bags. You need to check them all to see whether you like the texture, Alban.

875. Members, we have looked at the range of bags. Are there any comments?

876. **Ms Brown:** This is exactly what I was talking about. I am glad that Tom did not know what plastic bags looked like, so we could discuss it again. [Laughter.]

877. **Mr Elliott:** That is a scurrilous remark to make. [Laughter.]

878. **Mr Weir:** Scurrilous, but not necessarily untrue. [Laughter.]

879. **The Chairperson:** I think that he now knows what they look like.

880. **Ms Brown:** I draw his attention specifically to the consumer confusion that I am talking about. That is where education comes in, because surely bags for life should be called “replacement bags” or something like that. I would always go for the dearer ones at 38p or 50p because you think that you are being more responsible. To me, that is possibly a bag for life, or possibly not.

881. **The Chairperson:** They are not now.
882. **Ms Brown:** I suppose that it is not, because you cannot replace it when it is damaged. However, the perception among people who think that they are being environmentally responsible is, “I buy a slightly dearer bag that lasts much longer, and I am being good to the environment”. However, I do not think that people have grasped the fact that you can replace cheaper, damaged bags. A lot of education is needed, and that is where the lead-in time would be useful. I accept now that lumping another 20p onto the 5p, 6p or 10p bag makes a reusable bag look like better value. However, you cannot replace that for nothing, so it is still confusing for consumers.
883. **The Chairperson:** You may need to use it many more times to justify its carbon footprint.
884. **Ms Brown:** Yes, but you are not likely to throw away a bag that has cost you 38p or 50p and feels good, whereas you are still more likely to throw away a bag for life.
885. **The Chairperson:** Alban cited the great example of a shop that offered to replace a bag that had split. I had a bag replaced because I burnt it.
886. We had better move on; time is pressing. Are members broadly content with the clause?

Members indicated assent.

887. **The Chairperson:** Clause 7, “Records and enforcement”, gives the Department powers through regulations to require retailers to keep certain records, which must be produced to the Department on request. We were broadly content with the Department’s detailed explanation on the type and extent of information to be recorded by retailers. Are members content with clause 7?

Members indicated assent.

when there has been a breach of the carrier bags regulations. We were broadly content with the Department’s explanation that this clause reviews existing review provisions, which will be replaced by the wider requirements of clause 9. Are members content with clause 8?

Members indicated assent.

889. **The Chairperson:** Clause 9, “Review”, requires the Department to lay a report before the Assembly within three years of the commencement of the Act, assessing the effectiveness of the legislation and the need for any amendment. The Department provided detailed information on its proposed amendment to clause 9. Are there any further issues on the amendment that you want to ask the officials about? Are members content with clause 9?

Members indicated assent.

890. **The Chairperson:** I am sure that everyone is happy with the short title of the Bill.

Members indicated assent.

891. **The Chairperson:** Members, are you content that we move on to the formal clause-by-clause consideration next week?

Members indicated assent.

892. **The Chairperson:** Thank you, Donald and Jennifer; we will see you again next week.

21 November 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Colum Eastwood
 Mr Tom Elliott
 Mr Ian McCrea
 Mr Peter Weir

Witnesses:

Mr Donald Starritt *Department of the*
 Mr Simon Webb *Environment*

893. **The Chairperson:** Members, we agreed at last week's meeting that we wished to delay the implementation of the Bill. The Department has responded by suggesting that it may be possible to commence the provisions of the Bill on 6 October 2014, but it has not specified the wording of an amendment. The Department has also detailed what the main elements of its communications campaign are likely to be. In addition, the Committee asked the Northern Ireland Retail Consortium to state how long it would require to incorporate the changes into its system. It asked us in a letter to postpone the commencement until April 2015, which is a full year —

894. **Mr Weir:** Chair, I was speaking briefly to the officials outside. There has been a further development. Of course, time is very much of the essence. From our earlier discussion, there seemed to be general agreement that the Department's approach of having a specified date for everything being implemented and live seemed to be the most sensible because it gave everybody certainty. I spoke a minute or two ago to a representative of the Retail Consortium to seek its views. Although its preference would still be for an April 2015 date because it coincides with the financial year, I expressed to him my concern that Assembly Members might feel that that was too

long a period. I appreciate that the departmental officials will need to get ministerial thinking on this, but a date that might square the circle is the first Monday in January. Retailers do not want any changes clogging up Christmas shopping. A compromise between 6 October 2014 and April 2015 is the first Monday in January. I would like the Committee's —

895. **The Chairperson:** That is during the January sales.
896. **Mr Weir:** With respect, I think that the January sales now tend to start on Boxing Day.
897. **The Chairperson:** Or even before Christmas.
898. **Mr Boylan:** Or on Boxing Day the year before.
899. **Mr Weir:** To be fair, for those on the retail side, whose members do not particularly want this, an excuse can be found to put it off almost indefinitely. I appreciate that. The suggested January date is an attempt to deal with some of the practical issues. I would like the officials to take that suggestion away with them, and when we come to our final position, we should at least consider that as one of the options.
900. **The Chairperson:** We certainly want Simon or Donald to explain the rationale for arriving at the date of 6 October.
901. **Mr Boylan:** I support what Peter suggests as long as it is an all-in and certain date.
902. **Mr Weir:** An all-in date, whereby we know a long period in advance the date on which everything will fall into place, is in everyone's interest. It is in the Department's interest and the legislative interest. It is also in the interest of retailers because giving a date for the legislation with implementation six weeks, two months or three months

- later would not give them certainty. So an all-in date seems to be the right approach. There is just an issue with the date.
903. **The Chairperson:** I support what you say. A good, clear message needs to be sent to retailers to allow them to prepare. We want to ask Simon and Donald about the part that we would miss, which is the scrutiny of the regulations.
904. Simon, if the date is set and in the Bill, the Committee will not be able to scrutinise the regulations. Can you assure us that the regulations will be very straightforward, not involve any hassle and not require us to scrutinise them? We would need to be told about the regulations and have a chance to look at them. Do you want to wait for Donald before starting your briefing?
905. **Mr Simon Webb (Department of the Environment):** Donald will be able to elaborate on the regulations and explain the Department's position.
906. I will comment on the 6 October implementation date that was originally proposed. The concept was that it would give retailers some certainty now. It would mean having nearly a year until implementation, which would also coincide with the start of a new charging cycle for quarterly returns. That said, the Department wants certainty on the date, and you are quite right to say that the communication campaign is key. A firm date in the calendar is effective and in everyone's interest: it gives retailers and our communications team a date to work to, and it gives consumers a date to prepare for. So I think that the Department would be keen to look pragmatically at a date that would be acceptable to everyone and give as much certainty as possible.
907. Donald should be with us in a minute. In his absence, I am happy to go through some of the elements of the communication campaign in a bit of detail, if that would be useful.
908. **The Chairperson:** Donald is arriving now.
909. **Mr Webb:** Excellent. I do not need to fill in. *[Laughter.]*
910. **Mr Donald Starritt (Department of the Environment):** Apologies.
911. **The Chairperson:** Donald, will you quickly go through what the Department has in mind and what is written in your paper?
912. **Mr Starritt:** On the amendment?
913. **The Chairperson:** Yes. Why can you not give us the wording? That puts us in quite a difficult position, Donald, because we have to prepare our report.
914. **Mr Starritt:** I appreciate that. I cannot give you the wording because I do not have it yet. In fact, I have just been talking to the draftsman. It has taken some time to get the wording of the amendment. As we have said before, it is an unusual approach. It is not the approach that the Department had considered taking. In a sense, we are reacting to the need, quite rightly expressed by the Committee, for certainty on a lead-in period. It is a matter of getting that into the Bill so that, once the Bill goes through and, we hope, receives Royal Assent, retailers and consumers will know when all of this will happen. It is an unusual amendment, so it was only last week that we had a chance to talk to the draftsman. I expect to have the wording in the next day or two.
915. **Mr Weir:** We must have it by the end of the month, so next week is our last bite of the cherry.
916. **The Committee Clerk:** Our stakeholder forum on the Local Government Bill is next week.
917. **The Chairperson:** So we propose to look at the report on Tuesday.
918. **Mr Starritt:** I have just been clarifying with the draftsman where the amendment was likely to fit into the Bill — whether it would be an amendment to an existing clause or a completely new clause. He is looking at a completely new clause, so it would not affect the existing clauses.

919. **The Chairperson:** Sorry, say that again.
920. **Mr Starritt:** It would not affect the existing clauses; it would be an additional clause.
921. **The Chairperson:** So, rather than amending clause 1, it would be a new clause.
922. **Mr Starritt:** It would be a whole new clause, and we anticipate it being towards the end of the Bill.
923. **The Chairperson:** The Committee has considered an amendment to include a commencement date at the end of the Bill. What would be the difference in that?
924. **Mr Starritt:** Putting the commencement date in the Bill, as it stands, would not, in itself, specify when phase 2 commences. The Department would still need to bring through a set of regulations. Effectively, what we are doing now is lifting the key parts out of the regulations and putting them into the Bill instead of bringing through a set of regulations. That means that the Bill itself becomes the legislation that delivers phase 2.
925. **The Chairperson:** OK. So instead of regulations later, we are lifting the details of the regulations into the Bill.
926. **Mr Starritt:** That is right. I anticipate that we will still bring through regulations simply to tidy up and make everything completely clear. As I said, it is an unconventional approach, but, in a sense, it is a reaction to where we are. Retailers are very familiar with the legislative framework for the single-use bag. That framework is not changing; it is only the type of bags that is changing. So we feel that we can build on the existing framework to allow us to extend the scope to low-cost bags.
927. **The Chairperson:** Peter has just been consulting the retail sector.
928. **Mr Weir:** I do not know whether you have had a chance to speak to the Minister about this. One way of trying to square the circle of the Department's position and that of the retailers is to reach some accommodation. A suggested commencement date is 5 January 2015. That is a good deal before the retailers want it to commence — ideally, they do not want it at all, but that is by the by. The suggested commencement date of 5 January 2015 would mean that any new charging regime would not hit in the run-up to Christmas, which would be out of the way. I suspect that any date will create some teething problems, but I offer that as a suggested compromise.
929. **Mr Starritt:** I have not had a chance to speak to the Minister, but my understanding is that the Department would be happy to accept a date early in January, if there was a date in early January that retailers could live with, although I appreciate that they are not happy with it, as you say.
930. **The Chairperson:** The Department would be happy to accept January.
931. **Mr Starritt:** Yes.
932. **The Chairperson:** That would mean almost another year of delay.
933. **Mr Starritt:** It would be a year, effectively, yes.
934. **Mr Weir:** As well as that, it would be on the basis of the same formula of, "Here is the exact implementation date." Again, that has all of the advantages.
935. **Mr Starritt:** That is right.
936. **The Chairperson:** Does it coincide with financial reporting?
937. **Mr Webb:** Yes, it would tie in nicely with the start of another quarterly cycle.
938. **Mr Boylan:** I do not agree that it is another year's delay, because we are trying to work with the industry. Like Peter, I prefer one all-in date. At what stage is the process of regulation, consultation and whatever else you need to do? Do you have all of that? Are there any other areas in which things need to be tidied up?
939. **Mr Starritt:** We would not need to consult again, because there is no real change to policy. All we are doing is delivering more in the Bill than was

- delivered previously and less, if you like, in the regulations. However, we will still have a Bill, albeit with an additional clause, and we will still have regulations, but those regulations will, effectively, be tidying up. They will make one or two, what I call, non-critical amendments, but they are amendments that I have already discussed with the Committee. There will be nothing new in them, and they will not be critical to the commencement of phase 2.
940. **The Chairperson:** We talked previously about the substitution problem: people buying reusable bags as single-use bags. The whole idea of the second phase is to stop that happening. What would be the consequence of delaying the commencement from April 2014 to January 2015?
941. **Mr Webb:** That would be expected to coincide with a period of increased purchasing of new reusable bags, the thicker gauge ones. Our concern is that, in the intervening period, those bags would be disposed of prematurely rather than being reused frequently. That said, if it allows us a little more time to focus our communication effort — we will use the communication campaign to drive home the message to reuse bags — we can, we hope, minimise any impact.
942. **The Chairperson:** Will you have an ongoing campaign? The idea of your campaign is to warn people that a new wave of bags is coming, so you are talking about a different type of communication.
943. **Mr Webb:** You are quite right, Chair. There are two key elements to the phase 2 campaign. One is a drip, drip reminder to keep building on phase 1 and reminding shoppers to bring bags with them. We envisage an element of the campaign running this Christmas, reminding shoppers to bring bags when Christmas shopping. In phase 2, a second element will be explaining to consumers the rationale behind that and what the Department is doing.
944. **The Chairperson:** Members suggested that the review, as detailed in clause 9,
- might be more effective if carried out after two years rather than after three years, as is currently drafted. Three years is the standard. What would you say about our wanting to change it to two years?
945. **Mr Starritt:** We would not have any real difficulty with that in principle. However, Scotland is making progress on a charge for single-use bags, and England is bringing in measures over the next couple of years. The three-year period might give us a greater option to react to what they have done, the impact of that and assess how we could learn from it with a view to how precisely we change. Although I do not have a difficulty with two years, the three-year period might be quite opportune for us.
946. **The Chairperson:** It would give you more time to gather statistics as well.
947. **Mr Starritt:** Yes.
948. **The Chairperson:** There is also an argument from members that implementing phase 2 too early would mean that you would not get enough information to inform us in making proper choices.
949. **Ms Brown:** A January date would be very useful for all sides. The communication strategy was mentioned a few times, but did we go into any detail?
950. **Mr Webb:** No, but I am happy to run through the key points.
951. The communication plan was signed off by the project board very recently, on 18 November. It is intended to focus on reminding shoppers, in the intervening period, to reuse bags and bring bags when shopping. We will look at partnership arrangements with other organisations and seek to tie in with other campaigns, particularly in the lead-up to Christmas. Then, a focused campaign will be gradually escalated in the five months or so in the build-up to the introduction of phase 2. That brings us back to the point about certainty. If we can be clear that we are working towards a key date set in stone, we

- can build the communication campaign around that.
952. The campaign will involve a number of key activities. In many ways, it will be similar in scale and resources to the phase 1 campaign. Stakeholder engagement is ongoing. We meet retailers and the retail representative bodies. We had a stakeholder event in September and are due to have another in a couple of weeks' time, in early December. We also have the carrier bag levy team. Its customer relations manager and large-case manager interact directly with retailers on a one-to-one basis. We will use social media more intensely in the phase 2 campaign than we did in phase 1. We have new expertise in that area through some officers in the communication team having specific expertise in digital marketing and social media. That will be particularly useful in reaching younger shoppers whose reuse of carrier bags is at a lower level.
953. **In addition, we will have the same online information and resources as we had for phase 1:** for example, free downloadable posters for retailers, fact sheets, question-and-answer documents, e-mail newsletters and an updated online video, which received thousands of hits in phase 1.
954. We will re-engage with local authorities, which was a successful element of phase 1. We will use district council magazines and put up signs in local authority offices, which are useful approaches. We will also engage with the likes of the Consumer Council and, as mentioned, the retail representative groups.
955. With nine in 10 schools signed up to the Eco-Schools programme, we intend, depending on the timing of the campaign, to engage with eco schools. We will repeat the bring-a-bag week that we had in phase 1. Our participation in public events may include having a stall dedicated to the bag levy.
956. Finally, we will have a dedicated information phone line, which is already active with NI Direct. The number will be on the posters and advertised online. The call-handling agents at NI Direct will have the most up-to-date information, and anyone with queries can call that line. We will, of course, use the standard tools of our press office, with press releases and ministerial statements timed to coincide. I will be happy to give more detail of the timing once we have an agreed implementation date.
957. **The Chairperson:** What is the budget for this?
958. **Mr Webb:** The budget allocated is up to £45,000, which is on a similar scale to that for phase 1. An element of that budget is flexible because, as with phase 1, there will be street surveys of shoppers in the build-up to implementation. So we will be able to gauge awareness levels among shoppers, and we can then adjust the campaign accordingly. There will be scope to make more funds available if we feel that we need to increase the communication effort when nearer to going live.
959. **The Chairperson:** Who will you use to do the surveys?
960. **Mr Webb:** The staff of the carrier bag levy team, as we did for phase 1. However, we will also have —
961. **The Chairperson:** Will you have a clipboard and all that?
962. **Mr Webb:** Indeed, we will be stomping the streets, but we will also have surveys carried out through, for example, the regular omnibus surveys that we can piggyback on to get a bit of information on awareness levels.
963. **Ms Brown:** Thank you for that useful information. The social media and digital marketing sides are welcome. Social media can be damaging in lots of cases but very useful in information campaigns. You mentioned the Eco-Schools programme. I visited Fairview Primary School in Ballyclare, which is one of two schools in Northern Ireland that send zero waste to landfill. That was fantastic, and the children were

absolutely amazing. That should be your first port of call because those children can teach us all an awful lot.

964. **Mr Webb:** Exactly.
965. **Ms Brown:** They know eco subjects inside out, and they go home and educate their family. That might even be the most effective way to get the message into a lot of homes, so I would welcome any further work in that area and, in fact, any further funding and encouragement that can be given to the Eco-Schools programme.
966. **Mr Webb:** Yes.
967. **The Chairperson:** It is so important to get the eco message into their thinking and behaviour while they are young.
968. **Mr Webb:** We certainly found the bring-a-bag week with eco schools in phase 1 very successful. We are talking about over 1,000 schools, so the outreach is great.
969. **Ms Brown:** I should mention that, on my visit, I noticed that the whole school was extremely clean and tidy, with different recycling bins everywhere. There was no rubbish or litter. In fact, when we came across some litter, a teacher informed us that it had come from parents picking up their kids. Children can definitely teach us a lot.
970. **The Chairperson:** Yes, very much so. I went to a school in west Belfast. It was great to see how good and enthusiastic the children were.
971. There are no other questions, so thank you very much. I am sure that we will see you again soon.
972. **Mr Webb:** Absolutely.
973. **The Chairperson:** Thank you for coming all the way here from Derry/Londonderry. That is where you are based, is it not?
974. **Mr Webb:** No, we are based in the city centre; the carrier bag levy team work in Orchard House in Derry.
975. **The Chairperson:** OK, thank you.

21 November 2013

Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
 Ms Pam Brown (Deputy Chairperson)
 Mr Cathal Boylan
 Mr Colum Eastwood
 Mr Tom Elliott
 Mr Ian McCrea
 Mr Barry McElduff
 Mr Peter Weir

976. **The Chairperson:** Today is our last opportunity to discuss the clauses of the Bill. Any decisions made today will be final. We are going to write up the report.
977. We are broadly content with the Bill, as drafted, but there have been some concerns about the clarity of the date. The Department has agreed to draft an amendment to specify a firm date for phase 2 charging to begin. Subject to sight of that amendment, we are broadly content with the Bill. Are members content?
978. **Mr Weir:** I agree with that, but, following the earlier discussion, do we need to put it on record that our understanding is that the agreed date would be in January 2015?
979. **The Chairperson:** We can do that; there is no objection to that. Following our discussion, members are content that the first Monday in January — 5 January 2015 — could be the starting date.

Clause 1 (Extension of the 2008 Act to carrier bags)

980. **The Chairperson:** Clause 1 represents a major change in policy by omitting the term “single use” from carrier bags subject to the levy. Members were content with clause 1, as drafted, but wished to delay the commencement of the Bill. We have now considered the Department’s proposal for an amendment. The Bill Office has provided

us with the wording of a Committee amendment. We will keep that in case we need it, although we do not need to table it if we decide against it. We reached agreement on an amendment to the clause. The Department says that it will not amend clause 1, and a new clause is coming for the commencement.

981. Question, That the Committee is content with the clause, put and agreed to.

Clause 2 (Regulations under Schedule 6 to the 2008 Act)

982. **The Chairperson:** The clause gives power to the Department to increase the minimum levy through affirmative regulations and to exercise discretion in how it applies the charging requirements. Members previously indicated that they were broadly content with the clause.
983. Question, That the Committee is content with the clause, put and agreed to.

Clause 3 (Requirement to charge)

984. **The Chairperson:** The clause clarifies that the charge will apply to bags whether or not they are used to carry away goods, provided that they are capable of being used to do so. We previously indicated that we were broadly content with the clause.
985. Question, That the Committee is content with the clause, put and agreed to.

Clause 4 (Sellers)

986. **The Chairperson:** The clause gives the Department the power to specify retailers by the number of full-time or full-time equivalent employees that they have. Members were broadly content with the clause.
987. Question, That the Committee is content with the clause, put and agreed to.

Clause 5 (Payment of the charge)

988. **The Chairperson:** The clause gives the Department the power through affirmative regulations to stipulate how the proceeds of the levy are to be paid over and to charge interest on payments received late. We did not have any concerns about this clause.
989. Question, That the Committee is content with the clause, put and agreed to.

Clause 6 (Carrier bags defined by price)

990. **The Chairperson:** The clause extends the definition of carrier bags to be specified by price as well as by the existing technical specifications. The Minister has indicated that there will be a 20p minimum price threshold. Members previously indicated that they were broadly content with the clause.
991. Question, That the Committee is content with the clause, put and agreed to.

Clause 7 (Records and enforcement)

992. **The Chairperson:** The clause gives the Department the power through regulations to require retailers to keep certain records that must be produced to the Department on request. We previously indicated that we were broadly content with the clause.
993. Question, That the Committee is content with the clause, put and agreed to.

Clause 8 (Civil sanctions)

994. **The Chairperson:** The clause removes the requirement for the Department to lay before the Assembly a review of the operation of civil sanctions where there has been a breach of the carrier bags regulations. Members previously indicated that they were broadly content with the clause.
995. Question, That the Committee is content with the clause, put and agreed to.

Clause 9 (Review)

996. **The Chairperson:** The clause requires the Department to lay a report before

the Assembly within three years of the commencement of the Act, assessing the effectiveness of the legislation and the need for any amendment. Members saw and were content with the wording of an amendment suggested by the First Minister to introduce a provision for an ad hoc review of exemptions. The Department has indicated that it intends to bring forward the amendment at Consideration Stage. Other than the length of the review period, the Committee has previously indicated that it is broadly content with the clause.

997. Question, That the Committee is content with the clause, subject to the proposed amendment, put and agreed to.

Clause 10 (Short title)

998. **The Chairperson:** There were no comments on this clause in the consultation or at our previous meetings.
999. Question, That the Committee is content with the clause, put and agreed to.
- Long title agreed to.*
1000. **The Chairperson:** That concludes the formal clause-by-clause consideration of the Carrier Bags Bill. I thank the officials for their attendance at today's meeting and the previous meetings.



Northern Ireland
Assembly

Appendix 3

Written Submissions

Ards Borough Council

Dear Sir/Madam,

Thank you for consulting with Ards Borough Council on the proposed Carrier Bags Bill.

The proposed Bill was considered at a recent meeting of the Council's External Affairs & Planning Committee where it was agreed to respond making the following comments:-

- The Council, while not opposing the levy imposed on single use carrier bags, expresses concern that the levy is to be extended to become a tax on all carrier bags.
- The Council acknowledges that single use carrier bags have for long been recognised as a blight on the environment and the landscape and that a levy, which serves to reduce their use and their disposal rate, is justifiable and is an environmental incentive to reuse and recycle carrier bags.
- The Council believes that it would not be justifiable to extend the levy to include reusable bags and that this proposal amounts to the introduction by stealth of an unfair "backdoor tax".
- The Council believes that the proposals confuse the original environmental message and make it unclear what is and what is not covered by the Bill.

I hope that this is of assistance to you.

Asda

1 August 2013

Asda Response to the NI Assembly Committee for the Environment on the Carrier Bags Bill

About Asda in NI

- Asda is Northern Ireland's second largest grocery retailer, employing 4,500 colleagues in 17 stores and a distribution centre. We have plans to invest a further £280 million in Northern Ireland, doubling our number of stores and creating more than 5,000 new jobs.
- Asda is committed to environmental best practice, for example achieving Quintile One status in the Business in the Community Environmental Benchmarking Survey and we are striving to reduce our carbon footprint and achieve zero waste.
- Our Community Life programme is a long term commitment to help our stores build strong relationships with the local communities we serve.
- Asda is a previous winner of the 'Responsible Company of the Year' and 'Employer of Choice' at the Northern Ireland Business in the Community Awards.
- We are committed to local sourcing, working with over 100 local suppliers. Our Sustain and Exchange Programme helps suppliers reduce their costs, be more efficient in their operations and they keep the savings. We have also hosted a successful year long Supplier Development Academy for some of our key suppliers.
- Asda is committed to every day low prices for our customers, which is particularly important in the current economic climate. Asda Income Tracker research has shown that families in Northern Ireland typically have significantly less disposable income than the UK average. The latest Asda Income Tracker result showed the average NI family retaining just £59 per week of disposable income - the average UK family's disposable income reached £160 a week in June.

Carrier Bag Levy

Phase 1 results

Asda has worked positively with DOE to introduce Phase 1, a 5 pence levy on single use carrier bags. Asda has invested heavily in IT, marketing, signage and colleague training to implement the levy and our first quarter returns show a remarkable 97% fall in use. Across Asda stores in NI this represents a huge drop in the percentage use of single use carrier bags, indicating a very high level of goodwill and compliance shown by our customers and colleagues. Such a large reduction in single use bags should deliver significant environmental benefits from this policy which is to be welcomed.

Phase 2

Lack of evidence

It is our view that with Phase 1 only into practice for a matter of months and with the results so far being so positive, it is very premature to be rushing to Phase 2. Phase 1 should be given considerably more time to operate so that consumer behaviour can be properly assessed and evidence gathered.

To date our consumers have shown remarkable goodwill towards the 5p levy leading to a successful introduction of Phase 1 in terms of public support and potential environmental impact. However we do not support the Phase 2 proposals. There is no evidence that increasing the levy on single use carrier bags to 10p and extending the levy to reusable bags (below a threshold price) is necessary to secure the positive environmental impacts sought by this policy. In fact extending the levy to reusable bags may have the unintended consequence of driving customers back towards cheaper single use bags. It is also notable that in Wales a 5p levy has successfully been in operation since October 2011. Welsh legislation provides the option to increase the levy to 10p if targets are not being met but this has not been necessary. Instead the emphasis has been on ongoing good communication, encouraging consumers to switch to reusable bags.

Extending to reusable bags is counter-intuitive

Extending the levy to reusable bags is counter-intuitive for our customers who are being encouraged to switch to reusable bags, yet now the proposal is to equally levy this purchase as well. This will penalise our shoppers who are seeking to be environmentally conscious. The Minister has expressed a concern that some of the lower cost reusable bags will now become the new 'throw away bag'. There is no evidence that customers will do this and we are confident in the quality of our reusable bags which indeed can be used over and over again and then replaced in store FOC when damaged or broken.

Environmental project or Departmental fundraiser?

Increasing the levy to 10p and extending it to reusable bags will in our view only serve to jeopardise our customers goodwill and support for this initiative. The process will look more like a fund raising exercise for a Government Department rather than a positive environmental initiative and our customers will reject this. It will also push up the cost of shopping for our customers at a time when many are struggling with the cost of living as demonstrated by the Asda Income Tracker results.

Business costs

It should also be noted that if Phase 2 is introduced, this will come at considerable cost to our business in terms of IT, unique bags and bar-coding for NI stores, additional distribution pick slots etc.

Summary

- Phase 1 is a success and has dramatically reduced single use carrier bags above original target.
- Phase 1 should be given more time to operate and if it continues to have the desired effect of dramatically reducing carrier bag pollution then no additional measures are necessary.
- There is no evidence that increasing the levy on single use carrier bags to 10p is necessary to sustain the environmental impact of the policy.
- There is no evidence that imposing a levy on reusable bags to prevent them being treated as 'throw away bags' is necessary.
- Extending the levy to reusable bags is counter intuitive and indeed could drive customers back to using cheaper single use bags.
- Increasing and extending the levy jeopardises public goodwill towards this initiative – it will look more like Government fundraising, rather than an environmentally motivated scheme.
- If implemented, there will be a considerable cost to our business.

For further information please contact:

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Ballymoney Borough Council



Our Ref:OCE.337-2013 DC249

13th August 2013

Northern Ireland Assembly
Environment Committee
Committee Clerk,
Room 416, Parliament Buildings,
Ballymiscaw,
Stormont,
Belfast BT4 3XX.

CARRIER BAG BILL

Dear Committee Clerk,

Council has considered the Carrier Bags Bill proposing a 10p charge for all single-use carrier bags and in addition the proposal to extend the levy to also apply the charge to the lower cost version of reusable bags.

The Council in considering the Bill has taken account of representations by the Ballymoney Chamber of Commerce on behalf of local traders. To date the bag levy has had an impact on retailers, by placing an additional administrative burden and inconvenience on small traders in collecting the levy on behalf of the Department, particularly in these difficult economic times. Retailers have also recorded their concern that the levy was extended to include paper bags.

Councillors voiced opposition to the proposed increase in the bag tax levy which it regards as very shortsighted, particularly the decision to impose the charge on paper bags, something which was not happening in other regions and now to further extend the levy to include the lower cost version of reusable bags.

Council has resolved to oppose the proposed increase in the bag tax levy, its extension to cheaper re-usable bags and its application to paper bags. Council also acknowledges and supports the concerns from local traders, as represented by Ballymoney Chamber of Commerce who have responded separately to the Environment Committee.

Yours sincerely,

Elizabeth Johnston
Head of Corporate & Development Services

Ballymoney Chamber of Commerce

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The Committee Clerk
Room 416
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BT4 3XX

14th August 2013

Call for Evidence in Relation to Carrier Bags Bill

Ballymoney Chamber of Commerce wishes to submit evidence to the Committee for the Environment in relation to the Carrier Bags Bill. As the representative body for traders within Ballymoney, we wish to express our concerns with some aspects of this Bill, in particular Clauses 5, 6 and 7.

Clause 5: Payment of the Charge

Despite the levy being in operation for several months, it is still embarrassing and awkward having to ask customers if they would like a bag and that it would cost an additional 5p. It is appearing as a lack of goodwill on the part of the law abiding retailers and is extremely bad publicity for the retailers concerned, particularly when they've made a significant purchase. There is a perception by the consumer that retailers are in effect, tax collectors, and this perception is bad for business. It only leads to encourage the general trend away from High St shopping towards online shopping. Are online shopping companies having to pass on bag levies to their customers? The Department needs to work closely with the retail sector to ensure that implementing the law is practical for retailers to implement.

Clause 6: Carrier Bags defined by price

As with many retail outlets, advertising on the side of carrier bags is an important aspect of overall marketing. As a result of this bill, customers can opt to put their goods in their own bags, thus removing this vital form of advertising. Often high-end goods e.g. clothes are squashed into inferior bags that can result in crushing expensive garments. The large quality branded bags serve a purpose of protecting the good being purchased and neither consumer nor retailer should be penalised for ensuring this protection. There is still a degree of confusion among traders about what is an exemption and what is not. The Department needs to liaise closely with the retail sector to ensure exemptions are broad enough so as not to deter the use of shop stocked bags to assist in the proper protection of the goods being bought.

Clause 7: Records and Enforcement

While the Chamber agrees in principle with the broad determination to reduce the amount of single use bags being used, the Bill does not take into consideration the amount of additional red tape on small business owners, who must record the purchase of these bags and make a return. Talk of sanctions in relation to a breach of the carrier bag charging regulations, does nothing to encourage small businesses who are already struggling with rates and other business costs and red tape.

On behalf of the Ballymoney Chamber of Commerce, I would urge the Committee to seriously consider the negative impacts on trade of this Bill on already struggling retailers, and weigh it up against what the positive impacts of this Bill are.

Yours sincerely

A handwritten signature in black ink that reads "W. Mellett". The signature is written in a cursive style with a large initial 'W' and a long, sweeping underline.

Winnifred Mellett
President, Ballymoney Chamber of Commerce

British Retail Consortium

Carrier Bag Bill – Evidence from the Northern Ireland Retail Consortium

1. Key facts about retail and plastic bags

- 1.1. Our members led the way in providing Bags for Life and in providing facilities for customers to recycle single use plastic bags, with millions recycled every year. Carrier bag monitoring data published in July 2013 shows that 60 per cent of stores have front-of-store recycling points offering customers convenient ways to recycle bags and packaging whenever they do their food shopping.
- 1.2. Carrier bag recycling is also becoming the norm for supermarket shopping online, where some customers are offered loyalty points for choosing to have their items delivered without bags, and delivery drivers collect and recycle bags after use.
- 1.3. Our members have worked positively with the Department of Environment (DOE) to introduce a 5 pence levy on single use carrier bags in Northern Ireland from 8 April 2013. Members report a significant drop in the percentage use of single use carrier bags, illustrating the impact of the levy and the good will and compliance shown by customers and staff. Retailers have heavily invested in IT, marketing, signage and staff training to implement the levy and achieve the reduction in the use of single use carrier bags.

2. Extension of the 2008 Climate Change Act to carrier bags (clause 1)

- 2.1. The NIRC believes that the proposed levy should not be extended to reusable carrier bags for the following reasons:
 - 2.1.1. A consumer tax for doing the right thing
 - A reusable bag tax will penalise customers for doing the right thing and being environmentally conscious. Re-using bags is a totemic environmental behaviour and the extension of this principle to other areas would make a big difference in sustainable consumption.
 - Extending the levy to reusable bags is counter-intuitive for our customers who are being encouraged to switch to reusable bags, but will now be taxed for this behaviour.
 - The charge would be the retail price plus a 10 pence tax, thus making this a tax rather than a levy. Increasing the levy to 10 pence and extending it to reusable bags will jeopardise our customers' good will and support for this initiative.
 - Some bags for life are made of 100% recycled content and are 100% recyclable.
 - 2.1.2. Lack of evidence
 - There is no scientific evidence to suggest that a tax on reusable bags would have environmental benefits. Data on carrier bag figures published in July 2013 by WRAP (the Waste & Resources Action Programme) highlight the fact that a 5pence charge on single use bags is having a lasting effect in Wales. The Welsh regulations provide the option to increase the levy to 10 pence if targets are not being met, but this has not proved necessary so far.
 - The stated justification for the Bill is to deter customers from purchasing cheaper versions of reusable bags in order to avoid significant adverse environmental impacts. However, this approach will either:
 - Have the unintended consequence of driving consumers back towards single use carrier bags – which calls into question the purpose of the initial single use carrier bag levy. (Whilst extension of the charge will drive an increase in the levy monies paid, it is

counterintuitive in relation to the bigger environmental impact the legislation aims to target); or

- Incentivise customers to purchase more expensive and more durable reusable bags, which need to be used far more (i.e. at least 127 times more) than a low cost reusable bag, in order to offset their carbon footprint (see below).
- The single use carrier bag levy has been in place for four months and has not had a chance to bed down. First quarter returns from retailers were not due until mid-July (some six weeks after the publication of the draft legislation). Consequently there is no evidence to support the assertion that many consumers could treat low cost reusable bags as throw-away bags. The levy needs to be operational for at least 12 months to allow for analysis of:
 - The reduction in the number of single use carrier bags distributed;
 - The impact on the number of reusable carrier bags distributed, broken down by types of reusable bags;
 - The number of low cost reusable bags thrown away prematurely;
 - The number of worn out low cost reusable bags recycled at front of store bag recycling points in larger supermarkets; and
 - The increase in the number of bin liners sold.
- An Environment Agency study found that while conventional, lightweight carrier bags made from high-density polyethylene (HDPE) have the lowest carbon footprint of any type of bag; a reusable carrier bag made from low-density polyethylene (LDPE) has to be used only 4 times to have less environmental impact. In contrast, a heavier more durable bag, made from non-woven polypropylene (PP) and a cotton bag would have to be used at least 11 and 131 times respectively. In other words, a regularly re-used bag-for-life proves to be the better environmental option to single-use polythene bags within a month (it betters papers bags within a fortnight). Cotton and other woven bags can take between 2 and 3 years of regular re-use to deliver improvements over single use bags.

2.1.3. Impact on retailers

- This tax will put another administrative burden on retailers large and small. Retailers in Northern Ireland are already squeezed. Almost one in five of our shops are lying empty and we have seen footfall affected negatively by many factors over the past 18 months.
- If this Bill is implemented, as planned, with effect from April 2014, it will coincide with the rise in minimum cost to 10p for single use bags. This will be very confusing for consumers in stores/supermarkets where low cost reusable bags can be purchased alongside the single use versions. Retailers will be at the front line dealing with customers' questions/queries and frustrations and it will be challenging and potentially resource intensive for retailers to be able to clearly explain to customers the rationale behind the new charges.
- When the first tax was introduced in April 2013, we had asked for several months' notice to change our computer systems and train our staff. We did not receive this. With the delay of the introduction of this Bill through the Assembly and the time it will take to pass through the Assembly, retailers will have only a few weeks to change computer systems and train up to 50,000 front line retail staff. This is an unfair burden, both financially and logistically.
- If Phase 2 is introduced, this will come at considerable cost to our businesses in terms of IT, unique bags and bar-coding for NI stores, additional distribution pick slots etc. It is possible that some stores could stop selling reusable bags due to the difficulty in splitting the revenue on them financially and through IT.

2.1.4. Impact on customers

- If this tax is introduced, it will have a greater impact on impulse shopping, which is more likely to take place in small and independent retailers and in local communities. It is also likely to have a greater impact on lower income families who are less receptive to environmental initiatives and more likely to make more frequent, smaller purchases.
- As stated earlier, the extension of the carrier bag charge to reusable bags may have the unintended consequence of the re-introduction of a large number of single use carrier bags, as they will appear cheaper.

3. Payment of the charge (clause 5)

- 3.1. We remain concerned that the main driver behind this legislation is the need to generate revenue for the Department of the Environment. The regulatory impact assessment, published in February 2013, briefly considered a ‘retailer charge’ (whereby funds generated are distributed to environmental projects / good causes by retailers); however this option was dismissed as it would fail to raise revenue for Executive funded environmental projects.
- 3.2. The introduction this legislation will incur costs for retailers and we believe they should be able to recoup these costs, as is the case in Wales. We also believe that retailers should be free to directly donate surplus funds to environmental projects or good causes, as in Wales.

4. Carrier bags defined by price (clause 6)

- 4.1. If a levy is to be imposed, a lower figure of 10 pence would be more workable, as opposed to the preferred option of 40 pence. This would ensure a minimum charge of 10 pence for all bags.
- 4.2. We are also concerned that the price threshold may keep increasing and then be extended to other forms of bags or other products. This form of direct consumer taxation is not sustainable.

Carrickfergus Borough Council

Carrickfergus Borough Council welcomes the opportunity by the Committee for the Environment to respond to the Consultation on the proposed Carrier Bags Bill (Northern Ireland) 2013. The Council's response is as follows:

Extension of the 2008 Act to carrier bags

Carrickfergus Borough Council recognises that within the short period in which the initial levy on carrier bags has been introduced, there has been a substantial reduction in the usage of carrier bags. However, the Council does not believe that an increase in the levy on carrier bags would achieve additional environmental benefits.

Regulations under Schedule 6 to the 2008 Act

Carrickfergus Borough Council does not support proposals to increase the levy charged on carrier bags. The levy of 5p per bag is regarded as being adequate to encourage re-use of said carrier bags whilst not adding to inflation. Council is of the view that an increase in the levy would be regarded by local consumers as a back door taxation which would not be beneficial to the people living in Carrickfergus Borough Council or the wider Northern Ireland population.

Carrier bags defined by price

Following reports of a disparity in costs of single use carrier bags on the criteria of their weight ranging from 15 pence for lighter single use carrier bags to £1 for heavier single use carrier bags; Carrickfergus Borough Council welcomes the recommendation that a uniform levy be applied across all businesses for single use carrier bag types of 5p.

Northern Ireland Environment Link (NIEL)

NIEL supports the provisions laid out in the Carrier Bags Bill (2013)

The 2011 consultation on 'Proposals for a Charge on Single Use Carrier Bags' deemed a ten pence levy the most efficient and effective measure, from an environmental and economic perspective. However, it was agreed that a two phased approach would be implemented. Therefore, a five pence levy was introduced in April 2013 as a temporary charge to allow consumers to adapt to the new charging policy, before producing a Carrier Bags Bill to increase the levy to ten pence in April 2014. There is no substantial evidence to suggest that this original position should be changed. Preliminary figures indicate that, the introduction of the five pence levy has encouraged a radical shift in shopping habits, with a significant decline in the use of single use carrier bags¹. However, further progress is still required. Increasing the levy to ten pence is necessary to act as a further disincentive to the use of single use carrier bags and continue the downward trend in bag consumption. Meanwhile, the increased levy will help cover the costs of collection and enforcement, while providing funds for environmental projects.

It is important to extend the levy to include low cost reusable bags, with higher cost reusable bags remaining exempt from the levy. A price threshold is required to establish the minimum price that can be charged for bags which are exempt from the levy. This is a necessary measure to avoid the 'substitution effect', whereby low cost reusable bags (which typically have a greater environmental impact than single use carrier bags) are used as single use throw away bags. This will ensure that the legislation fulfils its intended purpose of limiting the environmental impact associated with carrier bag usage.

It is also appropriate to strengthen the Department's enforcement powers, for example through powers to impose interest charges for late payments of levy proceeds by a retailer. The Department should also have the ability to make specific provisions to exempt certain businesses in the future.

1 <http://www.belfasttelegraph.co.uk/news/local-national/northern-ireland/bag-tax-not-such-a-big-money-spinner-29452096.html>

Northern Ireland Independent Retail Trade Association (NIIRTA)

Written Submission from NIIRTA (Northern Ireland Independent Retail Trade Association) Supported by ACS (the Association of Convenience Stores)

1. The Northern Ireland Independent Retail Trade Association has over 1,400 members from the independent retail and wholesale sector in Northern Ireland who generate in excess of £3 billion turnover every year and employ over 30,000 staff.
2. NIIRTA welcomes the opportunity to submit to the Committee as the legislation will have a direct impact on the majority of members, and consequently suppliers and those employed.
3. Northern Ireland is a small-business economy with 98% of all business classified as 'small'. The independent retail sector is the biggest sub-sector of that economy and plays a crucial role as the backbone of the private sector. Convenience stores' business models rely heavily on impulse shopping, making the availability and potential cost of carrier bags key to their businesses.
4. NIIRTA also responded to the 2011 consultation on proposals for a charge on single use carrier bags in Northern Ireland. We particularly opposed the concept of using the charge as a way for the Executive to collect additional revenue, and are disappointed that this has been the model adopted since the introduction of the charge in April. NIIRTA also opposes the extension of the carrier bag charge to bags for life and the increase of the charge to 10p from April next year. We believe that extending the charge to include bags for life is inconsistent with the principle of incentivising people to reduce their usage of single-use carrier bags.
5. Evidence has shown that retailers in Wales have been supportive of the carrier bag levy since it was introduced there in 2011. We believe that the Welsh Government's model of carrier bag charges directly benefiting charities is preferable to the Executive's model of using the levy purely as a revenue raiser, and welcome the Scottish Government's proposals to introduce a similar model to that found in Wales when it introduces a carrier bag levy in Scotland later this year.
6. It is disappointing that no exemptions for small businesses regarding reporting back the number of bags sold to the Executive have been proposed. We note the Scottish Government's announcement that smaller businesses will be exempt from the requirement to report centrally the numbers of bags sold in order to reduce administrative burdens for them.
7. We note Cathal Boylan MLA's contribution to the second reading of the Bill on 11 June 2013, when he raised concerns – concerns we share – from small retailers in his constituency that since the levy came into operation shoppers are only buying what they can carry without a bag. Given our members place much reliance on impulse shopping, this detrimental impact on trade is of much concern.
8. We also note the former Minister's acknowledgement of Mr Boylan's concern: *"I want to give confirmation about a number of points that he made. There was some indication from traders that there had been a reduction in impulse purchases because people would have to pay for a carrier bag if they were to purchase two, three or four items"*. However while we strongly dispute his claim that *"It seems to have gone away as an issue"*, we welcome his pledge that the Department will continue to monitor the issue, and hope that the current Minister will take action to ensure measures are taken to assist those retailers who have been negatively impacted by the levy.
9. Every attempt must be made by the Department to minimise the regulatory burden and bureaucracy on small traders as we believe this detracts from the day-to-day running of their business at a time when their resources are considerably stretched.

10. Please find overleaf NIIRTA's specific concerns relating to the Carrier Bags Bill:

Clause 1 – Extension of the 2008 Act to Carrier Bags

NIIRTA strongly opposes the extension of the charge to include bags for life. It would be likely that this charge would force retailers to add a charge of 7-10 pence on top of the minimum charge, as the production costs of these bags are significant. If carrier bags were defined by their price, as proposed in Clause 6 of the Bill, there is a possibility that retailers might adjust the price of these bags in order to avoid the levy, which would be counterproductive.

The inclusion of bags for life under the carrier bag levy again demonstrates that its sole purpose is to raise revenue for the Northern Ireland Executive, and not as a method for reducing environmental harm. Once bags for life are implicated under the charge, customers will have less of an incentive to opt for and reuse these types of bag and will instead revert to a single use carrier bag, which would have a negative impact on the environment.

The term “carrier bag” as proposed in this amendment shows that there would also be scope to implicate other sorts of bags currently used by customers as a substitute for single-use carrier bags, such as canvas bags or other types of bags; this would unduly punish customers and would create further administrative burdens for businesses, in addition to highlighting that this levy only serves as a revenue raiser.

As for the suggestion that extending the levy to include bags for life to ensure that these bags are not oversold and only used once, evidence from Wales shows that the levy on single-use carrier bags in fact encourages customers to re-use bags for life:

“The numbers of Welsh consumers that were observed to re-use bags for life for all types of shopping (44%) was double that of Scottish shoppers (21%). Welsh consumers were also more likely to be taking their re-used bags for life in non-food shops (18%) and at independent stores ”

This trend might not occur in Northern Ireland if the levy included bags for life, as customers would be dissuaded to buy them in the first instance. Instead, further efforts should be made to communicate to customers how to renew their bag for life and to responsibly dispose of their worn out bag to avoid unintentional repercussions on the environment.

Clause 4 – Sellers

We agree in principle with Clause 4; we believe that exempting businesses on the number of full-time employees has the potential effect of exempting some of our smaller retailers who will otherwise have a disproportionate burden on their businesses. However, we are concerned that, according to a recent research paper from the Environment Committee, the Department has no plans to use this power as the current policy states that the levy should apply to all sellers. We would urge the Minister and the Department to consider using this statutory power to offset some of the more burdensome elements on the Bill on our smallest retailers.

Clause 5 – Payment of the Charge

We oppose the insertion of (2A)(b) regarding interest for late payment to the Executive; this proposal again emphasises the objective of the levy as a way to produce revenue for the Executive, and not to benefit the environment. Small businesses would be especially penalised should this interest payment be introduced, as they would be less able to absorb these costs than the larger supermarkets would be.

Clause 7 – Records and Enforcement, 7(2)

Please refer to commentary of Clause 5 on interest charges.

Northern Ireland Local Government Association (NILGA)

NILGA response to the Call for Evidence in relation to the Carrier Bags Bill 2013

This paper has been drafted on the basis of our previous consultation responses, issued in liaison with the NILGA Waste and Environment Working Group, Technical Advisors Group (TAG), the Local Authority Recycling Advisory Committee and the Regional Waste Management Groups for NI.

This response was considered and approved by the NILGA Executive on 9th August 2013.

For further information or to discuss any of the issues highlighted, please contact Karen Smyth at the NILGA Offices: Email: k.smyth@nilga.org Tel: 028 9079 8972

Derek McCallan

Chief Executive 12th August 2013

1.0 Introduction

NILGA, the Northern Ireland Local Government Association, is the representative body for district councils in Northern Ireland. NILGA represents and promotes the interests of local authorities and is supported by all the main political parties in Northern Ireland. Litter prevention and waste management are key issues for local government due to the huge impact they have on our resources, economy and environment. Waste management holds a potential for job creation, combined with a positive environmental impact through modernising processes and infrastructure. NILGA is pleased to be able to have an opportunity to respond to the Call for Evidence in relation to the Carrier Bags Bill 2013 and we trust that our comments will be taken into account when developing the Committee's final view on this legislation.

For further details on this response, please contact Karen Smyth at the NILGA Offices. k.smyth@nilga.org (028) 90798972

2.0 Overview

NILGA is strongly supportive of schemes to reduce packaging waste and to extend producer responsibility, and was therefore broadly supportive of the introduction of a 'single-use bag levy'. This continues to be the case.

It has been evident to our members that the introduction of the levy has had a huge impact on public behaviour, and has been an important opportunity for the region to be more innovative in its approach to waste and resource use, however, members are keen to ensure that adequate information is given to retailers in relation to packing of loose food items, to overcome any confusion in relation to bags for food safety purposes.

Our members are also keen to explore how the introduction of charging for bags for high-end retail items such as clothes and shoes, is being perceived and implemented.

Members have pointed out that in their experience, some small retailers are opting out of the scheme due to what they perceive as prohibitive administrative arrangements and are no longer providing bags for their customers.

NILGA has been and continues to be broadly supportive of the proposal to extend the scheme to cover re-usable bags, as in the Republic of Ireland.

3.0 A Request for Extension of the Proposed Legislation

It is the NILGA view that this further legislation should be used:

- To introduce a requirement for all plastic bags to be biodegradable.
- To further develop retail 'take-back' services for packaging

NILGA respectfully requests that the Committee considers formulating amendment clauses to the Bill to achieve the above proposals, although it is noted that these proposals would not be without complication for councils.

For example, the implementation of biodegradable bags would require careful communication to the general public regarding disposal. The other consideration to this is that any take back schemes would require closer working between the retail sector and councils to advance recycling rates together rather than in isolation to one other.

NILGA would reiterate its view that funds raised through this scheme must not be used as a replacement for DOE budget shortfalls. It is recommended that funds raised should be used e.g. to monitor existing waste streams and to track new waste streams, to assist in the development of a robust evidence base for future waste management work.

The following comments are made in relation to the individual clauses of this Bill.

4.0 Commentary on Clauses

Clause 1 – Extension of the 2008 Act to carrier bags

Clause 1 amends the 2008 Act to enable the Department, through regulations, to make provision for a minimum charge on carrier bags – that is, it removes the restriction to single use bags.

NILGA is broadly supportive of this clause.

Clause 2 – Regulations under Schedule 6 to the 2008 Act

Clause 2 amends section 77(4) of the 2008 Act to require that any regulations made by the Department which increase the amount of the minimum charge for a carrier bag are subject to the Northern Ireland Assembly's affirmative resolution procedure.

It also applies section 17(5) of the Interpretation Act (Northern Ireland) 1954 3 to a power to make regulations under Schedule 6 to the 2008 Act. This gives the Department greater discretion as to how it applies the carrier bag charging requirements. It would, for example, allow the Department, through regulations, to make different provision for different cases, or to provide for exceptions from the requirements of the regulations.

NILGA is broadly supportive of this clause.

Clause 3 – Requirement to charge

Clause 3 amends paragraph 2 of Schedule 6 to the 2008 Act.

The amendment allows regulations to require that the minimum charge be applied whether or not the bags that are supplied to a customer are actually used to carry away (or to deliver) goods purchased from the place where the bag is supplied at the time the bag is supplied. It is sufficient that the bags are designed for that purpose.

NILGA is broadly supportive of this clause.

Clause 4 – Sellers

Clause 4 amends paragraph 3 of Schedule 6 to the 2008 Act.

Paragraph 3 provides for a “seller” of goods to be defined in regulations. It also provides that the Department may use the regulations to apply the charge to a range of different sellers. These include all sellers of goods, sellers named in the regulations and sellers identified by reference to four specified factors - the place from which the goods are supplied, the type and value of goods supplied and the seller’s turnover.

The purpose of the amendment is to add a further specified factor – the number of a seller’s full-time equivalent employees. The amendment also sets out how the number of full-time equivalent employees is to be calculated.

NILGA is broadly supportive of this clause.

Clause 5 - Payment of the charge

Clause 5 amends paragraph 4A of Schedule 6 to the 2008 Act.

Paragraph 4A provides that regulations may require a seller of carrier bags to pay the gross proceeds or the net proceeds of the charge to the Department. The amendment allows the Department to specify how, and at what intervals, the amount due is to be paid. It also gives the Department the power to impose interest payments, in the event of late payment.

NILGA is broadly supportive of this clause, but would encourage the Department to liaise closely with the retail sector to ensure that these requirements are practical and achievable.

Clause 6 – Carrier bags defined by price

Clause 6 amends paragraph 5 of Schedule 6 to the 2008 Act.

Paragraph 5 provides that carrier bags which are to be included in regulations may be defined by reference to technical specifications such as a bag’s size, thickness, construction or composition and/or its intended use. The amendment also allows such bags to be defined by reference to their price.

NILGA is broadly supportive of this clause, but would encourage the Department to liaise closely with the retail sector to ensure that these requirements are easily understood and well communicated to retailers.

Clause 7 – Records and enforcement

Clause 7 amends paragraphs 7 and 8 of Schedule 6 to the 2008 Act.

Paragraph 7 gives the Department power, exercisable through regulations, to require sellers to keep and make available certain records and information in relation to the minimum charge. This amendment provides that such records and information may include details of the payments of the gross and net proceeds of the minimum charge to the Department.

Paragraph 8 gives the Department powers to enforce regulations made under Schedule 6 to the 2008 Act. In particular – where there is reason to believe that a seller has failed to comply – the Department may question a seller or require a seller to provide documents and information.

Clause 7 provides for routine monitoring activity by the Department by removing the requirement of reasonable belief of failure to comply. It also provides the Department with additional enforcement powers, exercisable through regulations, to permit the inspection, retention and copying of documents.

NILGA is broadly supportive of this clause.

Clause 8 – Civil sanctions

Clause 8 repeals paragraph 24(6) of Schedule 6 to the 2008 Act.

Paragraph 24 requires the Department to carry out a review of the operation of civil sanctions in relation to a breach of the carrier bag charging regulations. The repeal removes the requirement to lay a copy of any such review before the Assembly.

NILGA is broadly supportive of this clause.

Clause 9 - Review

Clause 9 requires the Department to prepare a report on the operation of the carrier bag charging provisions. The report, which must be prepared within 3 years of the Act coming into operation, must include an assessment of the effectiveness of the legislation and whether any amendments should be made. The report must be published and must be laid before the Assembly.

NILGA is broadly supportive of this clause.

Clause 10 – Short title

Clause 10 provides a short title for the Bill.

NILGA has no comment to make on this clause

Disclaimer

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Northern Ireland
Assembly

Appendix 4

List of Witnesses

List of Witnesses

Mr Donald Starritt	Department of the Environment
Mr Simon Webb	Department of the Environment
Ms Jennifer McCay	Department of the Environment
Mr Rory O'Boyle	Department of the Environment
Ms Janice Riddell	Department of the Environment
Mr Glyn Roberts	Northern Ireland Independent Retail Trade Association
Mr Andrew Porter	Northern Ireland Independent Retail Trade Association
Mr Aódhan Connolly	Northern Ireland Retail Consortium
Ms Sue Christie	Northern Ireland Environment Link
Mr Jonathan Bell	Northern Ireland Environment Link
Ms Karen Smyth	Northern Ireland Local Government Association
Councillor Shaun Gallagher	Northern Ireland Local Government Association



Northern Ireland
Assembly

Appendix 5

Departmental Papers

Carrier Bags Bill Briefing

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44-58 May Street
Town Parks
Belfast
BT1 4NN

Telephone: 028 9025 6022

Email: privateoffice.assemblyunit@doeni.gov.uk

Our reference: BR/14/12

Date: 29 May 2013

Sheila Mawhinney
Clerk to the Environment Committee
Northern Ireland Assembly
Parliament Buildings
Ballymiscaw
Stormont
Belfast
BT4 3XX

Dear Sheila

BR/14/12 – Briefing on Carrier Bags Bill

As Members will be aware, Executive approval for the introduction of the Carrier Bags Bill was granted on 23 May 2013.

Subject to the Speaker's agreement, it is hoped that the Bill can be introduced to the Assembly on either 3 or 10 June and that Committee stage will be reached before the summer recess.

An 'in confidence' copy of the Bill and accompanying Explanatory and Financial Memorandum was forwarded to you on 17 May 2013 and officials will attend the Committee meeting on 6 June to brief Members on the legislative proposals.

In advance of this briefing session, I enclose:

- An overview of the Bill including a brief explanation of each clause and how the Department intends to use the powers in question (Annex 1); and
- The Delegated Powers Memorandum which identifies provisions in the Bill for delegated legislation (Annex 2).

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO

[by e-mail]

Overview of Carrier Bags Bill

	Clause	Description	Proposed Use
1.	Extension of the Climate Change Act 2008 to carrier bags	<p>The carrier bag provisions in the Climate Change Act 2008 relate specifically to single use carrier bags.</p> <p>This clause amends the Act as it applies to Northern Ireland – to allow the Department to make regulations which relate to a broader range of bags.</p>	<p>The Department proposes to use these powers to make regulations which extend the levy to low cost reusable bags. Otherwise, such bags could be regarded as a more viable alternative to single use bags – and could become the new ‘throwaway bag’.</p> <p>The new regulations will also use powers already available to the Department to increase the levy to 10 pence. This will help ensure that early reductions in carrier bag consumption are sustained in the longer term.</p>
2.	Regulations under Schedule 6 to the 2008 Act	<p>This clause amends the existing provision in the 2008 Act which determines whether regulations will be subject to affirmative or negative resolution procedure.</p> <p>The key effect of the amendment is to provide that any increase in the carrier bag levy should be subject to affirmative resolution procedure.</p> <p>The clause also applies Section 17(5) of the Interpretation Act (NI) 1954 to regulations made under the Act. This has been done on the advice of the Office of Legislative Counsel.</p> <p>Given that the Climate Change Act is a UK provision, the 1954 Act does not automatically apply.</p> <p>Application of the Act will help ensure that the Department has discretion as to how it implements carrier bag charging. For example, it would allow the Department, through future regulations, to make different provisions for different cases, or to provide for exclusions from the requirements of the Regulations.</p>	<p>The Department proposes to make 1 set of regulations which increase the levy to 10 pence, extend it to low cost reusable bags and make a number of other more minor changes to the charging regime.</p> <p>The regulations will be subject to draft affirmative procedure – which provides for debate in the Assembly.</p>
3.	Requirement to charge	<p>This clause relates to the requirement to charge for carrier bags. It allows the Department to require sellers to charge the levy on carrier bags, whether or not those bags are used immediately to take away or deliver goods.</p>	<p>The purpose of this clause is to ensure that customers – or sellers – cannot avoid the levy by claiming that the bags are for future use.</p> <p>The Department proposes to include this requirement in regulations.</p>

	Clause	Description	Proposed Use
4.	Sellers	This clause allows the Department to define a seller in terms of its number of full-time employees.	<p>This clause, together with the existing power to exempt sellers in terms of “turnover”, would potentially enable the Department to exempt certain businesses from the levy.</p> <p>Current policy is that the charging requirement should apply to all sellers; the Department therefore has no plans to use this power at this point in time. It is essentially a ‘future proofing’ provision.</p>
5.	Payment of the charge	Sellers already have to pay the gross or net proceeds of the charge to the Department. This clause allows the Department to specify at what intervals these payments have to be made and to impose interest payments if such a payment is not made at the specified time.	<p>The purpose of this clause is to ensure that the Department retains adequate control over the receipt of proceeds from the carrier bag charge, so as to ensure consistency of approach. The power to impose interest payments is designed to ensure that a seller cannot seek to gain a competitive advantage by delaying payment to the Department.</p> <p>The Department proposes to specify the payment intervals in regulations. The Department does not intend to make immediate use of the power to impose interest payments – this will therefore not be included in the next set of regulations. However the position will be kept under review as the charging arrangements settle in.</p>
6.	Carrier bags defined by price	Existing powers allow the Department to define carrier bags by a variety of factors such as size, thickness and intended use. This clause will allow carrier bags to also be defined by price.	It is intended that a price threshold (the cost of a carrier bag without the Carrier Bag Levy) will be established in regulations; bags priced above this threshold will be exempt from the levy. Any bags costing less than the threshold will be deemed to be “low cost” and therefore liable for the levy.

	Clause	Description	Proposed Use
7.	Records and enforcement	<p>This clause allows the Department to specify that sellers must keep and make available details of their payments of the gross and net proceeds of the minimum charge to the Department.</p> <p>The clause also provides the Department with additional enforcement powers to permit the inspection, retention and copying of documents. It also specifies that the Department no longer requires a reasonable belief of failure to comply before certain enforcement activity can take place.</p>	<p>The purpose of these provisions is to ensure that the records kept by sellers are sufficiently comprehensive, and that the Department has appropriate powers of enforcement, including the flexibility to carry out routine monitoring.</p> <p>It also ensures that the Department can undertake routine compliance checking, to ensure that sellers are fully aware of their obligations under the legislation.</p> <p>The Department proposes to include these requirements in regulations.</p>
8.	Civil sanctions	<p>The Climate Change Act 2008 includes a requirement for the Department to review civil sanctions provisions within 3 years of the provisions coming into operation – and to lay a copy of that review before the Assembly.</p> <p>The requirement to review civil sanctions provision remains in place. However this clause removes the requirement to lay the review before the Assembly.</p>	<p>Clause 9 (below) includes a new provision for a comprehensive review of charging arrangements within 3 years. Clause 9 also includes a requirement to lay the resulting report before the Assembly.</p> <p>The requirement to review civil sanctions will be fulfilled by the Department as an integral part of this wider review.</p>
9.	Review	<p>This clause requires the Department to prepare a report on the operation of the charging arrangements within 3 years of the Act coming into operation and to lay the report before the Assembly.</p>	<p>The Department will use the review to assess the success of the policy, whether there are any problems and whether the legislation requires amendment.</p> <p>In response to an issue raised by the First Minister, the Department also proposes to bring forward an additional amendment at consideration Stage of the Bill. The effect of this amendment would be to provide for an ad hoc review of exemptions provision, under circumstances to be specified in regulations.</p> <p>The precise wording of this clause has yet to be agreed; officials will keep the Committee informed of the position as it develops.</p>
10.	Short title	<p>This clause confirms that the Act will be the Carrier Bags Act (Northern Ireland) 2013.</p>	N/A

Delegated Powers Memorandum

Introduction

This memorandum identifies provisions in the Carrier Bags Bill (“the Bill”) for delegated legislation.

It explains the purpose of the delegated powers taken, why the matters are to be left to delegated legislation, the procedure selected for each power and why this procedure has been chosen.

This memorandum should be read in conjunction with the Explanatory and Financial Memorandum accompanying the Bill.

Purpose of the Bill and main provisions

The Department of the Environment (“the Department”) has taken a phased approach to the implementation of carrier bag charging.

The Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013¹ (“the 2013 Regulations”) which were made under the Climate Change Act 2008² (“the 2008 Act”) provide for the first phase of charging arrangements – the introduction of a minimum charge on single use carrier bags. The 2013 Regulations came into operation on 8 April 2013.

The Bill provides for the second phase of charging arrangements. Its principal purpose is to amend the 2008 Act to allow the charging requirement to be applied to a wider variety of carrier bags – and to enable these bags to be defined by reference to their price. This will allow the Department to make regulations which will apply the charge to the cheaper versions of reusable bags - as well as to single use bags.

The Bill also makes various other amendments to the 2008 Act which:

- extend the Department’s ability to make specific provision for certain sellers;
- provide for changes to record keeping and payment arrangements including a requirement to pay interest to the Department in the event of late payment of the proceeds of the minimum charge;
- strengthen the Department’s enforcement powers; and
- require the Department to carry out a review of the carrier bag charging arrangements and lay a copy of the resulting report before the Assembly.

Delegated Powers

This legislation confers powers on the Department to make regulations in relation to a range of matters dealt with in the Bill. The powers contained within the Bill mainly amend existing delegated powers in the 2008 Act and are largely procedural or of a technical nature.

Section 77(4) of the 2008 Act lists a number of circumstances in which regulations made under the Act will be subject to affirmative resolution procedure. Section 77(4) (ab) - as inserted by Clause 2(2) of the Bill - adds to this list regulations made by the Department which increase the amount of the minimum charge.

Regulations made under new paragraph 4A(2A) of Schedule 6 of the 2008 Act - as inserted by Clause 5 of the Bill - are also subject to affirmative resolution and shall not be made

1 S.R. 2013 No. 4

2 2008 c.27 as amended by the Single Use Carrier Bags Act (Northern Ireland) 2011 (2011 c.26)

unless a draft of the regulations has been laid before, and approved by resolution of, the Assembly. This is because they effectively provide for an increase in monetary penalties, by making provision for the payment of interest.

All other regulations are subject to negative resolution; this is consistent with existing provision in the 2008 Act.

This Memorandum follows the structure of the Bill and identifies all the delegated powers within the Bill.

Delegation of Powers

The following provisions in the Bill contain delegated powers to enable the Department to make subordinate legislation under the 2008 Act.

Regulations under Schedule 6 to the 2008 Act: Clauses 2(2) and 2(3)

While technically these clauses do not confer regulation-making powers, they do determine the procedure by which regulations can be made.

Section 77(4) of the 2008 Act sets out the circumstances in which regulations made under Schedule 6 are to be subject to the affirmative resolution procedure.

Clause 2(2) of this Bill amends the Department's regulation-making powers under section 77(4) to require that any regulations made by the Department which increase the amount of the minimum charge for a carrier bag must be subject to the Assembly's affirmative resolution procedure. This is intended to ensure that the Assembly retains an appropriate level of control over the level of the charge.

Clause 2(3) of this Bill also amends the Department's regulation-making powers under section 77. It applies section 17(5) of the Interpretation Act (Northern Ireland) 1954 to a power to make regulations under Schedule 6 of the 2008 Act. This will give the Department greater discretion in how it applies the carrier bag charging requirements. For example it would allow the Department, through regulations, to make different provisions for different cases, or to provide for exclusions from the requirements of the regulations.

Requirement to charge: Clause 3

Power conferred on:	Department of the Environment
Power exercisable by:	Statutory Rule (Regulations)
Assembly Procedure:	Negative resolution

Paragraph 2 of Schedule 6 to the 2008 Act enables the Department, through regulations, to require sellers of goods to charge for carrier bags. The enabling power relates to bags supplied either at the place where the goods are sold, to enable the goods to be taken away, or to enable the goods to be delivered.

Clause 3 of this Bill amends the Department's regulation-making powers to allow the minimum charge to be applied whether or not the bags are actually used for this purpose at the time that they are supplied. It is sufficient that the bags are designed for the purpose of taking away or delivering purchased goods. The rationale for this provision is to ensure that customers cannot avoid the levy by claiming that the bags are intended for future use. Otherwise, it would be difficult for retailers to challenge any such claims effectively.

The provision of such an amendment by subordinate legislation is consistent with the existing powers in relation to the requirement to charge in the 2008 Act. Such an approach will allow for future changes relating to the requirement to charge without the need to amend primary legislation.

As the power concerns policy issues which are not considered likely to be controversial, the Department considers that it is appropriate that it be subject to the negative resolution procedure.

Sellers: Clause 4(2)

Power conferred on: Department of the Environment
Power exercisable by: Statutory Rule (Regulations)
Assembly Procedure: Negative resolution

Paragraph 3 of Schedule 6 to the 2008 Act provides for a “seller” of goods to be defined in regulations. It also provides that the Department may use the regulations to apply the charge to a range of different sellers. These include sellers identified by reference to four specified factors – the place from which the goods are supplied, the type and value of goods supplied and the seller’s turnover.

Clause 4(2) of this Bill extends the Department’s regulation-making powers to make provision for a further specified factor – the number of a seller’s full-time equivalent employees. This is essentially a ‘future proofing’ provision – should the Department at any stage wish to make different provision for discrete types of sellers.

The provision of such an amendment by subordinate legislation is consistent with the existing powers in relation to the definition of a seller in the 2008 Act. It will allow for future changes in the treatment of different types of sellers without the need to amend primary legislation.

As the power concerns policy issues which are not considered likely to be controversial, the Department considers that it is appropriate that it be subject to the negative resolution procedure.

Payment of the charge: Clause 5

Power conferred on: Department of the Environment
Power exercisable by: Statutory Rule (Regulations)
Assembly Procedure: Affirmative resolution

Paragraph 4A of Schedule 6 to the 2008 Act provides for regulations to require a seller of carrier bags to pay the gross or net proceeds of the charge to the Department.

Clause 5 of this Bill extends the Department’s regulation-making powers to allow the regulations to specify how, and at what intervals, the amount due is to be paid and to impose interest payments in the event of late payment.

The rationale for this provision is to ensure that the Department retains adequate control over the receipt of proceeds from the carrier bag charge, so as to ensure consistency of approach. The power to impose interest payments is designed to ensure that a seller cannot seek to gain a competitive advantage by delaying payment to the Department.

The provision of such an amendment by subordinate legislation is consistent with the existing powers in relation to the payment of the charge in the 2008 Act. In addition, this approach will allow for future modifications to the arrangements for payment without having to amend primary legislation.

This power effectively provides for an increase in monetary penalties, by making provision for the payment of interest. Section 77(4)(b) of the 2008 Act provides that regulations containing provision imposing or providing for the imposition of new civil sanctions are subject to affirmative resolution procedure.

Carrier bags defined by price: Clause 6(3)

Power conferred on: Department of the Environment
Power exercisable by: Statutory Rule (Regulations)
Assembly Procedure: Negative resolution

Paragraph 5 of Schedule 6 to the 2008 Act provides that carrier bags which are to be included in regulations may be defined by reference to technical specifications such as a bag's size, thickness, construction or composition and/or its intended use.

Clause 6(3) of this Bill extends the Department's regulation-making powers to enable such bags to also be defined by reference to their price. The Department would propose that this power be used to establish a price differential between bags which are subject to the charging requirements of the Regulations, and those which are excluded.

The provision of such an amendment by subordinate legislation is consistent with the existing powers in relation to the definition of a carrier bag in the 2008 Act. In addition, this power is more suited to subordinate legislation as it is detailed and technical in nature and will allow for future changes in the price of carrier bags subject to the levy without the need to amend primary legislation.

As the power concerns a policy issue which is not considered likely to be controversial, the Department considers that it is appropriate that it be subject to the negative resolution procedure.

Records and enforcement: Clauses 7(2) and 7(3)

Powers conferred on: Department of the Environment
Powers exercisable by: Statutory Rule (Regulations)
Assembly Procedure: Negative resolution

Paragraph 7 of Schedule 6 to the 2008 Act gives the Department power, exercisable through regulations, to require sellers to keep and make available certain records and information in relation to the minimum charge.

Clause 7(2) of this Bill extends the Department's regulation-making powers under paragraph 7 to allow the regulations to provide that such records and information may include details of the payments of the gross and net proceeds of the minimum charge.

Paragraph 8 of Schedule 6 to the 2008 Act gives the Department power, exercisable through regulations, to confer power on an administrator to enforce regulations made under Schedule 6.

Clause 7(3) of this Bill extends the Department's regulation-making powers under paragraph 8 to allow the regulations to provide additional enforcement powers to permit the inspection, retention and copying of documents. It also provides that the regulations no longer need to include a requirement of reasonable belief of failure to comply before certain enforcement activity can take place.

The purpose of these provisions is to ensure that the records kept by sellers are sufficiently comprehensive, and that the Department has appropriate powers of enforcement, including the ability to carry out routine monitoring.

Providing for such amendments by subordinate legislation is consistent with the existing provisions for the making of arrangements for record keeping and enforcement in the 2008 Act. In addition, the Department considers that this power is more suited to subordinate legislation as this will allow for future modifications to the arrangements for record keeping and enforcement to be made without having to amend primary legislation.

Regulations to be made under this clause will simply contain the detail of how enforcement powers already available to the Department will be exercised. Indeed the Department has already completed a separate consultation exercise on its proposed enforcement policy. On this basis, the Department considers that it is appropriate that these regulations be subject to the negative resolution procedure.

Departmental letter with updated schedule on issues raised by Committee



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Your reference:

Our reference:

Date: 2 July 2013

Dear Sheila

CARRIER BAGS BILL

As you are aware, officials attended the Environment Committee on 6 June to brief Members on the Carrier Bags Bill ahead of its introduction to the Assembly. A broad range of issues was raised by Members; many of these were again raised during the Second Stage debate on 11 June.

While most of these issues have been addressed, we thought that it would be helpful to send Committee a summary of the relevant topics and the Departmental position on each of these. This may be of use to Committee during its detailed consideration of the Bill.

A Schedule is therefore attached at **Annex A**. While it is not an exhaustive list, we believe that it covers the key issues raised by Members and other MLAs. Officials will of course be happy to provide further detail on these or other issues, as required.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO
[by e-mail]

Departmental overview

QUESTION/COMMENT	DEPARTMENT'S RESPONSE
EXTENSION OF THE LEVY	
Why extend the levy to reusable bags – surely these are the bags that we want people to use?	<p>The Department will only apply the planned 10 pence levy to low cost reusable carrier bags.</p> <p>Anecdotal evidence points to a large increase in the sale of low cost reusable bags in the period since 8 April. The Department welcomes this, provided that these bags are sufficiently robust, and are actually reused to their full potential.</p> <p>The danger is however that retailers could flood the market with cheap, relatively flimsy but technically reusable bags. If these bags were not subject to the levy, they could become the new throwaway bags – by virtue of their relatively low price. This would have a significant adverse environmental impact, as such bags are typically made of heavier gauge materials.</p> <p>Reusable carrier bags sold by retailers above an agreed price threshold will be exempt from the levy. The Minister has suggested a price threshold of 40 pence – but is currently seeking the views of representative groups.</p> <p>Shops will still be able to replace 'bags for life' free of charge - if they choose to do so.</p>
Is it necessary to increase the levy the levy to 10p?	<p>The Department's economic modelling suggests that a 10 pence levy - applied to single use and low cost reusable bags - will deliver substantial and sustained environmental benefit, through reduced carrier bag consumption.</p>

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	<p>The initial 5 pence levy should give the public time to adjust and get used to bringing their own bags when they shop.</p>
Clause 4 of the Bill allows the Department to define sellers in relation to their number of full-time employees – how will this be used?	<p>The Department has no plans to use this power at this point in time. Current policy is that all sellers should charge the levy.</p> <p>However this clause, together with the existing power to exempt sellers in terms of "turnover", would potentially enable the Department to make different arrangements for different types of retailers.</p> <p>It is essentially a 'future proofing' provision.</p>
Clause 5 of the Bill which allows the Department to collect interest on late payments - how will this be used?	<p>This power is designed to ensure that a seller cannot seek to gain a competitive advantage by delaying payment of the levy proceeds to the Department.</p> <p>The Department does not propose to use this power immediately – it will therefore not be reflected in the next set of regulations. However the position will be kept under review as the charging arrangements settle in.</p>
Which low cost reusable bags will be subject to the levy – what will be the "price threshold"?	<p>The Department will establish a price threshold in the Regulations – this will be defined as a bag's retail price without the levy.</p> <p>Bags priced below this threshold will be subject to the levy – while higher priced bags will be excluded.</p> <p>At present, low cost reusable bags are typically priced between 5 pence and 15 pence. The imposition of the 10 pence levy on</p>

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	<p>these bags would therefore increase their retail price to between 15 pence and 25 pence - assuming retailer pricing policy remains unchanged.</p> <p>The Minister's initial view is that a <u>40 pence</u> price threshold is appropriate – however he has sought the views of a number of representative groups, before making a final decision.</p> <p>Pricing policy rests with retailers – and they could conceivably raise the price of their bags so as to avoid the levy. Ultimately however, customers will choose their bags based on value for money.</p> <p>The Department believes this approach should help achieve significant and sustained reductions in carrier bag consumption – and ensure that residual consumption raises revenue for environmental programmes and projects.</p>
<p>Will the extension of the levy will affect larger retailers more than small ones?</p>	<p>At present, it is mainly the larger retailers that dispense reusable bags. Phase 2 of the levy may therefore have more impact on this type of retail outlet.</p>
<p>How will a 'bag for life' policy work - especially amongst smaller retailers? Will the bags be labelled or branded?</p>	<p>'Bags for life' is a retailer driven initiative - whereby some retailers replace their reusable plastic bags free of charge once they are worn out.</p> <p>It is anticipated that 'bags for life' will generally be priced at a level that makes them subject to the levy. However it will only be the initial purchase that will be 'caught' by the charging arrangements. Retailers will still be able to give their customers free replacement bags.</p>

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	<p>Labelling or branding of bags will be a retailer decision.</p> <p>Generally it is the larger retailers which choose to operate these schemes. However any seller may do so, as long as they operate within the legislation.</p> <p>Each retailer will have discretion as to which bags they choose to replace. It is expected that most retailers will only replace their own bags.</p>
<p>This is now Phase 2 of the levy. How many more phases are there going to be?</p>	<p>The Department has consistently advocated a 2-phase approach: Phase 1 comprised a 5 pence levy on single use bags, while Phase 2 increases the levy to 10 pence and extends it to low cost reusables.</p> <p>The Department currently has no plans for further phases. It is however best practice to ensure effective evaluation of policy implementation. The Bill therefore includes provision for future review – and the Minister has agreed to bring forward an amendment at Consideration Stage which would commit the Department to a specific review of exemptions.</p>
<p>Will future regulations be subject to the affirmative resolution procedure? Will this also apply to a future review of the regulations?</p>	<p>The Regulations which will introduce Phase 2 of the charging arrangements will be subject to the affirmative resolution procedure. This will provide for an Assembly debate on the detailed legislative proposals.</p> <p>The Assembly controls in relation to further regulations will vary depending on the nature of the provisions. Significantly, clause 2(2) of the Carrier Bags ensures that regulations which increase the levy must be subject to the Assembly's affirmative resolution procedure. This should ensure Assembly control over the level</p>

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	of the charge.
How will enforcement work? Will there be spot checks?	<p>It will take some time for retailers to become fully familiar with the charging arrangements. On occasion, for example, retailers may inadvertently fail to charge, when the legislation requires them to do so.</p> <p>As with Phase 1 of the levy, Departmental staff will work in partnership with retailers to ensure that they fully understand their obligations.</p> <p>This will include visits to retailers to discuss how they are applying the charging requirements - and to check their records. Clause 7 of the Bill will allow such visits to be done on a routine basis – so that, if possible, a breach of the legislation can be prevented before it occurs.</p>
COMMUNICATIONS	
The Department must conduct a comprehensive communications campaign to publicise the changes in the policy - in particular, the reasons for the extension of the levy to reusable bags.	<p>The Department conducted a comprehensive communications campaign in the run up to 8 April 2013. This generated high levels of awareness of the new arrangements. Communications activity is ongoing – mainly through visits to retailers by staff from the Carrier Bag Levy team.</p> <p>An equivalent campaign is planned for Phase 2. The Department fully accepts the need to communicate the reasons for increasing the levy and extending it to low cost reusable bags – and will consider how this can best be achieved.</p>

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IMPACT OF 5 PENCE LEVY	
Can statistics be provided to reveal how successful the levy has been?	<p>The first set of levy returns from retailers will not be available until the end of July 2013. The Department therefore has no validated statistics at this stage.</p> <p>However a range of retailers have anecdotally reported reductions in excess of 75%.</p>
IMPACT OF 5 PENCE LEVY ON RETAILERS	
Has the levy impacted on shopping patterns in smaller shops? Are customers restricting themselves to what they can carry out in their arms or simply waiting until they can visit the supermarket?	<p>The Department has been made aware of this issue by one retailer. However there is also advice that this pattern may be tapering off as shoppers become used to bringing their own bags.</p> <p>The Department will keep this and all other aspects of the levy under review.</p>
Some retailers have highlighted the potential for an increase in shoplifting due to the introduction of the levy. Would the Department consider allowing clothing retailers to offer paper bags at no additional charge (as in ROI)?	<p>The Department has taken a conscious decision to include paper bags within the scope of the levy. This is because such bags can be equally damaging to the environment. Paper bags are heavier and bulkier than plastic and therefore impose a greater transport burden. Significant burdens are also generated during the manufacture of paper and processing it into bags.</p> <p>Given these factors, the Department has no plans to change the scope of the levy at this stage.</p> <p>The Department has been made aware of the potential for increased shoplifting - due to the fact that it may no longer be</p>

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	<p>obvious who has purchased goods and who has not.</p> <p>After the plastic bag levy was introduced in the Republic of Ireland an assessment was made of the impact on shoplifting – mainly on medium and larger-sized retailers. The analysis found that there was a short-term impact, identifying an initial upturn in shoplifting and shopping baskets being taken, but confirmed that that this subsided after a reasonably short period.</p> <p>Obviously the Department will keep this aspect of the levy under review. In the interim, the Department’s Customer Service Managers will be happy to call with retailers to discuss this and any other problems.</p>
EXEMPTIONS	
The exemptions to the levy are complex and confusing for consumers. The exemptions for bags containing items of hot takeaway food are particularly confusing.	<p>The Department has always recognised that it will take some time for people to get used to the charging arrangements. Officials are continuing to work with retailers to educate them on the requirements of the legislation – including the provision for exemptions.</p> <p>That said, visits to date suggest significant levels of awareness and compliance among retailers.</p> <p>Online guidance is readily available for retailers and consumers - this includes a short video dealing specifically with exemptions.</p>

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PAYMENTS/REVENUE	
When will the first payments be collected?	<p>The first payments from retailers must be made by 28 July 2013. Thereafter, payments will continue on a quarterly basis.</p>
The Department’s budget should not be dependent on revenue raised from the levy.	<p>The first Carrier Bag Levy returns from retailers are due in July 2013. Once this information is received and collated, the Department will be able to establish a reliable estimate of the total net revenue for 2013/14 and for subsequent years.</p> <p>The Department’s June Monitoring submission includes a bid to reinstate the £4m funding which was prematurely removed from the Department’s budget - in anticipation of the introduction of a carrier bag levy.</p> <p>It is now anticipated that levy income for 2013-14 will be around £1.7 million – and that administration costs of the Carrier Bag Levy Team will be £0.6 million. Net income is therefore estimated at £1.1m. A bid has been submitted for the balance amount of £2.9 million.</p>
Will any revenue be raised - or will the levy be a victim of its own success?	<p>The key objective of the Carrier Bag Levy is to reduce carrier bag consumption. It is only the residual consumption that will raise any revenue.</p> <p>The amount of revenue raised will therefore depend on the extent to which consumers adapt their behaviour. The latest estimate of revenue collection for 2013/14 – based on the 5 pence charge on single use bags - is £1.7 million (gross).</p>

ANNEX 2

	<p>The first payments from retailers are not due until July 2013. Thereafter, the Department will be able to establish a reliable revenue estimate for 2013/14.</p> <p>Revenue projections for 2014/15 and subsequent years are higher - at £3.4 million (gross) per year. This reflects the increase in the levy to 10 pence – and its extension to a broader range of bags,</p>
How will the revenue be used?	<p>The Department intends to use the net revenue generated from the Carrier Bag Levy to support a range of local environmental programmes - particularly those that deliver social and economic benefits. It is considering a mix of both new funding programmes and additional funding for existing programmes.</p> <p>These include the creation of new River Restoration and Sustainability Innovation Funds and increased grants from the Community Challenge Fund, Natural Heritage Fund and Rethink Waste Fund.</p>
What is the likely timescale for allocation of levy funding?	<p>The first Carrier Bag Levy returns from retailers are due in July 2013. Once this information is received and collated, the Department will be able to establish a reliable estimate of the total net revenue for 2013/14. Funding will then be allocated to programmes and projects – based on this estimate-as quickly as possible.</p>

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GENERAL	
Surely retailers will simply price their bags at a level which excludes them from the levy?	<p>Retailers are free to make their own pricing decisions, provided these do not conflict with their statutory responsibilities. Ultimately the market will determine whether there is demand for a particular bag at a certain price. Consumers are unlikely to pay an exorbitant price for an inferior product.</p>
Is there any suggestion of an outright ban on single use and low cost reusable bags?	<p>The European Commission was previously considering options for dealing with plastic bags – one of which was an outright ban. However no decision has yet been taken on the way forward.</p> <p>The Department believes that consumers should have access to low cost shopping bags – and should be encouraged to use these responsibly.</p> <p>The legislation has therefore been designed so that retailers can continue to operate a 'bag for life' policy issuing replacement bags free of charge. This means that where people do use this type of bag responsibly they will not be penalised. They will still have to pay the levy at first purchase, but it is a relatively small outlay.</p>
Is there evidence of best practice on how the levy has worked in Wales or in ROI? Can lessons be learned from other jurisdictions?	<p>The Department has learned a great deal from the expertise and experience of those responsible for the development and administration of the levy in Wales and in Ireland. Departmental officials had significant contact with their Welsh and Irish counterparts; this will continue as the levy becomes established.</p>

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	<p>The current scheme therefore incorporates appropriate elements of both the Welsh and Irish arrangements – but is tailored to meet local needs.</p>
<p>Some people are buying large numbers of plastic bags cheaply over the internet. This seems to conflict with the objective of doing away with the single use plastic bag. Can anything be done about this?</p>	<p>The Department cannot prevent individuals from purchasing large quantities cheap carrier bags over the internet for their personal use. However it is not thought likely that many people will do so.</p> <p>Retailers will obviously seek to source their supply of bags as cheaply as possible – and will make internet purchases if necessary. However these bags will still be captured by the levy – and demand is expected to fall as consumers adjust their shopping behaviour.</p>

Carrier Bag Levy - Update on carrier bag charging policy direction

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Your reference:

Our reference:

Date: 9 September 2013

Dear Sheila

RE: CARRIER BAG LEVY

The purpose of this letter is to provide Committee with updated information on carrier bag charging policy direction. Specifically, it confirms the Minister's decision to:

- (i) extend carrier bag charging to bags with a retail price of less than 20 pence; and
- (ii) retain the levy at 5 pence, rather than increasing it to 10 pence.

Further detail is provided below.

As Members will be aware, the Department decided to implement carrier bag charging in two phases – an approach that was endorsed by the Executive Committee. Phase 1 - a 5 pence levy on single use carrier bags - was introduced on 8 April 2013. This levy has significantly reduced the number of single use bags in circulation. The Department very much appreciates the way in which retailers and their representative groups have worked with officials to ensure successful implementation.

The Carrier Bags Bill, which is currently at Committee Stage, provides for Phase 2 of charging arrangements. The Department had originally intended to use these powers, together with existing powers, to make Regulations which would increase the levy to 10 pence - and also extend the levy to low cost reusable bags. Bags subject to the levy would be determined by reference to a specific price threshold; the Department had proposed that the levy should apply to bags priced at less than 40 pence.

As Members will know, the release of provisional first quarter figures in August showed a large reduction in the number of single use bags. In light of this data, and his subsequent engagement with key stakeholders, the Minister has taken the opportunity to review policy direction.

The Minister remains committed to the extension of the levy to low cost reusable bags. Such bags can currently be bought for as little as 5-10 pence. If these bags were to remain excluded from the levy, there is a real danger that they could be treated as 'throw-away bags' due to their relatively low retail price. This view is supported by a recent local survey which highlights the fact that only 56% of shoppers are frequently reusing their carrier bags. Premature disposal of these low cost reusable bags would have significant adverse environmental impacts.

The Minister believes that the extension of the levy to these bags will help to build on the success of Phase 1 and encourage even greater reuse of carrier bags.

However the Minister has also noted that a 5 pence levy has been very effective in encouraging behavioural change. He has therefore decided to keep the levy at 5 pence, rather than increasing it to 10 pence. Taking account of this change, he has also determined that the threshold should be set at 20 pence – rather than 40 pence. The Minister will keep this situation and its effect under review.

Subject to Assembly approval, the Regulations will therefore provide that bags priced at less than 20 pence would become subject to the levy, thus increasing their retail price. This will effectively place a slightly higher monetary value on low cost reusable bags – and should help encourage their reuse. This approach is similar to the plastic bag levy in Ireland, where the levy applies to plastic bags priced at less than 70 cents.

Finally, it is worth explaining how this approach will impact on the ‘bag for life’ policy which is currently implemented by many retailers. Under this policy low cost reusable bags can be returned to the retailer when worn out, for replacement free of charge.

Retailers, at their own discretion will still be able to offer their customers free replacements for worn out bags. However when customers purchase their bags for life for the first time, those bags will be subject to the levy – provided that they are priced below the specified price threshold.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO

[by e-mail]

Pre Release 8 - Levy to Stay at 5p

9 September 2013 [Embargoed until 12:00 noon]

Bag levy will not increase from 5p to 10p next year – Durkan

Environment Minister Mark H Durkan has today announced that the carrier bag levy will not go up from 5p to 10p next year.

The Department had previously proposed increasing the levy to 10p from April 2014. However, the August release of provisional first quarter figures showed a large reduction in single use bag numbers. For example figures from several major supermarkets point towards a reduction of well in excess of 80% in those stores.

After reflecting on this and engaging with stakeholders, the Minister has decided to keep the levy at 5p.

Mark H Durkan explained: **“I have always said that the public have been ahead of government here wanting a reduction in bags littering our streets and countryside. The recent results show that the 5p levy has produced a step change in consumer behaviour – leading to a significant reduction in bag numbers. As a result I believe that we do not need to increase the levy to 10p. Since the introduction of the 5p levy, the public have adopted a very responsible attitude and I commend them for that. I therefore will keep the levy at 5p for the foreseeable future. I will of course keep the situation under review.**

The Minister still intends to proceed with plans to extend the 5p levy to low cost reusable carrier bags from April 2014. This is to prevent these bags becoming the ‘new throwaway bags’. The Carrier Bags Bill, which will provide the Department with the powers to apply the extension, was introduced to the Assembly in June. The Bill is currently being scrutinised by the Environment Committee.

The Minister continued: **“The single use bag levy is only the first part of the equation. It is necessary to extend the levy to low cost reusable bags, to prevent these from becoming the new ‘throwaway’ bag. If these bags are thrown away after only one or two uses, this would prove harmful to the environment.**

The Minister cited a recent local survey which highlighted that, despite the very substantial reduction in single use bag numbers, only 56% of shoppers are frequently reusing their carrier bags.

He added: **“Retailers will of course still be free to operate a ‘bag for life’ policy, whereby shops apply an initial charge for these more durable bags and then replace these bags for free when they are worn out. The levy won’t apply to these free replacements.**

The Minister concluded: **“This has always been and continues to be about protecting the environment and I look forward in coming weeks to announcing the first set of environmental projects which will be funded from money generated by the levy.**

“Retailers have played a big part in making the single use bag levy such a success and I congratulate them on that. I urge business to work with the Department to ensure that the extension of the levy to low cost reusable bags next year builds on the success to date.”

Notes to Editors:

- Retailer returns to the Department of the Environment **provisionally** indicate that 17.5m single use carrier bags attracting the 5 pence levy were dispensed during the first quarter (8 April – 30 June 2013 inclusive).
- From April 2014, the Department intends to apply the carrier bag levy to all carrier bags retailing for less than 20 pence.

- The proposal differs from arrangements in Wales, where bag charging is confined to single use bags. It is however consistent with the Irish plastic bag levy, which applies to bags retailing for less than 70 cents.
- A WRAP (Waste & Resources Action Programme) study (July 2013) indicated that following the introduction of charging for single use bags, bag for life sales for five major retailers in Wales increased by 120-130%.
- Retailers who still have not registered with the Department – or have not made their return for the first quarter – should go to www.nidirect.gov.uk/baglevy, click on the “retailer registration login” button and simply follow the onscreen instructions.
- If retailers encounter any problems they should contact the Carrier Bag Levy Team on 0300 200 7879 between the hours of 9am and 5pm, Monday to Friday or by email on carrierbaglevy@doeni.gov.uk.
- For media enquiries please contact DOE Press Office 028 9025 6058 or out of office hours, contact the EIS Duty Press Officer on pager 07699 715 440 and your call will be returned.

Departmental briefing papers – 3rd October

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BR/23/13

Date: 25 September 2013

Dear Sheila

I refer to the request made by the Environment Committee seeking a briefing on the operational aspects of the Carrier Bag Levy including an overview of the work of the team, any particular impact of the levy on small retailers and enforcement activities around the levy. Officials are scheduled to brief the Committee on Thursday 3 October 2013.

The attached document provides an overview of the operations of the Carrier Bag Levy Team and its operations since 8 April 2013. This will be discussed in more detail at the meeting.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO

[by e-mail]

- On 8 April the Department introduced a 5 pence levy on single use carrier bags. The Carrier Bag Levy Team (CBLT) was established almost a year ago today to deliver the carrier bag charging arrangements with responsibility for the administration, collection, compliance monitoring and enforcement of the levy including reconciliation of all financial transactions.
- The team has ten staff led by the Team Manager, an Operations Manager, a Large Case Manager, four Customer Relations Managers and a small administration team of three staff, plus two casual / temporary members of staff. The annual running costs of the team is £550k.
- The Head of CBLT has overall responsibility for the operation and management of the team and as such, oversees the planning and delivery of levy collection and enforcement activities.
- Over these last 12 months since inception of the team there have been a number of key priorities and below is an outline of progress on these.

1. Creation and maintenance of a Carrier Bag levy database of retailers (approximately 12k)

- At the outset a key priority was to begin with a search for base data from which the CBLT could interrogate to identify a potential cohort of retailers who may be subject to the levy. The Department located a benchmark source “Pointer Database” with an identified initial retailer cohort of in excess of 12,000 retailers.
- Since December 2012, and ongoing, the levy admin team have undertaken significant and robust data cleansing activities through telephone calls; corresponding with retailers by email/in writing, and through information gleaned from on the ground activities with our customer relations managers. This data base has now been reconciled and reduced to a current figure to 5,646 and this reconciliation work will continue.
- A significant challenge for DOE and CBLT has been the ability to develop strong relationships across the retail sector in NI. Provision of targeted and efficient customer service resulting in high levels of compliance and positive retailer feedback to date indicates significant progress with this.

2. Education and Raising Public Awareness of the levy

- Prior to go-live, a key concern was to interface and communicate with retailers to raise awareness and inform them on the compliance requirements of the levy. CBLT initially delivered awareness through a variety of approaches as well as utilising internal and external partnerships. In excess of 30,000 pieces of phased and targeted correspondence was issued to retailers commencing in December 2012.
- Customer Relations Managers from within CBLT have, since October 2012, undertaken significant educational visits across NI directly interfacing with small and medium sized retailers to outline levy introduction and inform on compliance requirements.
- Building capacity and rapport with the large bag users such as the major supermarket chains like Marks and Spencer, Dunnes, Asda, Tesco etc, has been delivered through deployment of a single designated point of contact – “Large Case Manager”. The Large Case Manager has direct responsibility for 25 large case retailers in NI.

3. Interpretation of Exemptions

- Pre and post levy implementation the customer relations managers and the CBLT senior management team have interfaced directly with a significant number and broad range of stakeholders to communicate the key messages of the levy. In particular clarity on the exemptions within the regulations was very often required.
- Examples of the diverse stakeholder groups interfaced with are NI Councils, Chambers of Commerce, Regional, District and Sectoral Retail Trade Associations and individual and

small retailers. This work continues with CBLT scheduling a presentation with the Charities Retail Association at their annual NI meeting in Belfast on 15 October 2013.

- Providing a clear and consistent message in relation to the application and administration of the levy, and its exemptions, remains a key priority. Significant case work has been undertaken at operational level to ensure a uniform message is being communicated to all small and large retailers alike.
- On commencement of charging it became apparent there was some confusion within the NI butchery sector regarding exemptions and possible cross contamination and E-coli issues with the use of re-useable bags. Butchers raised this with their District Councils, local Environmental Health Officers and directly with CBLT.
- The CBLT and the Food Standards Agency (FSA) worked in partnership on this resulting in the FSA issuing an information letter to district council colleagues providing advice on compatibility of the levy with existing 'E. Coli' legislation and related consumer bag-packing practices. CBLT reacted to the confusion by delivering a targeted exercise through communication and visits to butchers across NI providing clarity on the unpackaged and packaged food exemptions within the regulations.

4. Carrier Bag Levy On-line Portal and IT System

- An in-house IT Administration system has been developed to support the implementation of the levy. This represented the best value for money solution. NICS financial procedures have been implemented supporting robust and best practice governance arrangements to manage the receipt, collection and reconciliation of levy receipts.
- Retailers have been offered the opportunity to make returns and payments on a quarterly basis on-line, thereby keeping the impact and cost to business of levy administration to a minimum.

5. Enforcement

- The Committee will be aware the CBLT undertook an innovative and successful stakeholder consultation early in the year seeking views on the Department's approach to enforcement of the levy. The main issues arising at that time were the potential severity of fines and also the level of the penalties.
- Further to this consultation, the Department issued guidance outlining that any uncovered breaches of the legislation would be assessed on a case by case basis with resolutions sought, where possible, by working closely with the retailer concerned.
- Since Levy go live the customer relations managers have undertaken in excess of 1000 visits to retailers where they have advised shopkeepers of their compliance or registration responsibilities.
- In addition, these visits have also been undertaken to observe and monitor compliance with the levy – involving entering retail premises and noting actions by the seller. Where non-compliance (not charging) has been discovered the proprietor has been contacted or a letter has been left at the premises. This has been followed up with a further visit.
- No formal enforcement action has been undertaken during Quarter 1 - April to June 2013.

Outcome of CBLT Activities to Date

Levy Returns from Quarter 1

- The launch of the levy went smoothly with feedback indicating it has been well received by both consumers and retailers. Encouraging levels of returns from retailers indicate high levels of compliance.
- Provisional results indicate that in excess of 18 million bags were dispensed in Quarter 1 and the Levy team have already received over 2000 payments totalling in excess of £900k.
- Feedback from the Customer Relations Mangers following their visits to retail premises suggests significant reductions in single use carrier bags. Several major supermarkets have advised of a sharp drop pointing towards a possible annual reduction of well in excess of 80% in these stores. This early evidence suggests that the Department's target reduction of 80% in bag use is possible.

DOE Carrier Bag Levy Team

Updated Schedule for Environment Committee - Revised Version September 2013

Question/Comment	Department's Response
Extension of the Levy	
Why extend the levy to reusable bags – surely these are the bags that we want people to use?	<p>The Department will only apply the levy to low cost reusable carrier bags.</p> <p>Anecdotal evidence points to a large increase in the sale of low cost reusable bags in the period since 8 April. The Department welcomes this, provided that these bags are sufficiently robust, and are actually reused to their full potential.</p> <p>The danger is however that retailers could flood the market with cheap, relatively flimsy but technically reusable bags. If these bags were not subject to the levy, they could become the new throwaway bags – by virtue of their relatively low price. This would have a significant adverse environmental impact, as such bags are typically made of heavier gauge materials.</p> <p>Reusable carrier bags sold by retailers above an agreed price threshold will be exempt from the levy. The Minister has suggested a price threshold of 20 pence.</p> <p>Shops will still be able to replace 'bags for life' free of charge - if they choose to do so.</p>
Clause 4 of the Bill allows the Department to define sellers in relation to their number of full-time employees – how will this be used?	<p>The Department has no plans to use this power at this point in time. Current policy is that all sellers should charge the levy.</p> <p>However this clause, together with the existing power to exempt sellers in terms of "turnover", would potentially enable the Department to make different arrangements for different types of retailers.</p> <p>It is essentially a 'future proofing' provision.</p>
Clause 5 of the Bill which allows the Department to collect interest on late payments - how will this be used?	<p>This power is designed to ensure that a seller cannot seek to gain a competitive advantage by delaying payment of the levy proceeds to the Department.</p> <p>The Department does not propose to use this power immediately – it will therefore not be reflected in the next set of regulations. However the position will be kept under review as the charging arrangements settle in.</p>

Question/Comment	Department's Response
<p>Which low cost reusable bags will be subject to the levy – what will be the “price threshold”?</p>	<p>The Department will establish a price threshold in the Regulations – this will be defined as a bag's retail price without the levy.</p> <p>Bags priced below this threshold will be subject to the levy – while higher priced bags will be excluded.</p> <p>At present, low cost reusable bags are typically priced between 5 pence and 15 pence. The imposition of a 5 pence levy on these bags would therefore increase their retail price to between 10 pence and 20 pence - assuming retailer pricing policy remains unchanged.</p> <p>The Minister's view is that a 20 pence price threshold is appropriate.</p> <p>Pricing policy rests with retailers – and they could conceivably raise the price of their bags so as to avoid the levy. Ultimately however, customers will choose their bags based on value for money.</p> <p>The Department believes this approach should help achieve significant and sustained reductions in carrier bag consumption – and ensure that residual consumption raises revenue for environmental programmes and projects.</p>
<p>Will the extension of the levy will affect larger retailers more than small ones?</p>	<p>At present, it is mainly the larger retailers that dispense reusable bags. Phase 2 of the levy may therefore have more impact on this type of retail outlet.</p>
<p>How will a ‘bag for life’ policy work - especially amongst smaller retailers? Will the bags be labelled or branded?</p>	<p>‘Bags for life’ is a retailer driven initiative - whereby some retailers replace their reusable plastic bags free of charge once they are worn out.</p> <p>It is anticipated that ‘bags for life’ will generally be priced at a level that makes them subject to the levy. However it will only be the initial purchase that will be ‘caught’ by the charging arrangements. Retailers will still be able to give their customers free replacement bags.</p> <p>Labelling or branding of bags will be a retailer decision.</p> <p>Generally it is the larger retailers which choose to operate these schemes. However any seller may do so, as long as they operate within the legislation.</p> <p>Each retailer will have discretion as to which bags they choose to replace. It is expected that most retailers will only replace their own bags.</p>

Question/Comment	Department's Response
<p>This is now Phase 2 of the levy. How many more phases are there going to be?</p>	<p>The Department has consistently advocated a 2-phase approach: Phase 1 comprised a 5 pence levy on single use bags, while Phase 2 extends it to low cost reusables.</p> <p>The Department currently has no plans for further phases. It is however best practice to ensure effective evaluation of policy implementation. The Bill therefore includes provision for future review – and the Minister has agreed to bring forward an amendment at Consideration Stage which would commit the Department to a specific review of exemptions.</p>
<p>Will future regulations be subject to the affirmative resolution procedure? Will this also apply to a future review of the regulations?</p>	<p>The Regulations which will introduce Phase 2 of the charging arrangements will be subject to the affirmative resolution procedure. This will provide for an Assembly debate on the detailed legislative proposals.</p> <p>The Assembly controls in relation to further regulations will vary depending on the nature of the provisions. Significantly, clause 2(2) of the Carrier Bags ensures that regulations which increase the levy must be subject to the Assembly's affirmative resolution procedure. This should ensure Assembly control over the level of the charge.</p>
<p>How will enforcement work? Will there be spot checks?</p>	<p>It will take some time for retailers to become fully familiar with the charging arrangements. On occasion, for example, retailers may inadvertently fail to charge, when the legislation requires them to do so.</p> <p>As with Phase 1 of the levy, Departmental staff will work in partnership with retailers to ensure that they fully understand their obligations.</p> <p>This will include visits to retailers to discuss how they are applying the charging requirements - and to check their records. Clause 7 of the Bill will allow such visits to be done on a routine basis – so that, if possible, a breach of the legislation can be prevented before it occurs.</p>

Question/Comment	Department's Response
Communications	
<p>The Department must conduct a comprehensive communications campaign to publicise the changes in the policy - in particular, the reasons for the extension of the levy to reusable bags.</p>	<p>The Department conducted a comprehensive communications campaign in the run up to 8 April 2013. This generated high levels of awareness of the new arrangements. Communications activity is ongoing – mainly through visits to retailers by staff from the Carrier Bag Levy team.</p> <p>An equivalent campaign is planned for Phase 2. The Department fully accepts the need to communicate the reasons for extending the levy to low cost reusable bags – and will consider how this can best be achieved.</p>
Impact of 5 Pence Levy	
<p>Can statistics be provided to reveal how successful the levy has been?</p>	<p>The August release of provisional first quarter figures showed a large reduction in single use bag numbers. For example figures from several major supermarkets point towards a reduction of well in excess of 80% in those stores.</p>
Impact of 5 Pence Levy on Retailers	
<p>Has the levy impacted on shopping patterns in smaller shops? Are customers restricting themselves to what they can carry out in their arms or simply waiting until they can visit the supermarket?</p>	<p>The Department has been made aware of this issue by one retailer. However there is also advice that this pattern may be tapering off as shoppers become used to bringing their own bags.</p> <p>The Department will keep this and all other aspects of the levy under review.</p>

Question/Comment	Department's Response
<p>Some retailers have highlighted the potential for an increase in shoplifting due to the introduction of the levy. Would the Department consider allowing clothing retailers to offer paper bags at no additional charge (as in ROI)?</p>	<p>The Department has taken a conscious decision to include paper bags within the scope of the levy. This is because such bags can be equally damaging to the environment. Paper bags are heavier and bulkier than plastic and therefore impose a greater transport burden. Significant burdens are also generated during the manufacture of paper and processing it into bags. Given these factors, the Department has no plans to change the scope of the levy at this stage.</p> <p>The Department has been made aware of the potential for increased shoplifting - due to the fact that it may no longer be obvious who has purchased goods and who has not.</p> <p>After the plastic bag levy was introduced in the Republic of Ireland an assessment was made of the impact on shoplifting – mainly on medium and larger-sized retailers. The analysis found that there was a short-term impact, identifying an initial upturn in shoplifting and shopping baskets being taken, but confirmed that that this subsided after a reasonably short period.</p> <p>Obviously the Department will keep this aspect of the levy under review. In the interim, the Department's Customer Service Managers will be happy to call with retailers to discuss this and any other problems.</p>
Exemptions	
<p>The exemptions to the levy are complex and confusing for consumers. The exemptions for bags containing items of hot takeaway food are particularly confusing.</p>	<p>The Department has always recognised that it will take some time for people to get used to the charging arrangements. Officials are continuing to work with retailers to educate them on the requirements of the legislation – including the provision for exemptions.</p> <p>That said, visits to date suggest significant levels of awareness and compliance among retailers.</p> <p>Online guidance is readily available for retailers and consumers - this includes a short video dealing specifically with exemptions.</p>
Payments/Revenue	
<p>When were the first payments collected?</p>	<p>The first payments from retailers were made on 28 July 2013. Thereafter, payments will continue on a quarterly basis.</p>

Question/Comment	Department's Response
<p>The Department's budget should not be dependent on revenue raised from the levy.</p>	<p>The first Carrier Bag Levy returns from retailers were made in July 2013. Once all information relating to these returns has been collated, the Department will be able to establish a reliable estimate of the total net revenue for 2013/14 and for subsequent years.</p> <p>The Department's June Monitoring submission included a bid to reinstate the £4m funding which was prematurely removed from the Department's budget - in anticipation of the introduction of a carrier bag levy.</p> <p>It is now anticipated that levy income for 2013-14 will be around £1.7 million – and that administration costs of the Carrier Bag Levy Team will be £0.6 million. Net income is therefore estimated at £1.1m. A bid has been submitted for the balance amount of £2.9 million.</p>
<p>Will any revenue be raised - or will the levy be a victim of its own success?</p>	<p>The key objective of the Carrier Bag Levy is to reduce carrier bag consumption. It is only the residual consumption that will raise any revenue.</p> <p>The amount of revenue raised will therefore depend on the extent to which consumers adapt their behaviour. The latest estimate of revenue collection for 2013/14 – based on the 5 pence charge on single use bags - is £1.7 million (gross).</p> <p>The first payments from retailers were made in July 2013. Thereafter, the Department will be able to establish a reliable revenue estimate for 2013/14.</p>
<p>How will the revenue be used?</p>	<p>The Department intends to use the net revenue generated from the Carrier Bag Levy to support a range of local environmental programmes - particularly those that deliver social and economic benefits. It is considering a mix of both new funding programmes and additional funding for existing programmes.</p> <p>These include the creation of new River Restoration and Sustainability Innovation Funds and increased grants from the Community Challenge Fund, Natural Heritage Fund and Rethink Waste Fund.</p>
<p>What is the likely timescale for allocation of levy funding?</p>	<p>The first Carrier Bag Levy returns from retailers were made in July 2013. Once this information has been collated, the Department will be able to establish a reliable estimate of the total net revenue for 2013/14. Funding will then be allocated to programmes and projects – based on this estimate-as quickly as possible.</p>

Question/Comment	Department's Response
General	
Surely retailers will simply price their bags at a level which excludes them from the levy?	Retailers are free to make their own pricing decisions, provided these do not conflict with their statutory responsibilities. Ultimately the market will determine whether there is demand for a particular bag at a certain price. Consumers are unlikely to pay an exorbitant price for an inferior product.
Is there any suggestion of an outright ban on single use and low cost reusable bags?	<p>The European Commission was previously considering options for dealing with plastic bags – one of which was an outright ban. However no decision has yet been taken on the way forward.</p> <p>The Department believes that consumers should have access to low cost shopping bags – and should be encouraged to use these responsibly.</p> <p>The legislation has therefore been designed so that retailers can continue to operate a 'bag for life' policy issuing replacement bags free of charge. This means that where people do use this type of bag responsibly they will not be penalised. They will still have to pay the levy at first purchase, but it is a relatively small outlay.</p>
Is there evidence of best practice on how the levy has worked in Wales or in ROI? Can lessons be learned from other jurisdictions?	<p>The Department has learned a great deal from the expertise and experience of those responsible for the development and administration of the levy in Wales and in Ireland. Departmental officials had significant contact with their Welsh and Irish counterparts; this will continue as the levy becomes established.</p> <p>The current scheme therefore incorporates appropriate elements of both the Welsh and Irish arrangements – but is tailored to meet local needs.</p>
Some people are buying large numbers of plastic bags cheaply over the internet. This seems to conflict with the objective of doing away with the single use plastic bag. Can anything be done about this?	<p>The Department cannot prevent individuals from purchasing large quantities cheap carrier bags over the internet for their personal use. However it is not thought likely that many people will do so.</p> <p>Retailers will obviously seek to source their supply of bags as cheaply as possible – and will make internet purchases if necessary. However these bags will still be captured by the levy – and demand is expected to fall as consumers adjust their shopping behaviour.</p>

Departmental briefing papers 10th October

Carrier Bag Levy – Phase 2

Background

1. Due to legislative constraints charging for carrier bags was always intended to be introduced in two phases. In January 2012 the Department announced:
 - A levy on single use bags from April 2013; and
 - An extension of the levy to all carrier bags below a certain price in April 2014.
2. The Carrier Bags Bill is currently at Committee Stage in the Assembly. The Bill provides the Department with the powers to extend charging beyond single use bags.
3. Subject to Assembly approval, the Department will use these powers to make Regulations applying the levy to all new carrier bags costing less than 20p (Phase 2).
4. Several stakeholders have stated that there is no solid evidence base to justify extending the levy to reusable bags now. The 5p levy should be allowed to ‘bed in’ and enable a proper analysis of its effects on consumer behaviour – including any premature disposal of reusable bags.

Department’s Position

5. From the outset, the Department’s initial modelling work suggested that the carrier bag levy needed to be extended to low cost reusable bags, to maximise environmental benefits.
6. Otherwise, the relatively low price of low cost reusable bags would lead some people to treat them as single use bags – and discard them prematurely. Since low cost reusable bags are usually of a higher gauge, this would cause even greater harm than discarded single use bags.
7. The Department had forecast that the 5p levy on single use bags would generate a 70% increase in sales of low cost reusable bags. Increased sales of such bags is both expected and welcomed – but only provided that customers reuse such bags to their full potential.
8. Since the introduction of the 5p charge in Wales, Welsh bag-for-life sales have increased by 130% – significantly more than the Department’s forecast of 70%.
9. While reduced single use bag numbers in Wales have generated environmental benefits through reduced resource consumption, 30% of the resource savings have been negated by the increased bag-for-life sales.
10. Anecdotal evidence presented to the Department suggests that new reusable bag sales have increased dramatically here too. Data on reusable bag numbers has been requested from the larger retailers and this is awaited.
11. However, a recent local survey shows that only 56% of shoppers in Northern Ireland regularly reuse their carrier bags. This suggests that there is significant room for improvement by discouraging purchases of new bags in favour of greater levels of reuse.
12. The data from Wales and the local bag use survey reinforce the original rationale for the extension of the levy to reusable bags.

13. Just as the 5p levy on single use bags has significantly reduced sales of new single use bags here, in the same way, an increase in the price of new low cost reusable bags should help reduce the unnecessary sale of these bags. This should help prevent a scenario in which large numbers of new reusable bags are discarded prematurely.
14. The increased price of low cost reusable bags should ensure shoppers appreciate their true economic value. It should also boost the frequency with which these bags are reused – as there is no cost to shoppers when they reuse their bags.
15. The legislation will still give retailers the freedom to operate a ‘bag-for-life’ policy – replacing worn out plastic reusable bags free of charge. This should reinforce positive environmental behaviour.
16. The Department wants to encourage shoppers to reuse all carrier bags, not to increase sales of new reusable bags.

Environment Committee Request: CQ/168/13 – Carrier Bag Levy

How many spot checks has it (the Carrier Bag Levy Team) carried out on retailers since the introduction of the levy?

- To date Customer Relations Managers have visited in excess of 1,000 businesses across Northern Ireland to provide education, advice and guidance. This approach reflects the Department's commitment, wherever possible, to work in partnership with sellers to achieve compliance.
- The Department has statutory powers to make test purchases, inspect goods, enter premises, question appropriate persons and request documents and information.
- No formal enforcement checks have been conducted since the commencement of the levy. This reflects our commitment to seek to resolve issues voluntarily, before any formal enforcement activity takes place.

Does the team have accurate figures on the amount generated by the levy to date and the reduction in plastic bag usage?

- Up to 30 September the Department had received £908K.
- Retailers' returns indicate that around 18 million single use carrier bags were dispensed during the period 8 April to 30 June 2013.
- No specific data is available on plastic bags – retailers are not required to specify the material type when making their quarterly returns.
- This retailer data cannot be used to accurately forecast the potential annual reduction, due to a number of factors such as seasonal variation. However, given that an estimated 300 million single use bags were dispensed during the whole of 2012, there is good reason to believe that a substantial reduction will be achieved over the first full year of charging.
- The first quarter returns suggest a possible annual reduction of well in excess of 80% for several major supermarkets.
- The Department intends to produce validated statistics after the first full year of operation.

What engagement has the team had with retailers on the second phase of the levy and what feedback has it received?

- From January 2012, the Department has proposed that the levy should extend to low cost reusable bags.
- This commitment is reflected in the Executive's Programme for Government - and has been communicated consistently to retailers and their representative groups.
- The Phase 1 communications campaign focused specifically on the single use carrier bag levy – and did not deal with Phase 2 proposals. This was an intentional decision - so as to avoid retailer and consumer confusion in the run-up to Phase 1 implementation.
- However in its regular engagement with retailer representative groups, the Department emphasised that it remained committed to the extension of charging.
- In June 2013 the Department sought the views of major stakeholders on a proposal to apply the levy to bags priced at less than 40 pence. Those consulted were the Northern Ireland Retail Consortium (NIRC), the Confederation of British Industry, the Federation of Small Businesses, the Northern Ireland Independent Retail Association (NIIRTA) and the Consumer Council.
- Only 3 responses were received by the closing date of 19 July – from the Consumer Council, NIRC and ASDA. All three were opposed to the extension of the levy to Phase 2. NIRC suggested a lower threshold of 20 pence.

- A Stakeholder Seminar was held on 20 September. This was attended by representatives from M&S, ASDA, Tesco and NIIRTA. Attendees welcomed the Minister's decision to keep the levy at 5p – but largely expressed opposition to the extension of the levy to reusable bags – and what they saw as a very tight timetable for implementation. A further stakeholder event is planned for later in the year.
- Following engagement with key stakeholders – and in light of early Phase 1 experience – the Minister decided to retain the levy at 5 pence – and apply it to low cost reusable bags priced at less than 20 pence.
- The Department maintains regular communications with retailers through telephone contact, written correspondence and visits from members of the Carrier Bag Levy Team.

Will there be a communication and publicity strategy similar to Phase 1 of the levy?

- Yes - although there will be some differences, as summarised below.
- Phase 1 introduced a levy on bags that had previously been distributed free of charge. This had major implications for most retailers and consumers – and therefore required an extensive communication campaign.
- Shoppers have now adjusted well to the introduction of the 5 pence levy on single use bags - and are already accustomed to paying for reusable carrier bags. In terms of impact, Phase 2 will only affect those retailers who sell low cost reusable bags – that is, bags priced at less than 20 pence.
- Consumers will also notice an increase in the price of those bags. However they will be able to avoid the levy by taking advantage of the 'bag for life' policy.
- The Phase 2 campaign will therefore be similar in nature but less extensive than the original campaign. This approach should ensure that the scale of the campaign is proportionate and represents value for money.

Has the team had any public feedback on phase one of the levy and the public's thoughts on phase two?

- The Department commissioned two Phase 1 attitudes and awareness surveys through Millward Brown (October 2011 and the second in June 2013).
- Public support for the 5 pence levy remains unchanged at 66%.
- 76% of respondents to the June 2013 survey identified the levy as bringing environmental improvements (particularly in relation to reduced litter and landfill).
- Only 56% of respondents to the June 2013 survey indicated that they frequently reuse their carrier bags.
- 11% indicated that they are still purchasing new bags (8% reusable and 3% single use).
- 80% of businesses in the June 2013 survey (mainly retailers) welcomed the levy – sharply up from 60% in October 2011.
- The Department intends to commission a third attitudes and awareness survey, to be conducted in June 2014. This survey is intended to provide information on both Phases.

Does the team feel that retailers will have enough time to change their systems and train staff ahead of the introduction of phase two?

- At the Stakeholder event on 20 September some attendees expressed concerns at the timetable for implementation – given the implications for their internal systems.
- The Department has no independent means of assessing the lead-in time that retailers require for Phase 2 implementation.

- However the CBLT Large Case Manager has developed close and detailed working relationships with major retailers across N. Ireland. Over the last number of months, no significant issues have been raised in relation to Phase 2 implementation time pressures.

Is the team aware of any evidence base for the operation elsewhere of a levy on reusable bags?

- The plastic bag levy in Ireland relates to bags priced at less than 70 cents – as such, it extends to low cost reusable plastic bags.
- Following the introduction of the 5 pence single use carrier bag charge in Wales in October 2011, the Waste & Resources Action Programme (WRAP) collected reusable bag-for-life data from five large retailers in Wales. The data indicates that bag-for-life sales increased by 120-130%.
- Locally, a June 2013 Millward Brown survey, suggests that only 56% of shoppers are reusing their carrier bags on a frequent basis (“always or mostly reuse bags”).
- Customer Relations Managers have identified a clear and significant shift in customer behaviour throughout Northern Ireland - with many customers opting to purchase cheaper lower-cost reusable bags rather than single use bags.
- CBLT have recently written to a number of retailers requesting data on sales of reusable bags. Retailers are under no obligation to provide this information – however any data received will be shared with Committee in due course.
- A 2012 behavioural study for the Welsh Government and Zero Waste Scotland found that 79% of Welsh shoppers stated they reused their bags for life when food shopping – but the actual percentage observed to be doing this was only 51%. For non-food shopping the respective figures were 55% and 18%. Therefore the actual percentage of shoppers in Northern Ireland reusing carrier bags may be even lower than the 56% stated in the June 2013 survey.
- The same report found that out of 9,529 observed transactions – only 7 shoppers (7 in Wales and none in Scotland) replaced worn out carrier bags for free (i.e. a bag for life policy). This represents only 0.07% of the observed transactions and suggests replacing worn out bags for free is much less common than purchasing new reusable bags.

Departmental briefing papers – 17th October

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Your reference:

Our reference:

Sheila Mawhinney
Clerk to the Environment Committee Northern Ireland Assembly
Parliament Buildings
Ballymiscaw
Stormont
Belfast BT4 3XX

Date: 14 October 2013

Dear Sheila

RE: Carrier Bags Bill

I refer to the above and to the request that officials attend the Committee meeting on 17 October 2013 to discuss the Carrier Bags Bill.

I can confirm that the following officials will attend:

- **Simon Webb** – Carrier Bag Levy – Project Manager
- **Donald Starritt** – Carrier Bag Levy – Head of Policy and Legislation Team
- **Jennifer McCay** – Carrier Bag Levy – Policy and Legislation Team.

For the attention of Members I attach:

- a) A clause by clause description of the Carrier Bags Bill;
- b) A copy of the draft Carrier Bags Charge Regulations (Northern Ireland) 2014.

The draft Regulations, in the main, replicate The Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013. The most significant changes, which demonstrate how the Department plans to use the powers in the Carrier Bags Bill, are marked and explained. There will be some further minor drafting changes; we will keep the Committee informed of any other substantive amendments; and

- c) An electronic copy of the statistical information (requested via CQ/169/13) originally circulated to Members at the meeting on 10 October 2013.

Officials will of course, be prepared to address the Committee's question in CQ/169/13 relating to the timing of Phase 2 - and Members' queries on any other issues relating to the Bill.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO [by e-mail]

Draft 2014 Carrier Bag Regulations

*Draft Regulations laid before the Assembly under ***, for approval*

DRAFT STATUTORY RULES OF NORTHERN
IRELAND

2014 No. 0000

ENVIRONMENTAL PROTECTION

The Carrier Bags Levy Regulations (Northern Ireland) 2014

Made - - - - *xxth xxxx 2014*
Coming into operation - *xxth xxxx 2014*

The Department of the Environment makes these Regulations in exercise of the powers conferred by sections xxx of, and paragraphs xxxx of Schedule 6 to, the Climate Change Act 2008.

PART 1

Introduction

Citation and commencement

1.—(1) These Regulations may be cited as the Carrier Bags Levy Regulations (Northern Ireland) 2014.

(2) These Regulations come into operation on [xx]th April 2014.

Interpretation

2.—(1) In these Regulations—

“the charge” means the full consideration received by a seller for carrier bags which attract the requirement to charge the levy;

“consideration” includes any chargeable VAT;

“the Department” means the Department of the Environment;

“discretionary requirement” has the meaning given in paragraph 12(3) of Schedule 6 to the Climate Change Act 2008;

“enforcement costs recovery notice” has the meaning given in regulation 16(1);

“fixed monetary penalty” has the meaning given in paragraph 10(3) of Schedule 6 to the Climate Change Act 2008;

“functions” includes powers and duties;

“late payment penalty” means any increase in an amount payable—

(a) as a fixed monetary penalty, by virtue of paragraph 10 of Schedule 2;

(b) as a variable monetary penalty, by virtue of paragraph 9 of Schedule 3;

(c) as a non-compliance penalty, by virtue of paragraph 8 of Schedule 4;

“levy” means the 5 pence minimum charge referred to in regulation 6.

“net proceeds of the charge” means the proceeds of the charge less—

- (d) any element of the charge in excess of the 5 pence levy;
- (e) any amount of chargeable VAT in respect of the 5 pence levy.

“non-compliance penalty notice” has the meaning given in paragraph 5(4) of Schedule 4;

“non-monetary discretionary requirement” has the meaning given in paragraph 12(4) of Schedule 6 to the Climate Change Act 2008;

“publicity notice” has the meaning given in paragraph 19(2) of Schedule 6 to the Climate Change Act 2008;

“record” means the information specified in regulation 9(3);

“reporting year” means—

- (f) the period starting on the date on which these Regulations come into operation and ending on 5 April 2015;
- (g) thereafter, the period commencing 6 April in one year and ending on 5 April the following year; the first such period to commence 6 April 2015;

“specified sum” has the meaning given in paragraph 4(2) of Schedule 2;

“variable monetary penalty” has the meaning given by paragraph 12(4) of Schedule 6 to the Climate Change Act 2008;

“VAT” has the meaning given in section 96 of the Value Added Tax Act 1994(a).

(2) References to—

- (a) a notice of intent in relation to a fixed monetary penalty, are references to a notice of intent served under paragraph 3(1) of Schedule 2;
- (b) a final notice in relation to a fixed monetary penalty, are references to a final notice served under paragraph 6(5) of Schedule 2;
- (c) a notice of intent in relation to a discretionary requirement, are references to a notice of intent served under paragraph 3(1) of Schedule 3;
- (d) a final notice in relation to a discretionary requirement, are references to a final notice served under paragraph 5(6) of Schedule 3;
- (e) a notice of intent in relation to a non-compliance penalty, are references to a notice of intent served under paragraph 3(1) of Schedule 4.

(3) References to carrier bags which attract the requirement to charge the levy are references to those carrier bags to which regulation 6 applies.

Meaning of “carrier bag”

3. In these Regulations “carrier bag” means a bag of any material supplied or designed for the purpose of enabling goods to be taken away or delivered.

Meaning of “seller”

4.—(1) Subject to paragraph (2) “seller” means a person who in the course of trade or business sells goods from a place in Northern Ireland.

(2) Where a person (A) sells goods in A’s capacity as an officer or employee of another person (B), then for the purposes of these Regulations B is the seller in those circumstances, and not A.

Department

5.—(1) The Department shall administer the provision made by these Regulations.

(a) 1994 c. 23; there are amendments to section 96 which are not relevant to these Regulations.

(2) The Department may appoint as authorised officers such persons as it considers necessary to administer provision made by these Regulations and may terminate any appointment made under this paragraph.

PART 2

The Charging Requirements

Requirement to charge the levy

6. Subject to regulation 7, a seller shall charge a customer at least 5 pence for every carrier bag supplied new at a place where goods are sold.

Exemption from the requirement to charge the levy

7. Regulation 6 does not apply in relation to the supply of carrier bags of the kind described in Schedule 1.

Payment of net proceeds of the charge to the Department of the Environment

8.—(1) A seller shall pay to the Department the net proceeds of the charge for each relevant period within 28 days of the end of that period.

(2) Payment of the net proceeds of the charge shall not be received by the Department until the Department has cleared funds for the full amount.

(3) Any amount of the net proceeds due to the Department if unpaid may be recovered by the Department as a civil debt.

(4) In this regulation the “relevant period” is—

- (a) the period starting on the date on which these Regulations come into operation and ending on 30th June 2014; and thereafter the three month period ending 30th September, 31st December, 31st March or 30th June in every reporting year; or
- (b) such other period as the Department may determine.

PART 3

Records

Record-keeping

9.—(1) A seller shall keep a record of the information specified in paragraph (3) for every reporting year.

(2) Records kept in accordance with paragraph (1) shall be retained by a seller for the period of six years beginning on 31 May in the reporting year following that to which the record relates.

(3) The information is—

- (a) the number of carrier bags supplied to customers which attract the requirement to charge the levy;
- (b) the total proceeds received for carrier bags supplied to customers which attract the requirement to charge the levy;
- (c) the amount received by way of the 5 pence levy;
- (d) any amount of chargeable VAT in respect of the 5 pence levy;
- (e) the net proceeds of the charge;

- (f) the amount paid to the Department in respect of the net proceeds of the charge.

Availability of records

10.—(1) This regulation applies where the Department, in writing, requests a seller to supply a record for a reporting year.

(2) If the request is received during the retention period for the record in question, the seller shall provide a copy of that record to the Department within 28 days of receiving the written request.

(3) The retention period is the six year period for which any particular record shall be retained under regulation 9(2).

PART 4

Breaches

Breaches

11.—(1) It shall be a breach of these Regulations if, as a result of having failed to take all reasonable steps to enable it to do so, a seller fails to comply with a requirement mentioned in paragraph (2).

(2) The requirements are to—

- (a) charge the levy in accordance with regulation 6;
- (b) pay the net proceeds of the charge to the Department in accordance with regulation 8;
- (c) keep records in accordance with regulation 9;
- (d) retain records in accordance with regulation 9;
- (e) supply records in accordance with regulation 10;

(3) It shall be a breach of these Regulations for a seller

- (a) to knowingly give false or misleading information to the Department;
- (b) without reasonable cause to otherwise obstruct or fail to assist the Department in the conduct of its functions under these Regulations.

PART 5

Civil Sanctions

Civil sanctions

12. The following Schedules have effect—

- (a) Schedule 2, which makes provision for fixed monetary penalties;
- (b) Schedule 3, which makes provision for discretionary requirements.

Combination of sanctions

13.—(1) The Department shall not serve a notice of intent in relation to a fixed monetary penalty on a seller in any of the following circumstances—

- (a) where a discretionary requirement has been imposed on the seller in relation to the same breach;
- (b) where the seller has discharged liability to a fixed monetary penalty in respect of the same breach by payment of a specified sum;

- (c) where a fixed monetary penalty has previously been imposed in respect of the same breach.
- (2) The Department shall not serve a notice of intent in relation to a discretionary requirement on a seller in any of the following circumstances—
 - (a) where a fixed monetary penalty has been imposed on the seller in relation to the same breach;
 - (b) where the seller has discharged liability to a fixed monetary penalty in respect of the same breach by payment of a specified sum;
 - (c) where a discretionary requirement has previously been imposed in respect of the same breach.

PART 6

Enforcement and Non-compliance

Enforcement powers

14.—(1) The Department may exercise any of the powers in paragraph (2) for the purposes of enforcement.

(2) The powers are—

- (a) to make test purchases of goods for the purposes of ascertaining whether these Regulations are being complied with;
- (b) to inspect any goods and to enter any premises at any reasonable time (other than domestic premises) for the purposes of ascertaining whether these Regulations are being complied with;
- (c) to question a seller or an officer or employee of a seller;
- (d) to require the production of documents or the provision of information;
- (e) to inspect, retain or copy such documents or information.

(3) In this regulation the following definitions apply—

- (a) “domestic premises” means premises used wholly or mainly as a private dwelling;
- (b) “information” includes computer records.

(4) The Department seeking to exercise a power under paragraph (2)(b),(c),(d) or (e) shall produce evidence of identity and authority if requested by a person who is, or appears to be—

- (a) the seller, or an officer or employee of the seller;
- (b) an owner or occupier of any premises in respect of which the Department seeks to exercise the power concerned.

(5) Nothing in paragraph (2)(d) shall compel production of any document in respect of which a person would on grounds of legal professional privilege be entitled to withhold production on an order for discovery in an action in the County Court or High Court.

Non-monetary discretionary requirements: enforcement

15. Schedule 4 shall have effect relative to the imposition of a monetary penalty in cases where a seller fails to comply with a non-monetary discretionary requirement.

Enforcement costs recovery

16.—(1) The Department may serve an enforcement costs recovery notice on a seller on whom a discretionary requirement is imposed requiring that seller to pay the costs incurred by the Department in relation to that discretionary requirement up to the time of its imposition (“enforcement costs”).

-
- (2) Enforcement costs shall include, in particular—
- (a) investigation costs;
 - (b) administration costs;
 - (c) costs of obtaining expert advice (including legal advice).
- (3) An enforcement costs recovery notice shall specify the amount required to be paid and shall include information as to—
- (a) how payment may be made;
 - (b) the date by which payment shall be made;
 - (c) the consequences of failure to make payment by the date it is due; and
 - (d) the right of appeal.
- (4) The date referred to in paragraph (3)(b) shall be at least 28 days later than the date on which the enforcement costs recovery notice is served on the seller.
- (5) Enforcement costs shall be paid by the seller by the date specified in the enforcement costs recovery notice.
- (6) Paragraph (5) is subject to the remaining provisions of this regulation and to regulation 20(4) (suspension of requirements and notices pending appeal).
- (7) If a decision of the Department under this regulation is the subject of an appeal, then to the extent that that decision is upheld, the seller shall pay the enforcement costs within 28 days of the day on which the appeal is determined.
- (8) The Department shall provide a detailed breakdown of the costs specified in an enforcement costs recovery notice if requested to do so by the seller on whom that notice is served.
- (9) A seller is not liable to pay any costs shown by that seller to have been unnecessarily incurred.
- (10) A seller may appeal against—
- (a) a decision of the Department to impose a requirement to pay costs;
 - (b) a decision of the Department as to the amount of those costs.

Debt recovery

17. The Department may recover as a civil debt, any amount of unpaid—
- (a) fixed monetary penalty;
 - (b) variable monetary penalty;
 - (c) non-compliance penalty;
 - (d) enforcement costs; or
 - (e) late payment penalty.

Publicity for imposition of civil sanctions

- 18.—(1) The Department may give a publicity notice to a seller on whom a civil sanction has been imposed.
- (2) The following information shall be included in a publicity notice—
- (a) the type of civil sanction imposed;
 - (b) the grounds on which the civil sanction was imposed;
 - (c) if the civil sanction was a fixed or variable monetary penalty, the amount of that penalty;
 - (d) if the civil sanction was a non-monetary discretionary requirement, the nature of that requirement.
- (3) A publicity notice shall—
- (a) specify the manner of publication required;

- (b) specify the time within which publication is required;
 - (c) require the seller to provide evidence to the Department of compliance with the publicity notice within a time specified in that notice.
- (4) If a seller fails to comply with a publicity notice within the time specified under paragraph (3)(b), the Department may—
- (a) publicise the information required to be publicised; and
 - (b) recover the costs of publication from the seller.
- (5) Where information is publicised under paragraph (4)(a) it shall be done in a way likely to attract the attention of the public.

PART 7

Administration

Withdrawing or amending a notice

- 19.**—(1) The Department may at any time in writing—
- (a) withdraw a notice of intent or a final notice in relation to a fixed monetary penalty;
 - (b) withdraw a notice of intent or a final notice in relation to a variable monetary penalty or reduce the amount specified in the notice;
 - (c) withdraw a notice of intent or a final notice in relation to a non-monetary discretionary requirement or amend steps specified in the notice so as to reduce the amount of work necessary to comply with the notice;
 - (d) withdraw a notice of intent in relation to a non-compliance penalty or reduce the amount specified in the notice;
 - (e) withdraw a non-compliance penalty notice or reduce the amount specified in the notice;
 - (f) withdraw an enforcement costs recovery notice or reduce the amount specified in the notice.
- (2) The Department shall consult the seller before withdrawing or amending a notice under paragraph (1).
- (3) Paragraph (2) does not apply in any case where it is impracticable to consult the seller.

Appeals

- 20.**—(1) An appeal under these Regulations is to the First-tier Tribunal^(a) (“the Tribunal”).
- (2) In an appeal where the commission of a breach is an issue requiring determination, the Department shall prove that breach on the balance of probabilities.
- (3) In any other case the Tribunal shall determine the standard of proof.
- (4) A requirement or notice which is the subject of an appeal is suspended pending the determination of the appeal.
- (5) The Tribunal may, in relation to the imposition of a requirement or service of a notice—
- (a) withdraw the requirement or notice;
 - (b) confirm the requirement or notice;

^(a) Appeals are assigned to the General Regulatory Chamber of the First-tier Tribunal by virtue of article 5B(a) of the First-tier Tribunal and Upper Tribunal (Chambers) Order 2008 (S.I. 2008/2684, amended by S.I. 2009/196, 2009/1021 and 2009/1590). The Tribunal Procedure (First-tier Tribunal) (General Regulatory Chamber) Rules 2009 (S.I. 2009/1976) sets out procedural rules relating to such appeals.

- (c) take such steps as the Department could take in relation to the act or omission giving rise to the requirement or notice;
- (d) remit the decision whether to confirm the requirement or notice, or any matter relating to that decision, to the Department.

Guidance as to use of civil sanctions

21.—(1) The Department shall publish guidance about its use of civil sanctions under these Regulations.

(2) The guidance shall contain the information specified at paragraphs (5) and (6) as appropriate.

(3) The Department shall revise the guidance where appropriate.

(4) The Department shall have regard to the guidance or revised guidance in exercising its functions.

(5) In the case of guidance relating to a fixed monetary penalty, the information referred to in paragraph (2) is information as to—

- (a) the circumstances in which the penalty is likely to be imposed;
- (b) the circumstances in which the penalty may not be imposed;
- (c) the amount of the penalty;
- (d) how liability for the penalty may be discharged and the effect of discharge;
- (e) rights to make representations and objections; and
- (f) rights of appeal.

(6) In the case of guidance relating to a discretionary requirement, the information referred to in paragraph (2) is information as to—

- (a) the circumstances in which the requirement is likely to be imposed;
- (b) the circumstances in which the requirement may not be imposed;
- (c) in the case of a variable monetary penalty, the matters likely to be taken into account by the Department in determining the amount of the penalty (including, where relevant, any discounts for voluntary reporting of non-compliance);
- (d) rights to make representations and objections; and
- (e) rights of appeal.

Additional guidance

22.—(1) The Department shall publish guidance about how it will exercise the powers conferred by regulation 15 and Schedule 4 (non-compliance penalties) and regulation 16 (enforcement costs recovery).

(2) The guidance shall include, in particular, information as to—

- (a) the circumstances in which the powers are likely to be exercised;
- (b) matters to be taken into account in determining the amounts involved;
- (c) rights of appeal.

(3) The Department shall revise the guidance where appropriate.

(4) The Department shall have regard to the guidance or revised guidance in exercising its functions.

Consultation on guidance

23. Before publishing any guidance or revised guidance under regulations 21 and 22 the Department shall consult with such bodies or persons as it may consider appropriate.

Publication of enforcement action

24.—(1) The Department shall from time to time publish reports specifying—

- (a) the cases in which a civil sanction for a breach of these Regulations has been imposed;
- (b) where the civil sanction is a fixed monetary penalty, the cases in which liability to the penalty has been discharged in accordance with paragraph 4 of Schedule 2 (discharge of liability following notice of intent).

(2) In paragraph 1(a) the reference to cases in which the civil sanction has been imposed does not include cases where the sanction has been imposed but overturned on appeal.

Sealed with the Official Seal of the Department of the Environment on xxth xx 2014.



Wesley Shannon
A senior officer of the
Department of the Environment

SCHEDULE 1

Regulation 6

Exemptions

- 1.—(1) The kinds of carrier bags to which regulation 6 does not apply are—
- (a) bags used solely to contain one or more items of the following kinds—
 - (i) unpackaged food for human or animal consumption;
 - (ii) unpackaged loose seeds, bulbs, corms or rhizomes;
 - (iii) any unpackaged axe, knife, knife blade or razor blade;
 - (iv) unpackaged goods contaminated by soil;
 - (v) items from the categories specified in sub-paragraph (2);
 - (b) bags used solely to contain packaged—
 - (i) uncooked fish or fish products;
 - (ii) uncooked meat or meat products;
 - (iii) uncooked poultry or poultry products,
 and in respect of which the maximum dimensions are 205 millimetres (“mm”) (width) x 125 mm (gusset width) x 458 mm (height inclusive of handles);
 - (c) bags used to contain hot foods or hot drinks intended for consumption away from the premises on which they are sold;
 - (d) bags used to contain purchases made on board ships, trains, aircraft, coaches or buses;
 - (e) bags used to contain purchases made in an area designated by the Secretary of State as a security restricted area under section 11A of the Aviation Security Act 1982(a);
 - (f) mail order dispatch and courier bags;
 - (g) bags which—
 - (i) are made wholly from paper;
 - (ii) have maximum dimensions of 175 mm (width) x 260 mm (height);
 - (iii) do not have a gusset; and do
 - (iv) not have a handle;
 - (h) bags which—
 - (i) are made wholly or mainly from plastic;
 - (ii) have maximum dimensions of 125 mm (width) x 125 mm (height);
 - (iii) do not have a gusset; and
 - (iv) do not have a handle;
 - (i) bags which—
 - (i) are made wholly from paper;
 - (ii) have maximum dimensions of 80 mm (width) x 50 mm (gusset width) x 155 mm (height); and
 - (iii) do not have a handle;
 - (j) gusseted liners used to line or cover boxes, crates or other containers of a similar nature;
 - (k) bags used solely to contain live aquatic creatures in water;
 - (l) bags which are sold to customers for a sum of not less than 20 pence each;**

(a) 1982 c. 36; section 11A was inserted by the Aviation and Maritime Security Act 1990 (c. 31), Schedule 1, paragraph 3; and amended by S.I. 2010/902, regulations 3 and 9(b).

(m) multiple reuse plastic bags that are issued as free replacements for a corresponding number of worn out multiple reuse plastic bags;

(2) The specified categories are—

(a) medicinal products or listed appliances sold in accordance with a prescription issued by a registered medical practitioner, a dentist, a supplementary prescriber, a nurse independent prescriber, an independent nurse prescriber, an optometrist independent prescriber, a pharmacist independent prescriber or an EEA health professional;

(b) where sold otherwise than in accordance with paragraph (a), pharmacy medicine.

(3) In this paragraph—

“dentist” means a person registered in the dentists register kept under section 14 of the Dentists Act 1984(a);

“EEA health professional” has the meaning given in regulation 1(2) of the Medicines for Human Use (Prescribing by EEA Practitioners) Regulations 2008(b);

“independent nurse prescriber” has the meaning given in the Pharmaceutical Services Regulations (Northern Ireland) 1997(c);

“listed appliances” means listed appliances within the meaning of article 63 of the Health and Personal Social Services (Northern Ireland) Order 1972(d);

“medicinal product” has the meaning given in section 130 of the Medicines Act 1968(e);

“multiple reuse plastic bag” means a bag which is made wholly or mainly from plastic and which—

(a) exceeds 404 millimetres (“mm”) in both width and height;

(b) exceeds 439mm in either width or height, or both;

(c) is manufactured from material which is greater than 49 microns in thickness;

(d) is purchased by the customer; and

(e) when worn out is returnable to the seller from whom it was purchased, to be replaced free of charge;

“pharmacy medicine” means a medicinal product which is not a prescription only medicine and which—

(a) in accordance with section 52(f) of the Medicines Act 1968, can only be sold or supplied under the conditions specified in sub-section (1)(a) to (c) of that section; or

(b) but for the fact that it is sold or supplied in accordance with section 55(g) of that Act, could only lawfully be sold or supplied under those conditions;

“prescription only medicine” means a medicinal product—

(c) of a description or falling within a class specified in an order made under section 58(h) of the Medicines Act 1968;

(d) to which section 58 of that Act applies by virtue of an order made under section 104(i) of that Act;

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- (a) 1984 c. 24; section 14 was substituted by S.I. 2005/2011, articles 2(1) and 6; and amended by S.I. 2007/3101, regulations 109 and 111.
- (b) S.I. 2008/1692, to which there are amendments not relevant to these Regulations.
- (c) S.I. 1997/381 as amended by 2003/447
- (d) S.I. 1972/1265 (N.I. 14), amended by 1978/1907 (N.I. 26); there are other amendments but none is relevant.
- (e) 1968 c. 67; section 130 was amended by S.I. 1994/3119, regulation 2(b); and S.I. 2005/50, regulation 25(1)(c) and (d); there are other amendments but none is relevant.
- (f) Section 52 was amended by the Health Act 2006 (c. 28) ; there are other amendments but none is relevant.
- (g) Section 55 was amended by S.I. 2004/1771, article 3 and paragraph 10(b) of the Schedule; by S.I. 2006/2407, paragraphs 1 and 26 of Schedule 8.
- (h) There are amendments to section 58 which are not relevant to these Regulations.
- (i) Section 104 was amended by S.I. 2004/1031, regulation 54 and paragraph 17 of Schedule 10; and by S.I. 2006/2407, paragraphs 1 and 54 of Schedule 8.

“supplementary prescriber”, “nurse independent prescriber”, “optometrist independent prescriber” and “pharmacist independent prescriber” each have the meanings respectively ascribed to them in article 1(2) of the Prescription Only Medicines (Human Use) Order 1997(a);

“unpackaged” means wholly or partly unwrapped.

SCHEDULE 2

Regulation 12

Fixed monetary penalties

PART 1

Imposition of fixed monetary penalties and procedure

Power to impose fixed monetary penalty

1.—(1) The Department may by notice impose a fixed monetary penalty on a seller who breaches these Regulations in the circumstances specified in regulation 11(1).

(2) The Department may exercise the power conferred by sub-paragraph (1) in relation to a case if it is satisfied on the balance of probabilities that a breach has occurred.

Fixed monetary penalties

2. The amount of penalty that can be imposed by the Department as a fixed monetary penalty in any case is the amount listed in the second column of the table in Part 2 by reference to the kind of breach concerned.

Notice of intent

3.—(1) Where the Department proposes to impose a fixed monetary penalty on a seller, the Department shall serve by post a notice of intent on that seller.

(2) A notice of intent shall—

- (a) state the amount of the penalty;
- (b) offer the seller the opportunity to discharge its liability to the penalty by paying the specified sum within 28 days beginning with the day on which the notice is served;
- (c) include information as to—
 - (i) the grounds for the proposal to impose the fixed monetary penalty;
 - (ii) the effect of payment of the specified sum;
 - (iii) the right to make representations and objections conferred by paragraph 5;
 - (iv) the circumstances in which the Department may not impose the fixed monetary penalty;
 - (v) the 28 day period within which liability to the fixed monetary penalty may be discharged by virtue of paragraph 4;
 - (vi) the 28 day period within which representations and objections may be made;
 - (vii) how payment may be made.

(a) S.I. 1997/1830; relevant amending instruments are S.I. 2003/696, S.I. 2004/1771, S.I. 2005/765, S.I. 2006/915, S.I. 2010/1621.

Discharge of liability following notice of intent

4.—(1) A seller's liability to a fixed monetary penalty is discharged if the specified sum is paid within 28 days beginning with the date of service of the notice of intent.

(2) The specified sum is the amount specified in the third column of the table in Part 2 by reference to the kind of breach concerned.

Making representations and objections

5.—(1) This paragraph applies if a seller does not discharge liability to a fixed monetary penalty by payment of the specified sum.

(2) Within 28 days of the date of the service of the notice of intent, the seller may make written representations and objections to the Department in relation to the proposed imposition of the fixed monetary penalty.

Decision whether to impose a fixed monetary penalty

6.—(1) At the end of the 28 day period for making representations and objections under paragraph 5, the Department shall decide whether to impose the fixed monetary penalty.

(2) In making a decision under this paragraph the Department shall take into consideration any representations or objections made by the seller in accordance with paragraph 5.

(3) The Department may not decide to impose a fixed monetary penalty in any of the following circumstances—

- (a) if liability to a fixed monetary penalty in respect of the same breach has been discharged by payment of the specified sum;
- (b) if a fixed penalty has previously been imposed in respect of the same breach;
- (c) if a discretionary requirement has been imposed in respect of the same act or omission.

(4) Without restricting the power under sub-paragraph (1), the Department may decide not to impose a fixed penalty if the Department considers that in all the circumstances of the case it would be inexpedient to do so.

(5) Where the Department decides to impose the fixed monetary penalty it shall do so by serving by post a final notice on the seller.

(6) The final notice shall comply with paragraph 7.

Contents of final notice

7. The final notice shall include information as to—

- (a) the grounds for imposing the fixed monetary penalty;
- (b) the Department's response to any representation and objections made by the seller;
- (c) the amount of the penalty;
- (d) how payment may be made;
- (e) the period of 56 days within which payment shall be made;
- (f) the effect of paragraph 9 (early payment discount);
- (g) the effect of paragraph 10 (late payment penalty);
- (h) rights of appeal; and
- (i) the consequences of non-payment.

Payment

8.—(1) Subject to regulation 20(4) (suspension of requirements and notices pending appeal) and sub-paragraph (2), a fixed monetary penalty shall be paid by a seller within 56 days beginning with the date of service of the final notice.

(2) If a decision to impose a fixed monetary penalty is the subject of an appeal which upholds the imposition of a penalty, that penalty shall be paid by the seller within 28 days beginning with the date upon which the appeal is determined.

Early payment discount

9. A seller may discharge liability to a fixed monetary penalty by paying 50% of the amount of the penalty within 28 days beginning with the date of service of the final notice.

Late payment penalty

10. If a fixed monetary penalty is not paid within the period allowed in paragraph 8 the amount of the penalty shall be increased by 50%.

Grounds of appeal

11.—(1) A seller may appeal against the Department's decision to impose a fixed monetary penalty.

(2) The grounds of appeal are—

- (a) that the decision was based on a error of fact;
- (b) that the decision was wrong in law;
- (c) that the decision was unreasonable;
- (d) any other reason.

PART 2**Fixed monetary penalty amounts and specified sums**

<i>Breach</i>	<i>Amount of penalty which can be imposed as a fixed monetary penalty</i>	<i>Specified sums</i>
Failure to comply with the requirement to charge in accordance with regulation 6 (regulation 11(1) and (2))	£200	£100
Failure to comply with the requirement to pay the net proceeds of the charge to the Department in accordance with regulation 8 (regulation 11(1) and (2))	£200	£100
Failure to keep records in accordance with regulation 9 (regulation 11(1) and (2))	£100	£50
Failure to retain records in accordance with regulation 9 (regulation 11(1) and (2))	£100	£50
Failure to supply records in accordance with regulation 10	£100	£50

(regulation 11(1) and (2))

SCHEDULE 3 Discretionary requirements

Regulation 12

PART 1

Imposition of discretionary requirements and procedure

Power to impose discretionary requirements

1.—(1) The Department may by notice impose one or more discretionary requirements on a seller who breaches these Regulations.

(2) The Department may exercise the power conferred by sub-paragraph (1) in relation to a case if it is satisfied on the balance of probabilities that the breach occurred.

Variable monetary penalties: maximum amounts

2. The maximum penalty which may be imposed by the Department as a variable monetary penalty in respect of any particular kind of breach is the amount listed in the second column of the table in Part 2 by reference to the kind of breach specified in the first column.

Notice of intent

3.—(1) Where the Department proposes to impose one or more discretionary requirements on a seller, the Department shall serve by post a notice of intent on that seller.

(2) If the Department proposes to impose a non-monetary discretionary requirement, the notice of intent shall—

- (a) specify the steps that the Department requires the seller to take;
- (b) include information as to—
 - (i) the grounds for the proposal to require those steps to be taken;
 - (ii) the time period within which the Department requires those steps to be completed;
 - (iii) the right to make representations and objections conferred by paragraph 4;
 - (iv) the 28 day period within which representations and objections may be made.

(3) If the Department proposes to impose a variable monetary penalty, the notice of intent shall—

- (a) specify the amount of the penalty proposed;
- (b) include information as to—
 - (i) the grounds for the proposal to impose a variable monetary penalty;
 - (ii) the right to make representations and objections conferred by paragraph 4;
 - (iii) the circumstances in which the Department may not impose a variable monetary penalty;
 - (iv) the 28 day period within which representations and objections may be made.

Making representations and objections

4. Within 28 days beginning with the date of service of the notice of intent, the seller may make written representations and objections to the Department in relation to the proposed imposition of the one or more discretionary requirements.

Decision whether to impose discretionary requirements

5.—(1) After the end of the 28 day period for making representations and objections under paragraph 4, the Department shall decide whether to—

- (a) impose the one or more discretionary requirements with or without modifications; or
- (b) impose any other discretionary requirement that the Department has the power to impose under these regulations.

(2) In making a decision under this paragraph the Department shall take into consideration any representations or objections made by the seller in accordance with paragraph 4.

(3) The Department may not decide to impose a discretionary requirement if—

- (a) a discretionary requirement has previously been imposed in relation to the same act or omission;
- (b) liability to a fixed monetary penalty in respect of the same breach has been discharged by payment of a specified sum;
- (c) a fixed monetary penalty has been imposed in respect of the same breach.

(4) The Department may not decide to impose a fixed monetary penalty in place of a discretionary requirement.

(5) Without restricting the power under sub-paragraph (1), the Department may decide not to impose a discretionary requirement if it considers that in all the circumstances of the case it would be expedient to do so.

(6) Where the Department decides to impose a discretionary requirement it shall do so by serving the final notice on the seller.

(7) The final notice shall comply with paragraph 6.

Contents of a final notice

6. The final notice shall include information as to—

- (a) the grounds for imposing the one or more discretionary requirements;
- (b) the Department's response to any representations and objections made by the seller, including the effect (if any) on the amount of any variable monetary penalty imposed;
- (c) where the discretionary requirement is a non-monetary discretionary requirement—
 - (i) the steps the seller is required to take;
 - (ii) the period within which those steps shall be completed;
- (d) where the discretionary requirement is a variable monetary penalty—
 - (i) the amount of the penalty;
 - (ii) how payment may be made;
 - (iii) the period within which the penalty shall be made;
 - (iv) the effect of paragraph 8 (early payment discount);
 - (v) the effect of paragraph 9 (late payment penalty);
- (e) rights of appeal; and
- (f) the consequences of failing to comply with the notice.

Payment

7.—(1) Subject to regulation 20(4) (suspension of requirements and notices pending appeal) and sub-paragraph (2), a variable monetary penalty shall be paid by a seller within 56 days beginning with the date of service of the final notice.

(2) If the decision to impose a variable monetary penalty is the subject of an appeal then to the extent that that decision is upheld, the penalty shall be paid by the seller within 28 days beginning with the date upon which the appeal is determined.

Early payment discount

8. A seller may discharge liability to a variable monetary penalty by paying 50% of the amount of the penalty within 28 days beginning with the day on which the final notice imposing it is received.

Late payment penalty

9. If a variable monetary penalty is not paid within the period specified in paragraph 7 the amount payable shall be increased by 50%.

Grounds of appeal

10.—(1) A seller may appeal against the Department's decision to impose a discretionary requirement.

(2) The grounds of appeal are—

- (a) that the decision was based on an error of fact;
- (b) that the decision was wrong in law;
- (c) in case of a variable monetary penalty, that the amount of the penalty is unreasonable;
- (d) in the case of a non-monetary discretionary requirement, that the nature of the requirement is unreasonable;
- (e) that the decision was unreasonable for any other reason;
- (f) any other reason.

PART 2

Variable monetary penalties: maximum amounts

<i>Breach</i>	<i>Maximum amount which may be imposed as a variable monetary penalty</i>
Failure to comply with the requirement to charge in accordance with regulation 6 (regulation 11(1) and (2))	£10,000
Failure to comply with the requirement to pay the net proceeds of the charge to the Department in accordance with regulation 8 (regulation 11(1) and (2))	£20,000 or 10% of the amount estimated to be due – whichever is the greater
Failure to keep records in accordance with regulation 9 (regulation 11(1) and (2))	£5,000
Failure to retain records in accordance with regulation 9 (regulation 11(1) and (2))	£5,000
Failure to supply records in accordance with regulation 10 (regulation 11(1) and (2))	£5,000
Without reasonable cause, giving false or misleading information to the Department (regulation 11(3))	£20,000
Without reasonable cause, otherwise obstructing or failing to assist the Department in the conduct of its functions under these	£20,000

SCHEDULE 4

Regulation 15

Non-monetary Discretionary requirements: enforcement

1.—(1) In this Schedule—

“specified steps” means the steps specified in a final notice under paragraph 6(c)(i) of Schedule 3;

“specified period” means the period specified in a final notice under paragraph 6(c)(ii) of Schedule 3.

(2) A reference in this Schedule to a complete failure is a reference to a seller having taken none of the specified steps within the specified period.

(3) A reference in this Schedule to a partial failure is a reference to a seller having taken at least one, but not all, of the specified steps within the specified period.

Power to impose non-compliance penalties

2.—(1) If a seller fails to comply with a non-monetary discretionary requirement the Department may by notice impose a non-compliance penalty on the seller.

(2) A non-compliance penalty may be imposed in respect of a complete or partial failure to comply with a non-monetary discretionary requirement.

(3) A non-compliance penalty may be imposed irrespective of whether a variable monetary penalty was imposed in addition to the non-monetary discretionary requirement to which the non-compliance penalty relates.

(4) The amount of a non-compliance penalty is to be determined by the Department.

(5) The maximum penalty which may be imposed by the Department as a non-compliance penalty is the amount specified in sub-paragraph (6) by reference to the kind of failure concerned.

(6) The maximum penalties are—

- (a) £5,000 in relation to a partial failure;
- (b) £5,000 in relation to a complete failure.

Notice of intent

3.—(1) Where the Department proposes to impose a non-compliance penalty on a seller, the Department shall serve by post on that seller a notice of what is proposed (a “notice of intent”).

(2) A notice of intent shall include information as to—

- (a) the kind of failure in relation to which the Department proposes to impose the non-compliance penalty;
- (b) the specified steps which remain to be taken by the seller concerned;
- (c) the amount of the penalty proposed;
- (d) how payment may be made;
- (e) the date by which payment would be due;
- (f) the consequences of failure to make payment by the date it is due;
- (g) the right to make representations and objections conferred by paragraph 4;
- (h) the 28 day period within which representations and objections may be made;
- (i) the circumstances (if any) in which the Department may be inclined to reduce the amount of the penalty imposed.

Making representations and objections

4. Within 28 days beginning with the date of service of the notice of intent, the seller may make written representations and objections to the Department in relation to the proposed imposition of a non-compliance penalty.

Decision whether to impose a non-compliance penalty

5.—(1) After the end of the 28 day period for making representations and objections under paragraph 4, the Department shall decide whether to impose the non-compliance penalty with or without modifications.

(2) Without restricting the power under sub-paragraph (1), the Department may decide not to impose a non-compliance penalty if the Department considers that in all the circumstances of the case it would be inexpedient to do so.

(3) In making a decision under this paragraph the Department shall take into consideration any representations or objections made by the seller in accordance with paragraph 4.

(4) Where the Department decides to impose a non-compliance penalty it shall do so by serving by post a notice on the seller.

(5) A non-compliance penalty notice shall comply with paragraph 6.

Contents of a non-compliance notice

6.—(1) A non-compliance penalty notice shall include information as to—

- (a) the grounds for imposing the non-compliance penalty;
- (b) the Department's response to any representations and objections made by the seller, including the effect (if any) on the amount of the penalty imposed;
- (c) the amount of the penalty;
- (d) how payment may be made;
- (e) the date by which payment shall be made;
- (f) the right of appeal; and
- (g) the consequences of failure to make payment by the date it is due.

(2) A non-compliance penalty shall be paid by a seller within 56 days beginning with the date of service of the non-compliance notice.

(3) But this is subject to sub-paragraph (4) and regulation 20(4) (suspension of requirements and notices pending determination of an appeal).

(4) If the requirements of the non-monetary discretionary requirement are complied with before the 56 days expire, the non-compliance penalty is not payable.

(5) A seller on whom a non-compliance penalty notice is served may appeal against it.

(6) The grounds of appeal are—

- (a) that the decision to serve the notice was based on an error of fact;
- (b) that the decision was wrong in law;
- (c) that the decision was unfair or unreasonable for any reason (including, in a case where the amount of the non-compliance penalty was determined by the Department, that the amount is unreasonable);
- (d) any other reason.

Payment of non-compliance penalties following appeal

7. If a non-compliance penalty notice is the subject of an appeal, then to the extent that the notice is upheld, the penalty shall be paid by the seller within 28 days beginning with the day on which the appeal is determined.

Non-compliance penalties: late payment penalty

8. If a non-compliance penalty is not paid within the period allowed by paragraph 6(2) or (as the case may be) by paragraph 7, the amount shall be increased by 50%.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision about a minimum amount sellers of goods shall charge for carrier bags. The Regulations are made under sections 77 and 90 of, and Schedule 6 to, the Climate Change Act 2008.

Part 1 of the Regulations deals with definitions. It includes a definition of “carrier bag” and a definition of “seller” and appoints the Department of the Environment to administer the provision made by the Regulations.

Part 2 of the Regulations deals with the minimum amount (5 pence) which a seller shall charge for a carrier bag and the types of carrier bags to which the requirement to charge does not apply (the bags in question are set out in Schedule 1 to the Regulations). It also specifies that the net proceeds of the charge are to be paid to the Department.

Part 3 of the Regulations deals with the keeping, retention and supply of records by sellers.

Part 4 of the Regulations specifies the circumstances in which a seller breaches these Regulations.

Part 5 of the Regulations concerns civil sanctions. It introduces Schedules 2 and 3 and deals with the circumstances in which a formal proposal to impose a fixed penalty or discretionary requirement cannot be made.

Schedule 2 confers power on the Department to impose fixed monetary penalties and contains associated procedural rights and obligations. Schedule 3 confers power on the Department to impose discretionary requirements and contains associated procedural rights and obligations.

Part 6 of the Regulations deals with enforcement and non-compliance. It confers enforcement powers on the Department; allows the Department to recover certain enforcement costs which it has reasonably incurred; and allows the Department to recover penalties and enforcement costs through the civil courts. This Part introduces Schedule 4 which allows the Department to impose penalties on sellers who fail to comply with certain requirements previously imposed on them. This Part also allows the Department to require sellers to publish details of any civil sanctions they have incurred.

Part 7 of the Regulations deals with administrative matters such as the scope of the Department’s powers under the Regulations, general provision in relation to appeals, and duties on the Department to publish guidance about how it will exercise its civil sanctioning and enforcement powers under the Regulations.

An impact assessment has been prepared for these Regulations. A copy can be downloaded from http://www.doeni.gov.uk/partial_ria_single_use_carrier_bags_regulations.pdf

A draft of the Regulations was notified to the European Commission in accordance with:

(1) Article 8 of Directive 98/34/EC of the European Parliament and of the Council laying down a procedure for the provision of information in the field of technical standards and regulations (OJ No. L204, 21.7.1998, p. 37) last amended by Council Directive 2006/96/EC (OJ No. L363, 20.12.2006, p. 81); and

(2) Article 16 of European Parliament and Council Directive 94/62/EC of 20 December 1994 on packaging and packaging waste (OJ No. L365, 31.12.1994, p. 10) last amended by Regulation (EC) No. 219/2009 (OJ No. L87, 31.3.2009, p. 109).

Figure 1

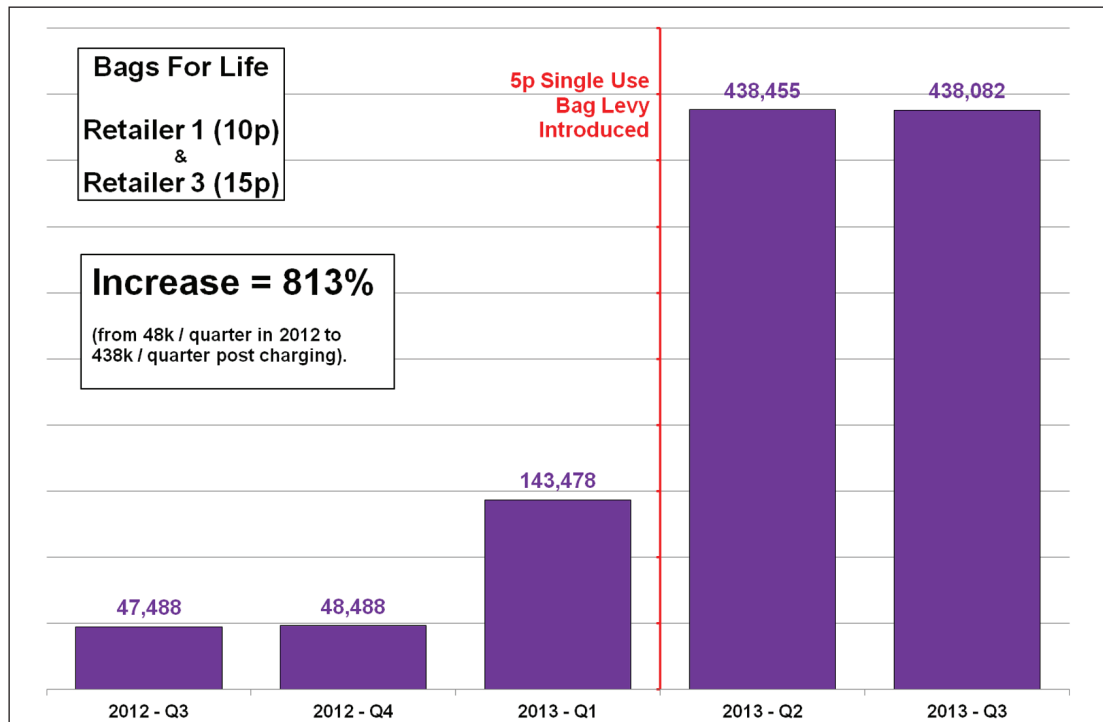


Figure 2

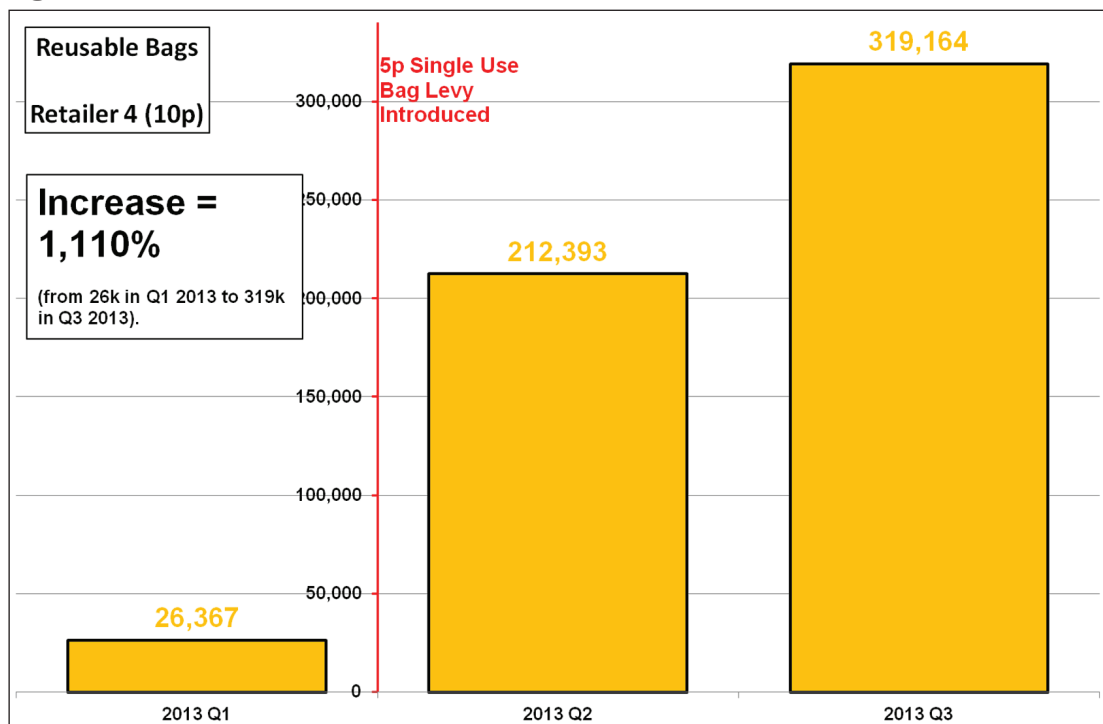
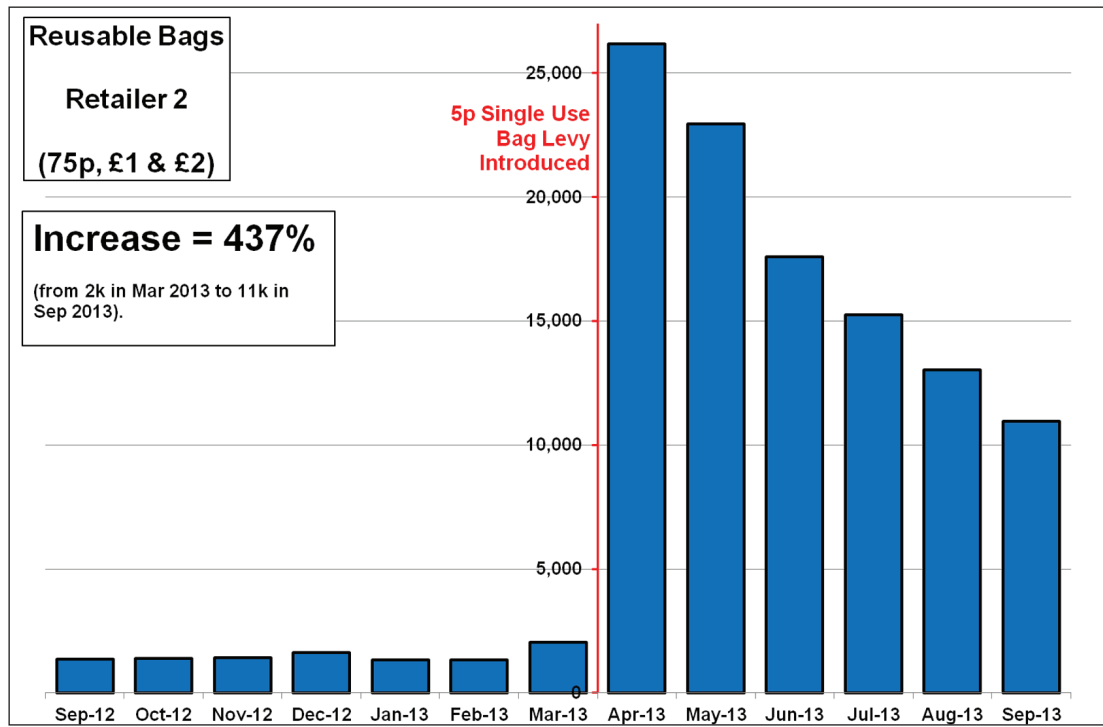


Figure 3



Departmental letter re Bill Timetable

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Telephone: 028 9025 6022

Email: privateoffice.assemblyunit@doeni.gov.uk

Your reference:

Our reference:

Date: 18 October 2013

Sheila Mawhinney
Clerk to the Environment Committee
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Dear Sheila

RE: Carrier Bags Bill

At its 10 October meeting, the Committee asked whether the Department could consider deferring the commencement of the legislation to allow a longer lead in time for retailers and to develop an evidence base on the effectiveness of the first phase of charging.

At the 17 October meeting, officials outlined the background and rationale for the carrier bag levy programme. In March 2012 the Executive published its Programme for Government 2011-15 (PfG). This included an Executive commitment to introduce a carrier bag levy on single use bags in April 2013 - and to extend the levy to low cost reusable bags by April 2014. That approach had previously been approved by the Executive in November 2011.

The DOE is responsible for ensuring delivery of this Executive commitment. The first stage was successfully delivered last April and we are now working towards the extension of the levy to low cost reusable bags. In September, the Environment Minister announced that the levy on reusable bags would apply to all such bags costing less than 20 pence. Thus the final policy position and intention of the Executive and Department has now been confirmed and published.

The policy rationale and requirement to extend the levy to low cost reusable bags has been recognised from the outset - and was reflected in the Executive's PfG commitment as published in 2012. There is a significant environmental imperative to deter multiple purchases of carrier bags by consumers by ensuring that the levy also applies to low cost reusable bags, which retail for as little as 6p. Otherwise, the obvious risk is that consumers would be encouraged to buy low cost reusable bags as an alternative to paying the 5p levy on single use bags. These reusable bags could then become the new throwaway bags, by virtue of their relatively low retail price. The objective of extending the levy to low cost reusable bags costing less than 20 pence will be to encourage re-use by consumers.

Thus the 2012 policy decision was to extend the levy to low cost reusable bags as soon as the necessary legislation could be brought into effect. Phase 2 of the levy should therefore not be viewed as a reaction to Phase 1. The published intention has always been to apply the levy to low cost reusable bags. The two phased approach simply reflected the need to make new carrier bag legislation and to provide sufficient lead-in time, including time of scrutiny and approval of the legislation by the Assembly.

Early evidence emerging from Phase 1 also confirms the original policy rationale for extending the levy to low cost reusable bags. That evidence reveals a significant fall in single use bag numbers – but a huge increase in sales of low cost reusable bags.

The Department had anticipated that the levy on single use bags would generate a 70% increase in sales of low cost reusable bags, in the period before the levy was extended to cover them. However data supplied by some retailers operating across Northern Ireland suggest increases in excess of 800% - more than 10 times the Department's original estimate. This data, which has already been forwarded to Committee for information, comes from a total of 168 outlets across the region and shows that since April this year those retailers have sold over 1.5 million re-usable bags that are not subject to the levy. Clearly such a trend, if continued unchecked, would diminish the environmental benefits arising from the initial reduction in the numbers of single use bags used by consumers.

Retailers do not have a statutory obligation to supply this information to the Department, and some have chosen not to do so. However, the available data does suggest that retailers are now selling massive amounts of new low cost reusable bags – bags not subject to the levy - and it is unlikely that these are being reused to their full potential, given their low cost.

Our objective is not to generate frequent purchases of new reusable bags, but rather to encourage individuals to re-use each bag to its full potential. This does not appear to be happening at present. Indeed a June 2013 telephone survey found that only 56% of consumers regularly re-use their bags. Studies elsewhere suggest that, if anything, this overstates actual in-store shopping behaviour.

Extending the levy to low cost reusable bags will increase their retail price, which in turn should encourage consumers to avoid the levy by actively re-using their bags. Indeed, customers can avoid the levy completely by returning their worn-out bags to grocery stores for replacement free of charge under the “bag for life” policy operated by a number of major retailers. The Department fully accepts the need to work effectively with retailers to communicate the “bag for life” policy to consumers.

In summary, the Department believes that for all of the environmental reasons that have been rehearsed before, Phase 2 of the bag levy remains fully justified. The Department remains focused on early implementation, in line with the commitment in the Executive's Programme for Government.

However, we also acknowledge that the Committee and the Assembly must have sufficient time to complete effective scrutiny of both the primary and subordinate legislation associated with Phase 2. We accept that this may now have implications for targets set for extension of the levy in the Programme for Government.

In order to ensure adequate time for completion of all Assembly stages of scrutiny and approval of the relevant primary and subordinate legislation, we now plan to introduce the extended levy two months after the making of the final Regulations. This will also ensure that retailers, who are now aware of our final policy intentions in respect of the extension of the levy, will have a two month final notice period in respect of the actual implementation date.

The Committee agreed following its meeting on 17 October that it would like the Department to consider an amendment to Clause 1 of the Bill to specify a date for commencement of Regulations. The Department agrees that it would be useful to specify the implementation

date in the Bill. We will now consult with the Office of Legislative Counsel about the best way of achieving this.

The actual date can be determined once we have greater certainty about the final date for completion of the passage of the Bill through the Assembly and to allow sufficient time after the Bill receives Royal Assent for presentation and approval of the relevant Regulations. The date specified would also take account of our proposal to allow a two month period to elapse between making of the final Regulations and their coming into effect.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO
[by e-mail]

Departmental letter re proposed amendment

Sheila Mawhinney
Clerk to the Environment Committee
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Telephone: 028 9025 6022
Email: privateoffice.assemblyunit@
doeni.gov.uk
Your reference:
Our reference: CQ/171/13

Date: 23 October 2013

Dear Sheila

RE: Carrier Bags Bill (CQ/171/13)

Officials attended the Committee meeting on 17 October 2013 for the informal clause by clause analysis of the Carrier Bags Bill.

At that meeting officials agreed to provide information on emerging Welsh Government proposals relating to carrier bag charging in Wales. These proposals are in reaction to the increase in sales of low cost reusable bags in Wales since the introduction of the minimum charge on single use bags in October 2011.

Officials also agreed to provide Committee with details of the amendment to the Bill that the Minister will be bringing forward at Consideration Stage.

Welsh Government Proposals

There has been a delay in the publication of the Welsh Government's proposals and we are therefore not yet able to advise the Committee of what is planned. We hope to be able to do so within the next few weeks.

Ministerial Amendment to Carrier Bags Bill

When Executive approval was sought to introduce the Carrier Bags Bill the First Minister requested that the Bill should make specific provision for an 'ad hoc review' of the exemptions provision. This is in addition to the general review of charging arrangements already included in the Bill (Clause 9).

Minister Attwood agreed to amend the Bill to make such provision and to bring this amendment forward at Consideration Stage. Officials have been working with the Office of the Legislative Counsel to agree the wording of the amended clause.

A copy of the amendment as drafted by OLC is included at **Annex A**.

Finally, Committee also asked the Department to consider an amendment to Clause 1, specifying a date for the commencement of regulations. I can confirm that this request was addressed in my letter of 18 October.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO

[by e-mail]

Proposed amendment

Carrier Bags Bill

Departmental amendment for Consideration Stage

Clause 9 (Page 3, Line 30)

Leave out subsection (4) and insert-

- “(4) Subsections (1) and (2) do not affect the generality of subsection (5).
- (5) The Department may at any time review whether any description of carrier bag should attract the requirement to charge.
- (6) Expressions used in subsection (5) and in the charging provisions have the same meaning in that subsection as in those provisions.
- (7) In this section-

“charging provisions” means section 77 of and Schedule 6 to the 2008 Act and any regulations made under those provisions;

“the Department” means the Department of the Environment.”

Clause 9 as amended

Review

- 9.— (1) The Department must, within 3 years of this Act coming into operation, prepare a report on the operation of the charging provisions.
- (2) A report under this section must assess—
 - (a) the effectiveness of the charging provisions;
 - (b) whether any amendments to the charging provisions are necessary or desirable.
- (3) The Department must—
 - (a) lay a report under this section before the Assembly;
 - (b) publish a report under this section in such manner as it thinks appropriate.
- (4) Subsections (1) and (2) do not affect the generality of subsection (5).
- (5) The Department may at any time review whether any description of carrier bag should attract the requirement to charge.
- (6) Expressions used in subsection (5) and in the charging provisions have the same meaning in that subsection as in those provisions.
- (7) In this section-

“charging provisions” means section 77 of and Schedule 6 to the 2008 Act and any regulations made under those provisions;

“the Department” means the Department of the Environment.

Departmental letter re Welsh Government proposals

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Date: 4 November 2013

Dear Sheila

RE: Carrier Bags Bill (CQ/171/13)

Officials attended the Committee meeting on 17 October 2013 for the informal clause by clause analysis of the Carrier Bags Bill.

At that meeting officials agreed to provide information on the Welsh Government proposals in response to the increase in sales of low cost reusable bags in Wales since the introduction of the minimum charge on single use bags in October 2011.

Officials have already informed Committee of the main features of the Waste and Resources Action Programme's (WRAP) UK Voluntary Carrier Bag Agreement 2013 Monitoring document:

- Based on a sample of 5 retailers, there was a substantial increase in the number and weight of 'bags for life' (BfL) purchased in Wales: the increase is around 120-130% (i.e. more than doubling) between 2010 and 2012. In contrast, BfL purchases in the UK fell for the same retailers; and
- In terms of weight, the increase in BfL purchased was approximately 30% of the reduction in weight of thin-gauge bags between 2010 and 2012 (i.e. a substantial minority of the reduction in material use associated with fewer thin-gauge bags was negated by more BfL).

We are now in a position to advise Committee that the Welsh Government is consulting on an extension to the Welsh Ministers' enabling powers under the Climate Change Act 2008, as part of the proposal for a new Environment Bill. A White Paper was published on Wednesday 23 October 2013.

Currently the Welsh Ministers' enabling powers are limited to making regulations for charges in respect of single use carrier bags. In the White Paper stakeholders are asked for their views on the proposal for an extension to these enabling powers so that Welsh Ministers can have greater flexibility "to adapt to any emerging consumer trends or unintended consequences of the single use carrier bags charging regime".

The specific proposal is:

“To enable the Welsh Ministers, by regulations, to provide for minimum charges to be set for other types of carrier bags in addition to the minimum charge currently set on single use carrier bags. (This would mean that minimum charges could be set for reusable plastic bags if evidence shows that such charges are necessary)”.

The White Paper outlines that should future monitoring identify that that the sale and disposal of bags for life, particularly reusable plastic bags, is continuing to rise, the Welsh Ministers might decide to tackle the increase in demand by using their proposed extended enabling powers to place a minimum charge on the low cost reusable plastic bags.

We would stress that these are merely proposals and that the Welsh Government will be considering the views of its stakeholders on the proposals before deciding whether to proceed. The consultation closes on 15 January 2014 and a consultation response report will be published in Spring 2014.

I attach the web link for the Environment Bill White Paper written statement for the information of Members:

<http://wales.gov.uk/about/cabinet/cabinetstatements/2013/environmentbillwhitepaper/?skip=1&lang=en>

The following web link will direct Members to the White Paper consultation page:

<http://wales.gov.uk/consultations/environmentandcountryside/environment-bill-white-paper/?lang=en>

Finally, I can confirm that the other issues raised in CQ/171/2013 - relating to the amendment to the Bill that the Minister will be bringing forward at Consideration Stage and the Committee’s request for the Department to consider specifying a date for the commencement of regulations - have already been addressed in separate correspondence.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond

DALO

[by e-mail]

Departmental letter re proposed amendment and proposed timetable

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Date: 12 November 2013

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Dear Sheila

RE: Carrier Bags Bill (CQ/185/13)

Following the Committee meeting on 7 November, Committee:

- (i) asked the Department to consider an amendment to the Bill to specify the date of the implementation of clause 1; and
- (ii) requested detailed information on the Department's plans and timetable for communicating the proposed changes to consumers.

We are now following up on these two issues.

The extension of the carrier bag levy to reusable bags in April 2014 is one of the Commitments in the Executive's Programme for Government. Therefore the Minister will need to engage with his Executive colleagues on a proposal to delay implementation of the extended levy beyond that date. We are now arranging for that to happen.

We are also consulting with the Office of Legislative Counsel on what options are available to secure an amendment to the Bill to specify the date of implementation of Clause 1.

We will revert to the Committee once we have further information and confirmation in relation to the above two requests.

The Committee has also sought information on the Department's communications plans for Phase 2. These will build on the successful communications effort we delivered ahead of the introduction of the levy itself last April and will focus on ensuring that consumers understand how the further adjustments to the levy will operate. Relevant officials will be available to attend Committee to summarise the Department's proposals, and respond to any questions that Members may wish to raise on this aspect of the extension plans.

I trust this interim update on the position is helpful. As noted above I will provide further information to the Committee once we have completed the further consultation highlighted above.

Yours sincerely,

Helen Richmond
DALO [by e-mail]

Departmental letter re proposed amendment

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Your reference:

Our reference:

Date: 18 November 2013

Sheila Mawhinney
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BT4 3XX

Dear Sheila

Carrier Bags Bill (CQ/185/13 and CQ/190/13)

Following the Committee meeting on 7 November, Committee asked the Department to consider amending the Bill to specify the implementation date for Phase 2 of carrier bag charging – the extension of the levy to low cost reusable bags. Committee has also requested information on the Department's proposed communications campaign.

Further detail on both of these issues is provided below.

Amendment of the Bill

As confirmed previously, because the extension of the carrier bag levy to reusable bags in April 2014 is one of the key commitments in the Executive's Programme for Government, the Minister will wish to advise his Executive colleagues of the anticipated slippage in the implementation of extended charging.

At the same time, officials have been working with the Departmental Solicitor's Office and with the Office of Legislative Counsel to explore options for amending the Bill in line with Committee's request. We now believe that, subject to Executive agreement and final legal clearance, it may be possible to amend the Bill to set a specific date for the implementation of extended charging.

Work is underway to draft the amendment – and we will forward the precise wording to Committee as soon as possible. In essence however, we anticipate that the new clause will amend the Single Use Carrier Bags Charge Regulations (NI) 2013 to:

- (i) extend their scope from single use carrier bags to "carrier bags";
- (ii) amend the existing exemptions provision to add 2 additional exemptions for:

- (a) bags with a retail price of 20 pence or more;
- (b) bags that are issued as free replacements for 'bags for life.'

We also anticipate that the wording of the clause will specify the precise implementation date for Phase 2. In order to ensure an effective lead-in period, we are proposing that this should be 6 October 2014.

The effect of this amendment is that the Bill itself – rather than the subsequent subordinate legislation - will deliver the legislative provision that is critical to implementing Phase 2. The Department would still propose to make Regulations in due course – the purpose of these would now be to deliver some non-critical amendments and ensure legislative clarity.

This revised approach means that retailers and consumers will have legislative certainty as soon as the Bill receives Royal Assent. It also gives the Department a dedicated period in which to run its Phase 2 communication campaign.

Communication Campaign

The Phase 1 communication campaign focused exclusively on single use carrier bags. It would have been confusing to do otherwise and the success of the Phase 1 campaign suggests that this was the correct decision.

However the Department fully accepts that consumers are not generally aware of plans to extend the levy to low cost reusable bags. This in turn means that they not aware of the environmental rationale for this approach – or of the type of bags that will be subject to the levy. In these circumstances, consumers are much more likely to intuitively oppose any increase in the price of carrier bags.

The Department recognises the need to address this issue. During the lead-in period to Phase 2, the Department will conduct a comprehensive and focused communication campaign. We believe that the declaration in the Bill of a firm implementation date will be very helpful in this respect. It will create certainty for both retailers and consumers – and will establish a dedicated period in which to communicate the new arrangements.

Our communication activity will build on the successful campaign delivered in the lead up to April 2013. It will continue to reinforce the message around the environmental benefits of the levy. However, in the months leading up to the Phase 2 implementation date, it will progressively focus on informing consumers about the new arrangements. The campaign will target primarily consumers and large retailers, who will be the main groups affected by the proposed changes. In particular, we will prioritise engagement with large retailers.

The main elements of the communications campaign will include:

- (i) stakeholder engagement;
- (ii) an emphasis on social media;
- (iii) providing readily accessible information and resources online (posters, videos, e mail newsletters, detailed Q&A material, fact sheets);
- (iv) outreach to local authorities and consumer associations;
- (v) clear community and environmental benefits;
- (vi) engagement with schools through the Eco-Schools Programme;
- (vii) participation at events; and
- (viii) a dedicated information phone line.

At this stage, pending confirmation of the precise implementation date, we are unable to confirm timings for individual activities. However officials will be happy to attend the next appropriate meeting of Committee to brief Members both on the amendment to the Bill and our planned communication activity.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond

DALO

[by e-mail]

Departmental Letter re Proposed Amendment

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Email: ,privateoffice.assemblyunit@doeni.gov.uk

Your reference:

Our reference:

Date: 25 November 2013

Dear Sheila

Carrier Bags Bill (CQ/195/13)

Following the Committee meeting on 21 November, Committee requested details of the Department's proposed amendment dealing with the commencement of Phase 2 of carrier bag charging arrangements.

The text of the amendment is provided as a schedule to this letter. Where appropriate, we have provided some additional text (in bold blue font) to explain the rationale for the drafting. This is intended as guidance for Committee – to inform any discussion on Tuesday 26 November. This text will of course not form part of the Bill.

The amendment should be read in conjunction with the Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013; for ease of reference, I have attached an electronic link to those Regulations.

I should again confirm that the effect of this amendment is that the Bill will provide for the commencement of Phase 2 carrier bag charging with effect from 5 January 2015.

The Department will still bring forward carrier bag regulations in due course; the purpose of these would be to provide further clarity and deliver a number of non-critical amendments that have already been discussed with Committee.

I trust this information is of assistance, should you require anything further please contact me directly.

Yours sincerely,

Helen Richmond
DALO

DEPARTMENTAL AMENDMENT

Note: This amendment will be inserted after Clause 8 of the Bill.

The Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013 can be accessed at: <http://www.legislation.gov.uk/nisr/2013/4/contents/made>

'Amendments of the 2013 Regulations

8A.—(1) The Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013 (“the 2013 Regulations”) are amended as follows.

(2) For regulation 3 (meaning of “single use carrier bag”) substitute—

“Meaning of “carrier bag”

3. In these Regulations “carrier bag” means a bag of any material supplied or designed for the purpose of enabling goods to be taken away or delivered.”.

(3) Except in regulation 1(1) (citation)—

- (a) for “single use carrier bag” (wherever occurring) substitute “carrier bag”;
- (b) for “single use carrier bags” (wherever occurring) substitute “carrier bags”.

The purpose of the above is to extend the 2013 Regulations to deal with carrier bags – not just single use bags. The decision to retain the references to single use carrier bag in the citation is taken on the advice of the Office of Legislative Counsel. In due course, the Department will bring forward amended Regulations which remove all references to single use carrier bags.

(4) In regulation 6, for the words from “for the purpose” to the end substitute “at a place where goods are sold”.

The purpose of the above is to provide that the levy will apply even if the bags are not used immediately. This is consistent with the approach previously agreed by Committee in its consideration of Clause 3 of the Bill.

(5) In paragraph 1 of Schedule 1 (exemptions)—

- (a) in sub-paragraph (1), after head (k) add—
 - “(l) bags which are sold to customers for a price of not less than 20 pence each;

(m) multiple reuse plastic bags that are issued as free replacements for a corresponding number of worn out multiple reuse plastic bags.”;

The purpose of the above is to provide that carrier bags priced at 20 pence or more will be exempted from the levy. It also provides that bags issued as free replacements for worn-out ‘bags for life’ will be exempted from the levy.

- (b) in sub-paragraph (3), after the definition of “medicinal product” insert—
 - “ “multiple reuse plastic bags” means bags which—
 - (a) are made wholly or mainly from plastic;
 - (b) have either maximum dimensions of 404 mm (both width and height) or a maximum dimension of 439 mm (either width or height);
 - (c) are manufactured from material which is greater than 49 microns in thickness;
 - (d) are purchased by the customer; and

- (e) when worn out are returnable to the seller from whom they were purchased to be replaced free of charge.;"

The purpose of the above is simply to provide a definition of what constitutes a multiple reuse plastic bag. The definition is consistent with that already used in the 2013 Regulations.

- (6) This section comes into operation on 5 January 2015.

The purpose of the above is effectively to provide in the Bill the specific commencement date for extended charging.

- (7) Nothing in this section affects any power to amend or revoke the 2013 Regulations.'

Additional minor amendments

Clause 9, Page 3, Line 21

Leave out 'Act' and insert 'section'

Long Title

After 'bags;' insert 'to amend the Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013;'



Northern Ireland
Assembly

Appendix 6

Other Papers

Behavioural study on carrier bag use report (NIEL)

Consumer behavioural study on the use and re-use of carrier bags 2012



A review of consumer perceptions and usage of single use carrier bags, bags for life and other containers in Scotland and Wales

A report of a study that provides information about the levels of use of different shopping bags and containers by consumers in Scotland and Wales. The purpose of this report is to assist Zero Waste Scotland, Scottish Government and Welsh Government develop policies, advice, tips and tools to help the reduction of new single carrier bag use

FINAL REPORT (Wales)

March 2013



Ariennir yn Rhannol gan
Lywodraeth Cymru
Part Funded by
Welsh Government

This document has been prepared by Exodus Research who carried out the research on behalf of Zero Waste Scotland and the Welsh Government.

Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government.

Should you require any further information about this document or the information contained within please contact:

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Zero Waste Scotland works with businesses, individuals, communities and local authorities to help them reduce waste, recycle more and use resources sustainably.

Find out more at www.zerowastescotland.org.uk

Written by: Exodus Research



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Exodus Research: Roy Page | Lorryne Ventour
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Executive summary

This report provides an evaluation of the impact of a charge for single use carrier bags by the Welsh Government one year after implementation (01 October 2011) and explores the changes in consumer behaviour that have followed this legislation. A report has also been provided to the Scottish Government on perceptions and behaviours of their own population, as they consider implementing a similar charge for single use carrier bags at some point in the future.

Exodus Research was commissioned by the Welsh Government and Zero Waste Scotland to conduct a telephone research survey amongst 1005 Scottish and 1012 Welsh households to understand the views and stated behaviours of consumers in relation to their use of single use bags, bags for life and other containers whilst shopping. In addition, the project team asked Exodus to provide 9000+ observations of actual consumer behaviours whilst purchasing goods in food chain, non-food chain and independent shopping sites (4884 Wales and 4645 Scotland transactions were observed).

The results of both phases of research are individually statistically robust, however interesting comparisons can be drawn from analysis of the two datasets where respondents stated behaviours differ from what was observed. In addition, the behaviours of the retailers particularly provide an additional perspective on how the desired reduction in single use carrier bag use is being interpreted and implemented, and the ultimate environmental impact of the scheme in practice.

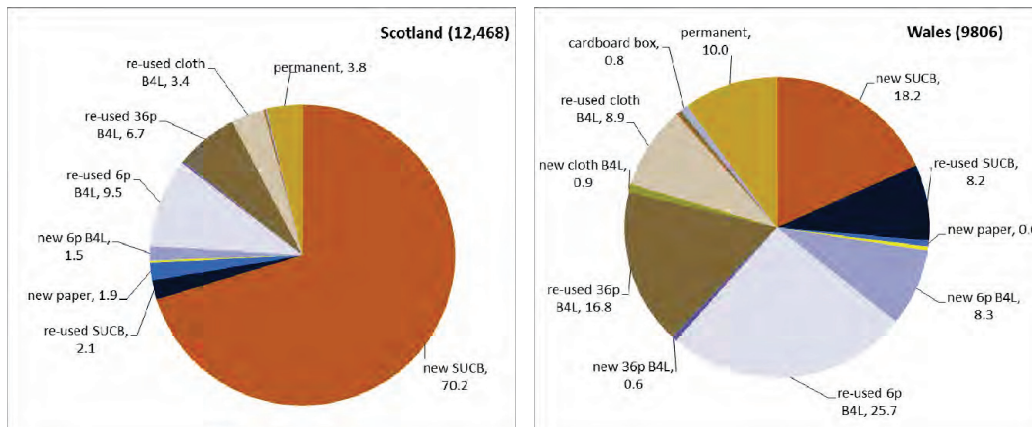
Types of containers observed in use

The number of different types of bags or containers used by shoppers during the in-store observational research was recorded and shoppers in Wales were observed to have used 9806 bags or containers, whilst those in Scotland used 12,468. Although this analysis does not take account of items taken away loose, less than a fifth (18.2%) of all containers used by Welsh shoppers were single use carrier bags (SUCB); whilst the majority of containers used by Scottish shoppers are SUCBs with these accounting for 70.2% of all containers.

The number of bags for life used by Welsh consumers accounted for more than 6 in 10 transactions compared with only 2 in 10 of Scottish respondents that were using any form of bag for life. Similarly nearly three times the number (10.0%) were consumers using their own permanent bag in Wales compared to those in Scotland (3.8%) across all types of shopping.

The following charts illustrate the proportion of containers by type that were observed being used by consumers in Scotland and Wales for all types of shopping trips.

Figures 1 and 2 Proportion of containers observed being used by shoppers by type in Scotland and Wales (*containers >0.5% labelled*)



The extent to which consumers (re-)use single use and reusable bags when shopping

Anecdotal observations suggest that the store’s behaviour at checkouts is key to the take-up of new SUCBs. Particularly in Scotland cashiers offer new SUCB in all types of stores and/or will begin to pack items in new SUCB without asking the customer. The difference in assumption of better environmental practices with regards to bag use in the Welsh and Scottish retail environments are obvious and there can be little doubt that the charge has profoundly influenced consumer behaviour in Wales.

The percentage of consumers only using new SUCB for all types of shopping was observed to be nearly half in Scotland (47%) compared to only 12% of Welsh consumers, and for all ages and shopper composition the Scottish were far more likely to be selecting new SUCB. This is not surprising in some respects, as Scottish retailers’ staff were observed to provide new SUCB as the default option in many transactions at the till in all types of shopping activities. It should also be noted that this activity was also prevalent in non-food shops in both Scotland and Wales.

The numbers of shoppers re-using SUCB for any type of shopping was quite low; in Wales just less than 10% were observed to be re-using one or more SUCB and this was twice as many as those observed in Scotland. This figure may be further distorted by SUCB re-use observations being distorted by ‘same day’ re-use of bags from other purchases/ retailers.

Heavy duty plastic bags for life retail for 6-10p per bag and it was observed that some retailers are pushing the use of heavy duty plastic bags for life to consumers at tills - **if these are in fact not being re-used and replaced as intended this may have unforeseen unfavourable effects on the environment in the wider context. Analysis by retailer suggests that some supermarkets are quite prolific in the distribution of these new bags accounting for**

around one in ten of their shoppers and it is understood that the sales of these bags are not covered by the levy, which is something that consumers may not be aware of. Welsh consumers observed in-store were most likely to re-use these heavy duty bags for life for food shopping (25.7%) compared to 9.5% of Scottish shoppers. Only 2.4% of Scottish consumers were observed to purchase a new bag for life during the observations compared to 1 in 10 Welsh shoppers (mostly at food chains). The numbers of Welsh consumers that were observed to re-use bags for life for all types of shopping (44%) was double that of Scottish shoppers (21%). Welsh consumers were also more likely to be taking their re-used bags for life for non-food shops (18%) and at independent stores (33%).

The following table illustrates that from the survey results compared to the observations, households were likely to over-state their re-use of bags for life and under-state use of new SUCB; this may be compounded by respondents taking bags for life but forgetting to use them in-store rather than solely a desire to provide socially acceptable answers.

Table 1 Proportion of households/shoppers re-using bags for life and taking new SUCB by type of store

	Type of store	Scotland		Wales	
		Re-use bag for life	New SUCB	Re-use bag for life	New SUCB
Stated behaviour	Food chain	65.2%	24.8%	79.4%	9.6%
	Non-food chain	24.8%	56.3%	54.7%	27.9%
	Independent	33.3%	27.3%	53.3%	12.9%
Observed behaviour	Food chain	27.7%	66.3%	51.2%	15.8%
	Non-food chain	0.7%	65.9%	17.6%	25.9%
	Independent	2.9%	60.4%	32.7%	24.3%

The ways in which consumers (re-)use bags subsequently

93% of Welsh and 86% of Scottish households stated that they own one or more bags for life. Of these, nearly nine in ten (90% Wales, 89% Scotland) re-use the bags, with the majority saying that this is on at least ten occasions (70% Wales, 68% Scotland). However, of those that indicated that they had disposed of a bag for life within the last year (32% Wales, 23% Scotland), three in ten Welsh and four in ten Scottish respondents said that they did this using the general waste stream.

Even though the intrinsic promise made when purchasing a bag for life is that the bag will be replaced with a new one at end of life once represented to the retailer, only 7 Welsh and no Scottish shoppers were observed replacing a bag for life in this way. These observations along with the self-reported data on disposal of bags for life into residual waste suggests that more research is needed on the actual life journey of the bags for life and the ultimate disposal of these items.

66% of Wales and 81% of Scotland households stated that they own one or more SUCB. Of these, nine in ten (89% Wales, 94% Scotland) re-use these bags, however this is most likely to be on just one occasion (47% Wales, 52% Scotland) and as a bin liner, with most of SUCBs being disposed of in the general waste stream. Overall, less than a three in ten of all respondents that disposed of a SUCB in the last year indicated that they currently recycle any unwanted SUCB (30.4% Wales, 16.0% Scotland).

The following table illustrates that households were most likely to claim that they re-use bags for life for food shopping, whilst they pre-dominantly re-use SUCB as bin liners.

Table 2 Re-use of bags for life and SUCB

Re-use activity	Scotland		Wales	
	Bag for life	SUCB	Bag for life	SUCB
Food shopping	83.0%	21.5%	92.4%	35.5%
Non-food	45.2%	8.9%	66.2%	21.7%
Storage	25.6%	15.7%	24.6%	14.7%
Suitcase	22.3%	17.2%	19.3%	8.2%
Waste	6.9%	69.3%	8.3%	55.3%

The use of non-carrier bag alternatives

The following table illustrates that from the survey results compared to the observations, Scottish households were most likely to over-state their use of their own bags or containers when in a non-food chain or independent store. All respondents under-stated their occasions on which they take items loose; however, the observations do include shoppers using bags and containers in addition to taking a few items loose – these tended to be bulky purchases or those with in-built handles (such as toilet rolls or nappies).

Table 3 Stated and observed use of permanent/own bags and taking items loose

	Type of store	Scotland		Wales	
		Permanent	Loose	Permanent	Loose
Stated behaviour	Food chain	8.8%	4.0%	8.2%	3.4%
	Non-food chain	14.0%	12.2%	13.7%	5.9%
	Independent	19.4%	26.7%	19.0%	12.6%
Observed behaviour	Food chain	8.1%	26.9%	13.3%	39.7%
	Non-food chain	1.2%	14.1%	15.5%	19.3%
	Independent	4.9%	11.3%	13.1%	28.7%

The perceived 'value' of SUCB and bags for life

Around half of the respondents (46% Wales, 52% Scotland) stated that they would prefer to purchase cloth/hessian bags for life if they had to buy a bag to take their shopping home. In the main, Welsh shoppers preferred to buy these because they are stronger than SUCB (49%) and/or because they can re-use them for future shopping trips (35%). 22% of Welsh and 15% of Scottish respondents stated that they would prefer to purchase a heavy-duty (budget) bag for life if they had to buy a bag to take their shopping home. In addition, Welsh shoppers preferred to buy heavy duty bags for life because they are stronger than SUCB (61%) and/or can be re-used for further shopping trips (47%).

Three in ten respondents (30% Wales, 31% Scotland) stated that they would prefer to purchase SUCB if they had to buy a bag to take their shopping home. Mainly Welsh shoppers preferred to buy these because the charge is too small to worry them (54%) and/or because they can re-use the SUCB as a bin liner (20%).

The most common reason given by respondents for taking new SUCB at the till when food shopping in both Scotland (43%) and Wales (58%), was that they did not have their own bags to hand. Anecdotally, these respondents had either forgotten to take their own bags (normally bags for life) or had purchased more items than would fit in the bags that they had taken. Respondents in Scotland were more likely (30% compared to 19%) to state that the shop's cashier had offered them a new SUCB to pack their items as opposed to any other type of bag. Overall, respondents believed that shoppers *in general* are motivated to use new SUCB because of three factors as follows:

- Convenience (45% Wales, 60% Scotland)
- Forget take/use (36% Wales, 37% Scotland)
- Free/low cost (9% Wales, 23% Scotland)

Conversely, the most common (unprompted) reason given for using a previously owned bag for life by the Welsh respondents was that it was the cheapest option or saved them money; nearly half (47%) of those using their bags for life said this, with several specifically mentioning that they wanted to avoid paying the 5p charge. Half of the Scottish respondents said that they used their bags for life because they don't like using SUCB; many additionally mentioned the environmental issues associated with littering and landfill and/or the poor design of the SUCB for carrying heavy or bulky items. Interestingly, the Scottish respondents were more likely to suggest these environmental concerns compared to their Welsh counterparts. This difference in opinion may be due to the carrier bag charge in Wales; Welsh shoppers are aware that they will need to buy bags if they do not take their own alternatives, whilst Scottish shoppers not subject to the levy are more likely to focus on green and not financial implications of using alternatives to SUCB.

Overall, respondents believed that shoppers *in general* are motivated to avoid use of new SUCB because of three factors as follows:

- Environmental/green issues (47% Wales, 52% Scotland)
- Avoid landfill (41% Wales, 42% Scotland)
- Bags for life are stronger (37% Wales, 42% Scotland)

There are three key barriers that need to be overcome if shoppers are to be encouraged to use alternatives to new SUCB. These are:

- Convenience of new SUCB seen as a reason for use (45% Wales, 60% Scotland)
- Use of SUCB by consumers for smaller shops (it is not known if these shops are planned or ad hoc)
- Not remembering to take/use alternatives (36% Wales, 37% Scotland)

However, there are positive messages that are said to encourage change, these being:

- Environmental issues seen as reason for using alternatives (47% Wales, 52% Scotland)
- Durability and design of alternatives (37% Wales, 42% Scotland)

Impact of the charge on how people handle household waste

Three in ten (30%) Welsh and more than four in ten (46%) Scottish respondents indicated that they do actively use SUCB as bin liners, whilst 83% Welsh and 75% Scottish households [also] use purpose made bin liners. Prior to the introduction of the SUCB charge in Wales, 46% of Welsh households used SUCB as bin liners and 74% used purpose made liners. Therefore it can be seen that use of SUCB for waste purposes has decreased (by

15%) since the charge (although a causal effect is unproven), whilst the purchase of purpose made bin liners has increased.

The motivations for supporting the charge and improved behaviour in the use of re-useable bags

The impact of the charge has had a strong effect on the Welsh consumer as more than half say they take a lot less SUCB, mainly to avoid the cost (57%) and for environmental reasons (35.4%). Interestingly nearly 50% of Scottish households claim to take a few or a lot less SUCB and that this is either for environmental reasons or because they are already using bags for life/ own bags. Both national consumer groups are supportive of the charge in respect of encouraging people to use less SUCB and use bags for life/ own bags, although Welsh residents reported that they are currently using more bags for life.

For Wales, the 5p charge has had significant impact on new SUCB use, particularly in food chains, however there are some key issues that should be considered to encourage more positive behaviours:

- Some stores appear to be promoting heavy duty bags for life; this is an issue if the bags are subsequently disposed of to landfill. Throughout several stores (particularly non-food chains and independents) a lack of choice of alternative carriers to SUCB was observed
- Consumers need to be encouraged to return bags for life for free replacement; even considering respondents' claims in the survey regarding stated behaviour, there is much room for improvement
- Use of SUCB as bin liners has decreased as shoppers take fewer new SUCB, however, this is still the most likely re-use activity and so these bags are being sent to landfill after the first 're-use'
- The use of bags for life is becoming 'second nature' but more focus is needed to encourage use for:
 - Smaller shops; shoppers buying a few items are using new SUCB
 - Young families / young men are least likely to use alternatives
 - Non-food chains and independent stores are automatically placing items in new SUCB

The following table illustrates that Welsh respondents were more likely to agree strongly with the positive impacts of the SUCB charge than Scottish respondents who were considering the likely impact of such an introduction within their nation. In particular, Welsh households were most likely to strongly agree that the charge has resulted in a reduction in waste (34%) and littering (32%).

Table 4 Proportion of respondents strongly agreeing on statements regarding the introduction of the charge

Impact of charge	Scotland	Wales
Reduce waste	23.6%	33.5%
Reduce littering	21.9%	31.7%
Benefits charity	23.1%	30.3%
Discourage use of SUCB	19.0%	23.3%
Encourage re-use of SUCB	17.3%	19.9%

Extent to which households are aware of wider waste prevention / recycling issues

The following table illustrates that respondents who stated that they re-use bags for life were more likely to agree with each of the pro-environmental behavioural statements than those who do not use bags for life when shopping. In particular, a comparison of Welsh households with their Scottish counterparts indicates that the Welsh are particularly more inclined to agree with the statements – particularly with respect to using recycling points such as bring-banks or HWRCs, composting at home or using the council's collection services and the importance of recycling/re-using unwanted materials. Although any causal impact is unproven, indications are that the SUCB charge in Wales may be a factor in increasing pro-environmental awareness and behaviours.

Table 5 Proportion of respondents strongly agreeing or agreeing with pro-environmental statements

Statement	Scotland		Wales	
	Do not re-use bags for life	Do re-use bags for life	Do not re-use bags for life	Do re-use bags for life
My household recycles or re-uses more of the waste which used to go in the regular bin	67.8%	85.9%	73.6%	87.5%
I am prepared to recycle items not currently collected by my council's household service by using other recycling points	67.5%	59.9%	84.0%	82.0%
I have become more aware of the importance of recycling or re-use rather than throwing items away in the regular bin	70.8%	68.7%	88.1%	98.4%
I compost as much food/garden waste as possible	39.4%	43.4%	63.6%	71.0%
I am careful about what is thrown away in my household because of the current economic situation	54.6%	76.7%	64.5%	77.7%
I am careful about what is thrown away in my household because of the environmental impacts	67.0%	88.4%	70.6%	88.6%

Conclusions

- The 5p charge has had a significant impact on new SUCB use, particularly within food chains in which only 15.8% of Welsh shoppers were observed taking new SUCB. This compares favourably with two thirds of shoppers in Scotland taking new SUCB where there is currently no national SUCB levy.
- Amongst Welsh consumers, motivations for using bags for life are to avoid the charge and a dislike of SUCB which are seen as being of environmental concern with respect to landfill and littering.
- Around a third of Welsh shoppers overstate use of bags for life in food chains and this rises to two thirds overstating use in non-food chains. There are interesting differences in consumers stated behaviour

during the research interviews and the behaviours observed in practice. This may be due to forgetting to take/use these bags in-store rather than giving socially acceptable responses to the survey questions.

- Within non-food stores and independent outlets use of SUCB is quite prevalent. In many observed shops use of SUCB was often automatic with sales staff placing purchased items immediately into SUCBs. This activity may impact on consumer behaviour and could be addressed by the introduction of store policies and staff training.
- Consumers need to be encouraged to return bags for life for free replacement rather than to dispose of them in the general waste (or using them as bin liners); very few shoppers were observed replacing unwanted bags for life in-store and from the stated behaviour it is apparent that a significant number of unwanted heavy duty plastic bags are ending up to landfill.
- Use of SUCB as bin liners has decreased as shoppers take fewer; but this remains the most likely re-use activity. Regardless of re-use, only three in ten Welsh respondents who disposed of SUCB in the last year indicated that they recycled unwanted single use carrier bags.
- Some stores were observed promoting heavy duty bags for life (which are not covered by the levy), this may be of concern if these bags are being disposed of to landfill and if consumers believe the cost of the bag is in part benefitting charitable organisations when it is outside of the charge and a commercial transaction.
- Use of bags for life is becoming 'second nature', particularly for food shopping, but more focus is needed to encourage use for smaller or ad hoc shops, for non-food shopping activities and also with respect to ensuring consumers remember to take their bags into stores. Young families and men in particular are two consumer groups that should be targeted to change consumer behaviour.

Further Research

This programme of research has provided detailed information on the attitudes and behaviours (both stated and observed) of Welsh shoppers following the introduction of the carrier bag levy one year ago. The data that has been captured has been informative and in some cases has raised further areas of questioning which policy makers may wish to explore further as follows:

- There is a need to further understand the length and life journeys of different types of single use bags and bags for life in order to assess the whole life environmental impact. In particular, this research has highlighted a potential difference in the lifestage of the different types of bags for life that are available to consumers (heavy duty bags for life, recycled polyester and cloth/hessian).
- The observational research raised a possibility of some stores promoting heavy duty bags for life for profit and an exercise to quantify the sales of the different bags sold cross-checked against levy receipts could provide further information on the scale of this activity.
- Similarly, the observational research indicated that few consumers are actively replacing their unwanted bags for life free of charge in-store. Further work could help to understand the extent to which different types of bags for life are being replaced, identify levels of awareness and any barriers preventing consumers replacing bags free of charge and identify the factors that influence consumers' decisions to replace, recycle or dispose of different types of bags.

- If consumers dispose of bags for life in the general waste stream, is the price point that would discourage this too low? What other interventions can be done to have these bags collected by retailers for recycling?
- Some independent and chain store sales staff were observed automatically placing purchases directly into single use carrier bags. Further investigation could help to identify what opportunities there are to encourage non-food and independent retailers to restrict the issuance of SUCB; for example, are there corporate or cultural changes required? Why do consumers act differently in these environments?
- It has been seen that whilst many consumers view the use of bags for life as second-nature, there are other consumers (for example, young males) and some circumstances where use of bags for life is less prolific. A programme of research could assist with understanding what are the decision drivers that influence consumers to select bags for life of different types to identify any design opportunities or if consumers see some bags as more re-usable than others?

NILGA research on carrier bag charges for Environment Committee



Information on Carrier Bag Charges

At their meeting of 26th September, the NI Assembly Environment Committee requested that NILGA research and report on available feedback from other countries that had implemented a carrier bag charge, and specifically a charge on reusable bags.

From this research, it was established that many countries have banned plastic bags outright, while others have banned bags below a certain thickness. Some countries encourage citizens and visitors to use alternative material bags such as jute, cotton, recycled-paper and compostable bags instead of plastic. Many countries require permitted plastic bags to be biodegradable.

Although this information is not precisely what the Committee had requested, NILGA is forwarding the results of our research, as we believe it will be of interest to the Committee members. It should be noted that the picture in the USA is particularly complex, with a myriad of different systems employed at State and local level across the country.

Summary of Countries with Carrier Bag Charges

Africa	Asia	Australia	Europe	North America	South America
Eritrea	Bangladesh	New South Wales	Belgium	British Columbia, Canada	Argentina
Ethiopia	Bhutan	Northern Territory	Bulgaria	Manitoba, Canada	Brazil
Ghana	China	South Australia	Denmark	NW Territories, Canada	Chile
Kenya	India	Tasmania	France	Nova Scotia, Canada	Uruguay
Lesotho	Israel	Victoria	Germany	Ontario, Canada	
Rwanda	Maldives		Ireland	Quebec, Canada	
Somaliland	Philippines		Italy	Mexico	
South Africa	Taiwan		Macedonia		
Tanzania	UAE		Spain		
Uganda			UK		
Zanzibar					

Further Information

Africa

Eritrea

- In 2005, the Eritrean government banned plastic bags outright.

Ethiopia

- In 2008, the Ethiopian government passed a new law (Proclamation 513) that bans the manufacture and import of plastic bags less than 0.33mm in thickness.

Ghana

- Ghana has proposed a thickness rule on plastic bags. The outcome of this proposal is not known at this time.
- In July 2004 the Ghanaian government created a Recycling Taskforce to hire waste collectors to collect and deliver plastic bags to warehouses for recycling. The plastic producers are required to help fund the project.

Kenya

- In January 2008, the country of Kenya applied a thickness rule to plastic bags.

Lesotho

- Lesotho has proposed a thickness rule on plastic bags. The outcome of this proposal is not known at this time.

Rwanda

- In 2005 the Rwandan government banned plastic bags outright.

Somaliland

- Somaliland, an autonomous region of Somalia, has banned plastic bags completely as of March 2005.

South Africa

- In 2003, the country of South Africa applied a thickness rule to plastic bags.

Tanzania

- In 2006, Tanzania banned plastic bags. A city, **Zanzibar**, banned plastic bags in 2006.

Uganda

- In June 2007, Uganda imposed a thickness rule on plastic bags.

Asia

Bangladesh

- Bangladesh banned plastic bags in March of 2002.
- **Dhaka** banned plastic bags in January of 2002.

Bhutan

- Bhutan banned plastic bags in June of 2005. They did this to help reduce litter and thus raise the national happiness quotient.

China

- In January 2008, China imposed a ban on specific plastic bags and also imposed a minimum thickness rule.
- In **Hong Kong**, a tax or charge is levied on plastic bags.

India

- In 2002, the Indian government mandated a thickness rule on plastic bags. All bags must be greater than 20 microns in thickness. This rule was implemented to reduce malaria outbreaks, aid in storm water runoff management also to prevent the sacred cows of India from inadvertently ingesting plastic bags.
- In January 2009, the city of **Delhi**, India announced a ban on the use, storage and sale of all plastic bags. There are heavy fines for violators while citizens and visitors are encouraged to use alternative material bags such as jute, cotton, recycled-paper and compostable bags.
- In September 2012, the Delhi Cabinet approved a ban on the storage, sale, use and manufacture of plastic bags within the city's limits. Previously, there was a prohibition on the use, storage and sale of plastic bags only within commercial areas. The new ban includes all plastic bags and all plastic sheets, films or covers for packaging books, magazines or cards.
- In June 2005, the government in the state of **Maharashtra** enacted a plastic bag ban. This was done in response to localized flooding that was caused by plastic bags clogging waterways.
- As of January 2010 the Municipal Corporation of **Greater Mumbai** has begun pilot programs to ban plastic bags in Mumbai and will be proposing an amendment in the State Government to ban all plastic bags, not just those that are below 50 microns in thickness.

Israel

- In June 2008, the Israeli government enacted a tax or charge upon plastic bags.

Maldives

- In 2009, **Baa Atoll** initiated "Say no to plastic bags," a campaign that distributes cloth bags to all residents.

Philippines

- In 2007 SB1443 was introduced to the Senate that would have created the Plastic Bag Recycling Act. This bill was left pending in committee.
- In 2008, bill 4134 was introduced to House legislature that would place an excise tax on non-biodegradable plastic bags. All money generated from the tax would be used to support government initiated environmental protection programs. This bill was referred to committees and is pending there as of June 2009.

Taiwan

- In Taiwan, a plastic bag ban and tax or charge was enacted in January 2003.

United Arab Emirates

- The United Arab Emirates have voted to ban plastic bags by the end of 2012/beginning of 2013. The emirates plan to utilize education campaigns to help the public prepare for the transition. Some of the emirates are acting earlier; **Ajman** has banned the production of non-biodegradable bags within the emirate starting June 1, 2010.

Australia

- (Countrywide) In October 2002, the Ministers of the Environment Protection and Heritage Council in Australia agreed to pursue a number of actions relating to the reducing the adverse impacts of plastic bags on the Australian environment. A number of work groups were put together to address different aspects of the issue. On July 1, 2005, after reviewing the research and report on the issue, the Environment Protection and Heritage Council agreed to a phase out of lightweight plastic shopping bags by the end of 2008. A voluntary retailer Code of Practice was created and is the primary mechanism developed to achieve the phase out. All shoppers and retailers were expected to have alternatives in place by December 31st 2008. In April 2008, after review of an analysis that showed that the economic costs of a regulatory phase out would significantly outweigh the environmental benefits, the Council has resolved not to endorse uniform regulatory action at this time.

New South Wales;

- **Huskisson** banned plastic bags in November 2003.
- In November 2003, all retailers in **Kangaroo Valley** committed to banning plastic bags. Reusable cloth bags are available for purchase at all shops.
- **Mogo** September 2003; local retailers and the Mogo Progress Association worked together to go plastic bag free.

Northern Territory

- On February 24, 2011 the Northern Territory Parliament passed into law the Environmental Protection Bill of 2010 which prohibits stores from giving or selling single-use, non-biodegradable plastic bags. The bill also contains a container deposit system for bottles, cans and cartons.

South Australia

- In 2008 South Australian government saw a proposal to ban polyethylene plastic bags that are 35 microns or less thick. Compostable and biodegradable bags would be exempted from the ban. The ban was passed in November and went into effect May 4th, 2009.

Tasmania;

- **Coles Bay** opted to go plastic bag free in April 2003. This move effectively banned plastic takeaway bags. Retailers offer reusable paper bags for a fee and also sell fabric bags.

Victoria

- In 2006, the state of Victoria opted to charge consumers for each plastic bag used at a store. The fee went into place as a trial in 2008 in a few locations.
- In December 2005, **Loddon Shire** became plastic bag free. Effectively, a ban on take away plastic bags, the Loddon Shire Council purchased reusable shopping bags and distributed these bags free to retailers to kick start the program

Europe

Belgium

- The country of Belgium passed a tax on plastic bags in 2007 along with a tax on plastic films (like dry cleaning bags), aluminium foil, and disposable cutlery. The tax went into effect July 1st, 2007.

Bulgaria

- In March 2011, the Council of Ministers in Bulgaria implemented a new fee on plastic bags with a thickness of less than 15 microns. The fee will be implemented by October 1, 2011 and will gradually increase. From October until the end of 2011 the fee will be about 15cents (US) and will increase each year until it is about 75 cents (US). The fee will be collected and used for waste management projects.

Denmark

- In Denmark, there is a tax on plastic bags. Starting in 1994 with a tax on packaging materials that was charged to retailers and then progressing to a tax in 2005 on waste. This waste tax makes it more expensive to send waste to a landfill or to incinerate it.

France

- By 2010, plastic bags will be completely outlawed in France.
- The French island, **Corsica**, banned plastic bags in large stores in 1999.
- In January 2007, **Paris** banned non-biodegradable plastic bags in large stores. This was done in order to help reduce pollution in the city.

Germany

- In Germany, all stores that provide plastic takeaway bags must pay a recycling fee to the government to help enhance recycling programs.

Ireland

- In March of 2002, the Republic of Ireland passed a law enacting a tax on plastic bags. This tax, known widely as the PlasTax, caused a reduction in plastic bag use of 90%. Since 2002, the reduction has become markedly less (meaning that consumers are using more plastic bags) and so in 2007, the government opted to increase the tax.

Italy

- In May 2007, Italy passed a law banning non-biodegradable plastic bags starting in 2010. Previously, the country had a plastic bag tax from 1989 to 1992.

Macedonia

- Beginning in January 2009, plastic bags were banned by the Environmental Ministry from the retail and food sectors as well as at markets. For heavier items, plastic bags of a 14 micron thickness, with a carrying capacity of at least 5kg (about 11 lbs.) can be purchased by customers. A review of this order in early 2009 showed a reduction of the use of plastic bags by retailers of up to 82% as compared to numbers from November 2008. The review also showed that there was a need to increase the minimum thickness for the bags used to carry heavier items and so starting in May 2009, the thickness for such bags is 21 microns.

Spain

- Spain has enacted a law to halve the country's consumption of plastic bags by the end of 2009.

United Kingdom;

England

- On May 3rd, 2008, **Aylsham** went plastic bag free. The shops charge a fee for disposable bags including plastic, corn-starch and paper (shop determined fee and type of bag).

- **Girton** shops have stopped giving out free plastic bags as of January 2008. Reusable cotton bags were handed out to residents and shops will have cotton bags in stock to offer in place of plastic.
- **Hebden Bridge** went plastic bag free in December 2007 using a campaign encouraging reusable bags. Residents were also given a free cotton bag as a kick off for the program.
- In May of 2008, **Henfield** gave a free cotton bag to each household and all shops went plastic bag free. Shops charge for the use of paper or corn-starch bags and also have reusable cotton and canvas bags for sale.
- In July 2008, **Kew** began a plastic bag free campaign that encourages shops to forgo free giveaway bags and asks residents to bring their own reusable bags.
- In 2007, a proposed ban on plastic bags was introduced in **London**. By November 2008, the proposal was withdrawn. This ban withdrawal came after the ministers of the London Councils supported the implementation of a minimum charge on plastic bags. The government pledged that it would impose a minimum charge on shopping bags should retailers fail to make a voluntary and significant cut in the number of bags they give out. If the retailers fail to comply, the minimum charge will be imposed across England and Wales this should bring about an even greater reduction in bag usage than London Councils Bill, which would only have affected London.
- On May 1st, 2007, **Modbury** shops and businesses enacted a ban on plastic bags (self-regulated). Shops offer reusable bags as well as compostable bags for items like fruit and meats.
- Shops in **Overton** switched from plastic bags to biodegradable corn starch bags in October 2007.
- In January 2008, **Tisbury** went plastic bag free; shops encourage reusable bags and residents were charged with making the change from getting free bags at the store to bringing their own bags.

Scotland

- In 2006, the Plastic Bag Levy Bill was introduced to the Scottish Executive. The bill would have required supermarkets and other retailers to charge a fee for every plastic bag supplied to a customer. The bill was withdrawn before it could be voted upon.
- In January 2008, **Banchory** started a campaign to encourage consumers to bring reusable bags to shops and also asked shop owners to cease carrying free plastic bags.
- On April 4th, 2008, **Selkirk** became plastic bag free. The town encourages the use of reusable bags and funded local shops to buy paper bags made with recycled content for general shopping bag use and compostable corn-starch bags for food, meat and fish.

Wales

- The Environmental Minister of Wales is proposing a plastic bag charge between 5-15p at all retail establishments. Revenues generated from the tax would be used to fund environmental programs. Currently, supermarkets are working on a voluntary basis to reduce the amount of distributed plastic bags by 50%. It's estimated that Wales uses 480 million plastic bags per year. On November 3, 2009 the Environmental Minister confirmed that by May 2011, shoppers will be charged up to 15pence each for single-use plastic bags.
- In December 2007, the Chamber of Commerce and citizens of **Hay-On-Wye** decided to go plastic bag free. The shops charge for corn-starch takeaway bags and the town is encouraging the use of reusable bags.
- In 2007, **Llandysilio** in Pembrokeshire Wales banned plastic bags from being given out at all shops including the post office.

North America

Canada;

British Columbia

- In 2008, the city of **Vancouver** has proposed a ban on plastic disposable shopping bags. Currently, the proposal is under review by the British Columbia government in the legal department. In addition, the Retail Council of Canada, the Canadian Grocery Distributors, the Canadian Federation of Independent Grocers and the Canadian Association of Chain Drug Stores have submitted a plan to reduce plastic bag distribution by 50% over a 5 year period.

Manitoba

- In April 2007, the municipality of **Leaf Rapids** in Manitoba, Canada banned plastic shopping bags. Initially, the town started with a levy on the bags and then moved to an outright ban.

Northwest Territories

- On January 15, 2010, all grocery stores in the Northwest Territories, Canada began charging a mandatory \$0.25 charge on all paper and plastic bags. This fee is part of the Government of the Northwest Territories' Waste Reduction and Recovery Program Expansion. The intent of the program is to reduce litter in the Northwest Territories. This fee does not include bags used for unpackaged bulk items, prescriptions, or bags used as a primary packaging for prepared food. The fees are used to help fund the Northwest Territories' Environment Fund.

Nova Scotia

- All liquor stores in Nova Scotia, Canada agreed to cease giving out plastic bags as of fall 2008.

Ontario

- The **Toronto** City Council approved a 5 cent charge on plastic shopping bags that took effect on June 1, 2009. Also, retailers may only provide bags that are accepted by the Toronto recycling program meaning that biodegradable bags are banned because they are not accepted. In June 2012, members of the Toronto City Council voted to not only remove the fee but also to prohibit retailers from providing or selling plastic shopping bags. The fee will no longer be effective in July 2012 and the ban will take effect on January 1, 2013.

Quebec

- All liquor stores in Quebec, Canada have agreed to ban plastic bags by 2009;
- In 2008 **Amqui**, in Quebec, Canada has a voluntary plastic bag use reduction pact with merchants and will institute a small tax on the bags.
- In January 2008 **Huntingdon**, Quebec passed a bylaw that bans plastic bags.
- **Montreal**, Canada has plans to ban plastic shopping bags some time in 2009. Additionally, a popular liquor store, SAQ, has instituted a surcharge policy on plastic and paper bags as of September 2008. This surcharge is expected to reduce the use of such bags by 4%. The policy goes on to ban plastic and paper bags from stores by January 2009.

Haiti

- In August 2012, the office of the Prime Minister of Haiti announced a ban on the import, manufacture and marketing of black plastic bags and polystyrene foam boxes used for to-go food. The ban was effective October 1, 2012 and was enacted in order to reduce litter

in the streets and canals of the nation. Bags used for drinking water are exempted from the ban.

Mexico (Mexico City)

- On 8/19/09 a new ordinance was enacted that prohibit businesses from giving out thin plastic bags that are not biodegradable. The law affects all stores, production facilities and service providers within the city limits. In October 2010, the ordinance was reformed. The changes removed penalties for traders giving away plastic bags to consumers but fines for stores not providing biodegradable bags still exist. The update also requires the Ministry of Environment to create standards for sustainable production and consumption of plastic products. In July 2011, the standards were published and changed the ordinance further. Beginning in July 2012, biodegradable bag manufacturers must now use Mexican laboratories to prove that the additives in their products will degrade. Furthermore, all plastic bags distributed to consumers must have at least 10% recycled content. The original prohibition on thin plastic bags no longer exists.

South America

Argentina

- The government of **Buenos Aires** province mandated biodegradable bags and banned give away polyethylene plastic bags in September 2008.

Brazil

- Resources indicate there are a number of measures being considered within the country of Brazil with regard to retail bag regulation. Currently, DEP is attempting to verify the details of these Policies.
- A bill (PL 612/2007) was introduced in the Brazilian Chamber of Deputies in March 2007. The bill promoted the replacement of conventional bags with biodegradable bags in retail outlets throughout Brazil. This bill was not passed.
- In March 2008 an agreement was signed between the Government of the State of Sao Paulo and the São Paulo Association of Supermarkets (APAS), which provides for joint environmental awareness campaigns promoted by the Environment Ministry of St. Paul and retail entities. Also in March 2008 the Ministry of Environment launched the campaign “Conscious Consumption of packaging”, with the exhibition “Best practices and innovations in packaging,” organized as a starting point of educational work that will spread across Brazil.
- In May 2011, the mayor of the Brazilian city **Cuiabá** sanctioned a law that phases in a ban of plastic bags in favour of packaging using oxy- biodegradable materials. The ban has a phase in period of three years in order to allow businesses to switch to the alternative material bags or to offer customers reusable bags. Businesses that do not adhere to the law may lose their business license and be fined.
- **Rio de Janeiro**, Brazil - On July 15, 2009, a law was passed to curtail the use of plastic bags by retail stores by requiring stores to stop using them or to buy them from their customers. The law applies to polyethylene, polypropylene and similar plastic bags. Stores that do not provide a substitute bag must accept any quantity of plastic bags, from any source, for recycling or proper disposal. Additionally, the stores that choose not to provide alternatives will required to compensate the public by either giving a discount to customers who decline to use a plastic bag or for every 50 bags brought to the store the customer is entitled to a kilogram of either rice, beans or (in the absence of rice or beans) some other staple food item. The law has a phased implementation over three years.

Chile

- Senators in the Chilean government, in 2008, proposed a bill that prohibits the distribution of non-degradable plastic bags and a tax or fee on non-degradable bag producers that cannot be passed onto customers.

Uruguay

- In 2008, Uruguayan lawmakers proposed a tax on plastic bags and a transition from plastic bags to biodegradable bags in a 2 year period. The bill was passed by the House of Representatives on September 17, 2009 and was transferred to the Senate for review. In addition, on September 2, 2009 the Ministry of Housing and Environment launched a campaign called "Get Bags Out of the Environment" ("Sacá la Bolsa del Medio").
- In 2007, Ordinance No. 260/2007 was adopted which required merchants to implement actions to minimize waste, generation of plastic bags, and to develop management plans for their rational use, reuse and recycling.

USA

- There is an incredibly complex picture across the USA, with different decisions having been made at differing levels of government across all of the States. Some have changed their decisions over time.

European Commission press release on plastic bags



European Commission

PRESS RELEASE

Brussels, 4 November 2013

Environment: Commission proposes to reduce the use of plastic bags

Today the European Commission adopted a proposal that requires Member States to reduce their use of lightweight plastic carrier bags. Member States can choose the measures they find most appropriate, including charges, national reduction targets or a ban under certain conditions. Lightweight plastic bags are often used only once, but can persist in the environment for hundreds of years, often as harmful microscopic particles that are known to be dangerous to marine life in particular.

Environment Commissioner Janez Potočnik said: “We’re taking action to solve a very serious and highly visible environmental problem. Every year, more than 8 billion plastic bags end up as litter in Europe, causing enormous environmental damage. Some Member States have already achieved great results in terms of reducing their use of plastic bags. If others followed suit we could reduce today’s overall consumption in the European Union by as much as 80%.”

Technically, the proposal amends the **Packaging and Packaging Waste Directive** with two main elements. First, Member States are required to adopt measures to reduce the consumption of plastic carrier bags with a thickness below 50 microns, as these are less frequently reused than thicker ones, and often end up as litter. Second, these measures may include the use of economic instruments, such as charges, national reduction targets, and marketing restrictions (subject to the internal market rules of the **Treaty on the Functioning of the EU**). The high reduction rates achieved in some EU Member States, through the introduction of charges and other measures, show that results can be achieved through effective action.

The proposal follows on from measures taken by individual Member States and from **calls by EU Environment Ministers** on the Commission to assess the scope for action at EU level. It comes after extensive **public consultations** that found broad support for an EU-wide initiative in this area.

Background

The properties that make plastic bags commercially successful – low weight and resistance to degradation – have also contributed to their proliferation in the environment. They escape waste management streams and accumulate in our environment, especially in the form of marine litter. Once discarded, plastic carrier bags can last for hundreds of years. Marine littering is increasingly recognised to be a major global challenge posing a threat to marine eco-systems and animals such as fish and birds. There is also evidence indicating large accumulation of litter in European seas.

In 2010, an estimated 98.6 billion plastic carrier bags were placed on the EU market, which amounts to every EU citizen using 198 plastic carrier bags per year. Out of these almost 100 billion bags, the vast majority are lightweight bags, which are less frequently re-used than thicker ones. Consumption figures vary greatly between Member States, with annual use per capita of lightweight plastic carrier bags ranging between an estimated 4 bags in Denmark and Finland and 466 bags in Poland, Portugal and Slovakia.

For more information:

Link to the draft proposal and to the study (with the figures for MS, as mentioned above):
http://ec.europa.eu/environment/waste/packaging/legis.htm#plastic_bags

See also:

Q&A MEMO/13/945

http://ec.europa.eu/environment/waste/plastic_waste.htm

<http://ec.europa.eu/environment/waste/index.htm>

Results of the public consultation:

<http://ec.europa.eu/environment/waste/packaging/events.htm>

Audio visual material (VNR) available at tvlink.org

Correspondence from NIRC re Carrier Bags Bill

Dear Sheila,

As per our conversation please find below the poll results from the independent poll conducted on our behalf by LucidTalk on carrier bags in Northern Ireland.

- 91% of consumers are aware of the 5p levy on single use carrier bags introduced in April 2013
- 92% of consumers are NOT aware of the 5p tax on reusable bags that is proposed for 2014
- 94% of Consumers do NOT want the 5p tax on reusable bags that is proposed 2014
- 49% of consumers usually or always take reusable bags with them when they shop
- 77% of consumers do use reusable bags again.
- 81% of consumers buy reusable bags in the 6-20p category.
- 11% of consumers would move from reusable bags to single use bags if a tax come in on reusable bags.

It is obvious from this that consumer behaviour has changed for the better because of the initial levy. However it is also clear that consumers do not know about the new levy and when told of it, do not want the new levy and that it will drive some consumers back to using single use bags which negates the point of the initial levy.

We will be putting a release out on these results embargoed until Thursday morning as we do not want to just land a surprise on the Minister without giving him proper time to respond.

Please let me know if you have any comments or need any further info such as a full breakdown of the poll.

The Committee had also asked as to the time frame needed to bring in and implement the new proposed reusable bag tax and the possible costs for retailers. The time frames ranges from 22 weeks to almost a year to bring this in at a reasonable pace that would not cause huge amounts of disruption. As far as costs are concerned, they greatly varied among retailers with answers from £300,000 to over £500,000.

I can provide a case study if you would like from one of the retailers to show the process.

Best regards,

Aodhán



Base Data Results Report of Polling/Market Research Project for



To research attitudes and opinions related to shopping behaviour related to the usage of carrier bags in Northern Ireland.

Opinion-Attitudinal survey – Fieldwork carried out 24th October – 9th November 2013.

This is a Base Data Results report – related to the total target of 1,009 audited responses.

Full reports including analysis, graphical presentations, and commentary will follow.

Strictly Confidential – Internal Use Only (LucidTalk and BRC-NI personnel only)

11th November 2013

Subject Polling Project- BRC-NI Full Base Data Results
 Issue 3
 Date 11 NOVEMBER 2013
 Author(s) Bill White - LucidTalk

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LUCIDTALK-BRC-NI: Poll Project Results – Base Data Results (Full target of 1,009 audited responses): – October/November 2013

Data results are accurate to a margin of error of +/-3.9% at 95% confidence.

BRC-NI: Market Research Project - A tax on reusable bags in Northern Ireland – LucidTalk: Full Base Data Results - 6th November 2013						
Intro: We'd like to ask you a few questions about shopping, and specifically about reusing your carrier bags and charges for carrier bags.						
Grading for Opinion Questions:		QUESTION 1 (BRC-NI). There has been a 5 pence charge for single use carrier bags in NI since April this year.				
(1) = General opinion of this type mentioned by between 80-100% of the respondents.		A. Are you aware of this charge and has it changed the way you use carrier bags? Yes/No.				
(2) = General opinion of this type mentioned by between 60-80% of the respondents.		B. If your behaviour has changed, how has it changed?				
(3) = General opinion of this type mentioned by between 40-60% of the respondents.		(1) Usually take reusable bags shopping.				
(4) = General opinion of this type mentioned by between 20-40% of the respondents.		(2) Sometimes take reusable bags shopping.				
(5) = General opinion of this type mentioned by between 0-20% of the respondents.		(3) Always take reusable bags shopping.				
GC: General comment - not directly related to the specific question, but important as it has been expressed at the level (1) - see above.		C. If your behaviour has not changed, why not, and what would make it change.				
Area	A	B	C			
	Y	N	1	2	3	Comments taken from the 91 respondents who answered 'N' to Q1A
1	916	93	269	384	109	Never notice the charge (5)
2						I only use reusable carrier bags on big shopping (3)
3						Keep forgetting to bring reusable bags with me - It's a nuisance (1)
4						It's discriminatory against small shop-keepers (2)
5						It suits Sainsburys, Tesco, etc. more than small stores (2)
6						I refuse to comply - so if they want to charge me then fine (5)
7						The plastic bags for 5p should be better quality - They fall apart (4)
8						Should be better signage outside supermarkets - Don't forget your own bags (3)
9						It's another Tax rip-off - Government trying to make money (3)
10						The big Supermarkets should provide re-usable bags for free (3)
11						GC: Supermarkets should have reusable bags at their entrance to remind everyone
Totals	916	93	269	384	109	
% Analysis	91%	9%	35%	50%	14%	
Total Respondents	1009		762			

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BRC-NI: Market Research Project - A tax on reusable bags in Northern Ireland – LucidTalk: Full Base Data Results - 6th November 2013														
Intro: We'd like to ask you a few questions about shopping, and specifically about reusing your carrier bags and charges for carrier bags.														
Grading for Opinion Questions:					QUESTION 2 (BRC-NI).									
(1) = General opinion of this type mentioned by between 80-100% of the respondents. (2) = General opinion of this type mentioned by between 60-80% of the respondents. (3) = General opinion of this type mentioned by between 40-60% of the respondents. (4) = General opinion of this type mentioned by between 20-40% of the respondents. (5) = General opinion of this type mentioned by between 0-20% of the respondents. GC: General comment - not directly related to the specific question, but important as it has been expressed at the level (1) - see above.					Do you ever buy plastic bags for life in the price range: 6 – 20 pence? A. = Yes/No B. = If yes: Why? _____ C. = Do you reuse these bags? Yes/No D. = If so, how?									
					Area		A		B		C		D	
							Y	N	If yes (Q2A): Why?		Y	N	If Yes (Q2C) - How?	
					1		188	821	The cheap ones just fall apart (5)		38	128	Use them in the house for storage (3)	
					2				They're no better than the 5p ones (3)				Take them with me again to shop (4)	
3				GC: Never heard of this (2)				I always forget I have them (3)						
4				GC: What are plastic bags for life (4)										
5														
6														
7														
8														
9														
10														
11														
Totals		188	821			38	128							
% Analysis		19%	81%			23%	77%							
Total Respondents		1009				166								

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BRC-NI: Market Research Project - A tax on reusable bags in Northern Ireland – LucidTalk: Full Base Data Results - 6th November 2013														
Intro: We'd like to ask you a few questions about shopping, and specifically about reusing your carrier bags and charges for carrier bags.														
Grading for Opinion Questions:					QUESTION 3 (BRC-NI). Are you aware that the Northern Ireland Assembly is planning to extend the 5 pence charge for single use carrier bags to reusable plastic bags (or plastic bags for life)?									
(1) = General opinion of this type mentioned by between 80-100% of the respondents. (2) = General opinion of this type mentioned by between 60-80% of the respondents. (3) = General opinion of this type mentioned by between 40-60% of the respondents. (4) = General opinion of this type mentioned by between 20-40% of the respondents. (5) = General opinion of this type mentioned by between 0-20% of the respondents. GC: General comment - not directly related to the specific question, but important as it has been expressed at the level (1) - see above.					A. Yes/No B. Do you support this? Yes/No C. If yes, why? D. If no, why not?									
					Area		A		B		C (From Q3B - Answer 'Y')		D (From Q3B - Answer 'N')	
							Y	N	Y	N	If yes, why?		If no, why not?	
					1		81	928	54	813	We need our shopping habits changed (1)		We're already paying for enough (1)	
					2						Global warming is caused by these bags (3)		Just another rip-off (1)	
3						Everyone should use plastic bags for life (2)		The 5p tax is enough (1)						
4						Yes - But the big stores should provide the bags (2)		The big supermarket chains should pay for all this (2)						
5						GC: Yes - But the big retail stores should pay for all this		Sainsburys, Tesco etc. are making big profits - Let them pay (3)						
6						GC: Getting confused about all the terminology		The whole project is badly designed (2)						
7								GC: Getting confused about all the terminology						
8								The small retail stores are getting hit by this (2)						
9								They should exclude all small/medium size stores from this (3)						
10														
11														
Totals		81	928	54	813									
% Analysis		8%	92%	6%	94%									
Total Respondents		1009		867										

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BRC-NI: Market Research Project - A tax on reusable bags in Northern Ireland – LucidTalk: Full Base Data Results - 6th November 2013													
Intro: We'd like to ask you a few questions about shopping, and specifically about <u>reusing your carrier bags</u> and <u>charges for carrier bags</u> .													
Grading for Opinion Questions:				QUESTION 4 (BRC-NI). How would an extension of the 5 pence carrier bag charge to reusable bags change the way you use carrier bags?									
(1) = General opinion of this type mentioned by between 80-100% of the respondents.				A. No change. I always take my own bags with me when I go shopping									
(2) = General opinion of this type mentioned by between 60-80% of the respondents.				B. No change. I always pay 5p for single use carrier bags when I go shopping, and will continue to do so									
(3) = General opinion of this type mentioned by between 40-60% of the respondents.				C. No change. I buy reusable bags when I need them, and will continue to do so									
(4) = General opinion of this type mentioned by between 20-40% of the respondents.				D. No change. I see no difference between single use and reusable plastic bags and throw them away after one use									
(5) = General opinion of this type mentioned by between 0-20% of the respondents.				E. I will make sure that I reuse my reusable bags more often									
GC: General comment - not directly related to the specific question, but important as it has been expressed at the level (1) - see above.				F. I currently use plastic reusable bags, but if I have to pay an extra 5 pence, I will buy single use carrier bags instead.									
				G. I will make sure I take my own bags with me									
				H. Don't know									
				I. None of the above (please state alternative)									
Area				A	B	C	D	E	F	G	H	I	I - Alternative
1				63	80	144	67	110	112	229	119	85	Big supermarkets should supply all bags (1)
2													Why should we pay when the big supermarkets are making large profits (3)
3													There should be a different law for small and big supermarkets (4)
4													I don't understand the differences you're talking about (2)
5													GC: Need better promotion of all this - people don't understand
6													
7													
8													
9													
10													
11													
Totals				63	80	144	67	110	112	229	119	85	
% Analysis				6%	8%	14%	7%	11%	11%	23%	12%	8%	
Total Respondents				1009									

Correspondence from NIRC re Carrier Bags Bill Phase 2 implementation

From: Aodhán Connolly [mailto:Aodhan.Connolly@brc.org.uk]
 Sent: 20 November 2013 11:13
 To: +Comm Environment Public Email
 Subject: Northern Ireland Retail Consortium: Carrier Bags

Dear Sheila,

As per our conversation, please find below the NIRC position on the implementation of the proposed Carrier Bag Bill.

Our members worked very hard in the few short months that we had to prepare for the Single Use Carrier Bag Levy and I am glad to say that upon the implementation date of the Levy our members were completely compliant with the legislation and have worked just as hard to inform customers and provide both the information and the payments required by the department in the required time frame.

Although we are opposed to the introduction of a tax on reusable carrier bags, if this legislation is introduced we would ask for a delay in the implementation of this new tax until at April 2015. As previously stated it takes a considerable length of time for our members to prepare for any change in legislation. The lowest time to make the necessary changes was 22 weeks from Asda and the longest time frame was 11 months. These time frames are due to several factors from the time that is needed to design and incorporate the new system changes to the computer systems needed right through to training front line staff. This training is not as simple as just training front line staff on the new computer system but giving them the information that they need to understand what the changes in legislation will mean and then giving them training in the key messages and in how to deal with customer queries. One of the reasons that the initial single bag levy introduction went so smoothly was that our members spent the time at great cost to themselves, to ensure that front line staff were able to cope with both the system changes and any questions from customers. There are over 50,000 frontline retail staff in Northern Ireland and training them on this new legislation will take time.

We would ask that this legislation is not introduced in April 2014 as there will be no time for us to make the necessary changes and undertake the necessary training to ensure a smooth transition if the legislation goes through. We also feel that September 2014 is too close for some of our members who have asked for a longer time frame and September is the start of the run up to Christmas for our members which is an extremely busy time. Therefore we would ask that if the legislation is given assent, that it is not implemented until April 2015.

To help members understand fully some of the factors which require our members to spend time preparing for the introduction of this legislation, I below have provided the timescales from Asda. It must be remembered that Asda was the company who asked for the shortest lead in time (22 weeks) as compared to other members of the NIRC who had asked for up to 11 months.

Example from Asda:

Create a Northern Ireland specific bag for life

(Asda require a separate bag as they operate a single price file)

- Cost – design, new printing plates, smaller print runs – loss economies of scale

- Tasks – raise new barcode , line set up on epos, buyer negotiation , admin at supplier, admin at distributor, store admin, new store merchandising briefs , print new shelf edge labels for every checkout display with new retail
- Space – additional pick slot at distributor
- Time scales – minimum 22 weeks
 - Wk -22 to Wk - 18 Design , artwork , barcode ,
 - Wk -18 to wk -16 Negotiation , admin
 - Wk -16 - -4 print, shipment, booking into 3rd part distributor
 - Wk -4 deliver to stores ensure sell through of 6p bag for life
- Manage sell through of 6p bag for life

Colleague communication

- Brief , Q&A to assist answer customer questions, huddle note & training
- Annual legal training video updated

Customer communication

- Checkout signage – government message explaining the charge
- Signage at store entrance
- Checkout chat brief – government message

Safe and legal Audit

- Additional question – all forms updated
- Additional checks by auditors in store
- Annual legal trading

Levy payment

- Additional quarterly calculations by finance team
- ISD set up of bag with levy

I do hope this helps and I am of course free to provide any further information or clarification as required.

Best regards,

Aodhán Michael Connolly

Director,

Northern Ireland Retail Consortium



Northern Ireland
Assembly

Appendix 7

Research Papers



Northern Ireland
Assembly

Research and Information Service Bill Paper

Paper XXX/XX

10 May 2013

NIAR 439-13

Suzie Cave

Carrier Bags Bill (2013)

The following paper gives an overview of the Carrier Bags Bill as introduced to the Assembly on the 3rd June 2013. It considers the steps used to increase the Carrier Bags levy to 5 pence and extend it to cover low cost reusable bags. It also gives a summary of other bag levies and bans used in other countries.

Research and Information Service briefings are compiled for the benefit of MLAs and their support staff.

Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public. We do, however, welcome written evidence that relates to our papers and this should be sent to the Research and Information Service, Northern Ireland Assembly, Room 139, Parliament Buildings, Belfast BT4 3XX or e-mailed to RLS@niassembly.gov.uk

Key Points

- Under the Climate Change Act 2008, the Northern Ireland Executive agreed to introduce a charge for single use carrier bags in Northern Ireland that would benefit the environment by reducing bag consumption, and generate revenue to be fed into environmental projects.
- It was agreed a two phased approach would be used, with the first phase being the introduction of the Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013.
- The Regulations required that from the 1 April 2013 all single use carrier bags would be charged a levy of 5 pence to be collected by the Department of Environment from sellers.
- However, exemptions to the levy include bags for patient confidentiality (e.g. prescription bags), hygiene, food safety and the protection of goods and consumers. It also allows exemptions for very small bags, mail order packaging and previously used bags.
- This paper is concerned with phase 2, which is the production of a Carrier Bag Bill to increase the levy on single use carrier bags to 10 pence per bag from April 2014. It also would see this charge *extended* to include low cost reusable bags.
- According to the 2011 consultation a 10 pence levy appeared to have the most efficient impact in terms of the environment and economy. However it was agreed that a 5 pence levy would be used for a year as an introductory charge.
- In order to avoid lower cost reusable bags becoming a replacement for single use bags once the levy increases to 10 pence, the Carrier Bag Bill extends the levy to include low cost reusable bags (where high cost reusable bags will be exempt)
- The Carrier Bag Bill also:
 - extends the Department's ability to make specific provision for certain sellers i.e. exemptions depending on full-time employee numbers;
 - provides for changes to record keeping and payment arrangements including a requirement to pay interest to the Department in the event of late payment of the proceeds of the minimum charge;
 - strengthens the Department's enforcement powers; and
 - requires the Department to carry out a review of the carrier bag charging arrangements.
- Consultations and Impact Assessments etc. were carried out before the introduction of the 5 pence levy; therefore it may be unclear how they may directly relate to the increase in levy and the extension to reusable bags.
- The map and table on pages 12 and 15 gives an indicative overview of the distribution of levies and bans elsewhere.

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Introduction

The Northern Ireland Executive agreed to introduce a charge for single use carrier bags in Northern Ireland. The Assembly passed the first phase of the process known as the Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013, made under the Climate Change Act 2008, which introduced a minimum charge on single use carrier bags. After further discussion it was agreed a second phase would be introduced a year later to increase the levy and extend it out to re-usable bags. The following section gives an overview of the phased approach with focus on the second phase which involves the introduction of the Carrier Bag Bill.

Phase 1

Under the Climate Change Act 2008, phase 1 involved the introduction of the Single Use Carrier Bags Charge Regulations. These alone introduced a 5 pence levy on single use carrier bags from April 2013. The legislation requires that sellers must pass the cost of the levy onto their customers and must forward the revenue generated to the Department of Environment (DOE) for environmental projects.

The proposals are that the charge should apply to all single use carrier bags and not be confined to plastic bags. This means the charge applies to single use carrier bags made of paper, plant-based material or natural starch, and used for purchased products such as clothing and groceries etc. It also includes goods that are delivered in single use carrier bags from internet purchases that have been dispatched from Northern Ireland. Currently retailers may charge more than 5 pence; however, only 5 pence from the sale of each bag must go to the DOE.

Exemptions

However, there are exemptions to the levy. Similar to the Welsh model¹, exemptions include bags for patient confidentiality (e.g. prescription bags), hygiene, food safety and the protection of goods and consumers. It also allows exemptions for very small bags, mail order packaging and previously used bags.

According to the DOE's Guidance² on the Carrier Bag Regulations the following carrier bags are exempt from the levy:

- bags that are re-used;
- bags used to contain take-away hot food and hot drinks. Other items such as cold drinks and confectionary products can be placed in the bag also;
- bags used solely to contain certain items such as unpackaged food i.e. fruit, vegetables and baked goods, seeds and bulbs, axes/ knives/ razor blades, goods contaminated by soil;
- bags used to carry goods purchased in an airport once going through security;
- bags of a certain size used solely to contain packaged uncooked meat or fish;
- certain types of small bags i.e. flat paper bags for greeting cards, pick and mix, some over the counter medicines such as painkillers and cough mixtures, and flat plastic bags for hardware and haberdashery etc.;
- specialist bags such as mail order dispatch and courier bags, bags for live aquatic animals i.e. fish; and
- bags used for promotional or free items.

The Guidance also states that the levy does not apply to persons who occasionally sell their own possessions at car boot sales, internet sales or auction sites. In these circumstances goods are considered as not being sold "in the course of trade or business" and therefore are not subject to a levy.

1 <http://www.carrierbagchargewales.gov.uk/retailers/bagsnotincluded/?lang=en>

2 Guidance on the Single Use Carrier Bags Charge Regulations (Northern Ireland) 2013 (PDF 348 KB)

Phase 2

Phase 2, for which this paper is concerned with, sees the introduction of a Carrier Bag Bill to increase the levy on single use carrier bags to 10 pence per bag from April 2014. It also would see this charge *extended* to include low cost reusable bags.

According to the Explanatory and Financial Memorandum, the Bill proposes to make other amendments to the Climate Change Act 2008 which would:

- extend the Department's ability to make specific provision for certain sellers i.e. exemptions depending on full-time employee numbers;
- provide for changes to record keeping and payment arrangements including a requirement to pay interest to the Department in the event of late payment of the proceeds of the minimum charge;
- strengthen the Department's enforcement powers; and
- require the Department to carry out a review of the carrier bag charging arrangements.

Why the increase in levy?

The 2011 consultation on policy proposals for single use carrier bags³ discussed options for the introduction of a levy that would bring both economic and environmental benefits to Northern Ireland, by generating revenue while at the same time reducing bag consumption. According to the consultation, economic modelling based on similar bag charges/levies in other jurisdictions suggests that a 5 pence levy would reduce single use carrier bag consumption by around 88% and generate around £2.4m gross revenue.

However, it was explained that there becomes a point at which the price of the levy may reduce bag consumption but not generate much revenue. The point of the levy is to benefit the environment while generating enough revenue to ensure revenue collection costs and enforcement costs are covered with the remaining amount going towards environmental projects. This can be explained by the fact that as the levy increases to the point where there is little difference between single use bags and reusable bags, the Department is of the opinion that people will opt for the reusable bag which can be re-used without any cost. While this may benefit the environment by reducing consumption due to more people reusing bags rather than replacing them, fewer transactions may be made resulting in less revenue generated. The consultation explains this by looking at the effect of a 15 pence levy which was estimated to result in a reduction in the consumption level of up to 98%, but a generation of revenue of only £1.2m which in the Department's opinion would be insufficient to cover collection and enforcement costs.⁴

Again the 2011 consultation looked at a 10 pence levy which appeared to have the most efficient impact in terms of the environment and economy. Modelling suggested that a 10 pence levy could boost revenue to around £5.5m with a drop in single use carrier bag consumption of around 90%. For this reason, the new Bill seeks to increase the levy to 10 pence after giving the public a year at a lower introductory levy of 5 pence.

Why the roll out to include reusable bags?

The 2011 consultation stated that the "*application of the levy to particular reusable bags would require primary legislation.*" The DOE justifies this extension on environmental grounds,

3 2011 Consultation 'Proposals for a Charge on Single Use Carrier Bags' http://www.doeni.gov.uk/index/protect_the_environment/waste/carrier_bag_charging_2011_policy_consultation.htm

4 Ibid (p.16-18)

to avoid lower cost reusable bags becoming a replacement for single use bags once the levy increases to 10 pence. The basis for this is the view that the environmental impact of these bags being used once and thrown away, would be greater than that of single use bags because reusable bags are typically made of heavier gauge material, therefore taking longer to breakdown and requiring more energy in the production process.⁵

Further exemptions

High cost re-usable bags:

Higher cost reusable bags will be exempt from the levy. The Department intends that a price threshold (the cost of the bag without the levy) will be established, therefore bags priced above it will be exempt, those below it will be considered low cost reusable and therefore subject to the levy.⁶

Sellers:

Existing powers exempt sellers in terms of “turnover”, and the new regulations add to this by allowing the number of full-time employees to be a factor for exemption. This will allow the Department to exempt certain businesses. However, the Department has no plans to use this power as current policy states that the levy should apply to all sellers. Therefore this is described by the Department as a ‘future proofing’ provision⁷.

Payments

The Department can specify the interval payment of the charge by sellers, and on top of this, can impose interest payments if deadlines are not kept.

Sellers must keep records of their payments to the Department which must be made available to aid the Department with enforcement and routine monitoring, which includes inspection, retention and copying of documents and routine compliance checking. The Department can also take enforcement action without the need for a ‘belief of failure to comply’ all of which will be provided under regulations.

Civil Sanctions

The requirement to review the charging arrangements within three years of the provisions coming into operation remains in place, however, the Bill removes the requirement to lay the review before the Assembly; instead this is to be fulfilled by the Department itself.

Avoidance

The regulations ensure that customers and/or sellers cannot avoid the levy through claiming that the bags are for future use.

5 Ibid (p.18-20)

6 EFM Carrier Bag Levy Bill (2013)

7 ibid

Consultations

The Department of Environment carried out two consultations:

- One in 2011 on the initial proposals for the introduction of a charge , which introduced the concept of a phased approach; and
- One in 2012 on the draft regulations for single use carrier bags.

The consultation carried out in April 2012 on the ‘Draft Single Use Carrier Bags Charge Regulations (2012) focused on the first phase of the scheme with the introduction of a 5 pence levy for single use carrier bags. There has not been a similar consultation released in relation to the second phase. However the 2011 consultation explored the idea of increasing the levy to 10 pence and extending it to cover low cost reusable bags by April 2014, giving respondents the opportunity to comment on the proposal then.

In relation to the charge, the 2011 consultation found that there was broad support for a 10pence levy⁸. On the other hand, the 2011 consultation found that the majority of respondents who expressed a view were against the inclusion of reusable bags within the scope of the levy, mainly on environmental grounds. While this may be the case, in the 2012 consultation on the Draft Regulations the Department states

“that this extension is justified on environmental grounds. Otherwise, many consumers could simply treat these bags as a replacement for single use bags – and use and discard them in the same way. This would have significant adverse environmental impacts; as such bags are typically made of heavier gauge materials”⁹

Equality, Human Rights and Impact Assessment

The findings of the Equality of Opportunity, Human Rights, Rural Proofing and Impact Assessment are provided in Part 3 of the 2012 consultation. The statements are made in relation to the impact of “*these legislative proposals*”, and while the 2012 consultation is focused on the levy for single carrier bags at 5 pence, it is not made clear as to whether the assessments apply to the second phase of the levy as well.¹⁰

However, the findings from the Regulatory Impact Assessment explain that the assessment was made on the range of different options available for single use carrier bags, and that the option to have a 10 pence levy (discounted to 5 pence in the first year) was the preferred option. While this demonstrates the consideration of the impacts of a 10 pence levy, it is not clear as to whether the findings can also be applied to the roll out of the levy to low cost reusable bags.

8 Consultation on Draft Regulations 2012 http://www.doeni.gov.uk/index/protect_the_environment/waste/carrier_bag_charging_2011_policy_consultation.htm (p.10)

9 Consultation on Draft Regulations 2012 http://www.doeni.gov.uk/index/protect_the_environment/waste/carrier_bag_charging_2011_policy_consultation.htm (p.11)

10 Ibid (p.28/29)

Actions taken elsewhere

This section gives an indicative overview of carrier bag bans and levies that have been introduced elsewhere. The following map shows the location of bag bans and levies worldwide. An interactive version can be accessed at: <http://www.factorydirectpromos.com/plastic-bag-bans>

Global carrier bag action

Key:

- = Plastic bag bans
- = Usage fee
- = Bans failed



Source: *Plastic Bag Ban Community Page – “Changing The World Together, One Bag at a Time”* produced by Factory Direct Promos (manufacturer of custom bags)¹¹

The table overleaf takes information from the interactive map to give an overview of bans and levies from countries throughout the world. Other sources have been used to supplement the information provided by the map, which include:

- Department of the Environment and Heritage, Plastic Shopping Bags – Analysis of levies and Environmental Impacts – Final Report¹²
- Clean Up Australia - Report on action to reduce circulation of single-use plastic bags around the world (2009)¹³
- Department of Environmental Protection, Florida – Retail Bags Report¹⁴

11 Factory Direct Interactive Map <http://www.factorydirectpromos.com/plastic-bag-bans>

12 Available at <http://www.environment.gov.au/archive/settlements/waste/index.html>

13 Available at www.cleanup.org.au/PDF/au/cua_plastic_bag_usage_around_world_april_2010.pdf

14 See maps/lists page <http://www.dep.state.fl.us/waste/retailbags/default.htm>

Overview of bag bans and levies

Country	Ban	Levy
UK	UK settled a voluntary agreement between the government and retailers to cut the use of plastic bags given out in 2009 compared to figures recorded for 2006. There is no national statutory requirement, however towns have taken it upon themselves to introduce voluntary bans on the use of plastic bags e.g. Modbury 2007, Henfield 2008, Hay-On-Wye in Wales, Selkirk in Scotland 2008	<p>In October 2011 a 5p tax was imposed on all single use carrier bags given out at retailers in Wales. The program was such a success in the first year that plastic bag use fell by 96 percent, and hundreds of thousands of pounds were raised for charities. The model used in Wales was the inspiration behind the tax imposed in Northern Ireland and Scotland.</p> <p>The Scottish government launched a 3-month consultation to seek views on a proposal to phase out disposable plastic shopping bags by imposing a fee on shoppers at the checkout. The fee is intended to encourage shoppers to bring their own reusable bag</p>
Republic of Ireland		Ireland was the first country to tax plastic shopping bags. It introduced a 15 Euro cent tax on plastic shopping bags in 2002. The aim of the levy was to change consumer behaviours, which is why the tax was targeted at consumers rather than retailers. Plastic bag usage dropped by 94% within weeks. The money raised is invested back into clean-up actions. In 2007, the tax was increased to 22 Euro cents per bag. While there has been a dramatic decrease in plastic bag consumption, there has been a substantial increase in the use of reusable bags.
Denmark		In 1994, Denmark established a tax on plastic and paper bags paid by retailers. Therefore, retailers strongly promote the use of reusable bags. As a result, the use of plastic bags has been reduced by one third.
Germany		In Germany, all stores that provide plastic bags must pay a recycling fee to the government for enhancing recycling programs. As a result, retailers charge between 5 and 10 cents per single-use bag depending on the type of bag.
Italy	Italy was responsible for one fifth of plastic bag usage in Europe and therefore introduced a ban on single use plastic bags in 2011.	Between 1989 and 1992, Italy introduced a tax on plastic bags, but the tax was minimal (0.0051 Euro per bag) and it did not have an impact on plastic bag consumption.

Country	Ban	Levy
United States	San Francisco became the first city to introduce a ban on pharmacies and large supermarkets distributing non-biodegradable plastic bags in 2007. Bans have been introduced all along the East Coast	There are very few actual levies on carrier bags throughout America. In 2007 California approved a law requiring supermarkets to take back plastic bags from consumers and ensure recycling. In 2012 Aspen banned disposable plastic shopping bags and levied a 20-cent fee on paper bags. One month after the ban became a law it was estimated that 80-90% of shoppers were bringing their own reusable bags when they shop.
Canada	Leaf Rapids became the first city in North America to pass a ban on disposable plastic shopping bags in 2007. Through donations the city collected 5,000 reusable shopping bags and handed 5 bags out to each household in order to help the community make the transition to the ban In 2009 retailers in Eriksdale are not allowed to distribute single use plastic bags for free or for a fee. Small bags used for bulk items, meat and dairy are excluded; however, they must cost more than \$1.50. Retailers who violate this policy can be charged fines up to \$1,000.	Northwest Territories introduced a mandatory 25 cent charge on all paper and plastic bags in all grocery stores in 2010. Toronto Council, Quebec (2007) and Ontario (2009) approved a 5 cent charge for each bag used by customers in grocery and retail stores. Additionally, in many areas of Canada, plastics bags are included in the kerbside recycling collection.
Australia	South Australia was the first state to ban HDPE plastic bags in 2009, as a response to the state government's "Zero Waste" policy. Retailers may be fined if they sell or give away plastic bags made from polyethylene polymer less than 35 micrometer thick. The Northern Territory government introduced a ban on single use plastic bags in 2011. Shops are forbidden to sell or give away non-biodegradable lightweight plastic bags. ¹ Coles Bay in Tasmania was the first town to prohibit plastic bags in 2003. Retailers are now offered recycled paper bags or reusable fabric bags for a fee.	
New Zealand		In 2009, a number of retailers implemented levies on plastic bags as a result of community concern, however this effort failed. Retailers are selling and encouraging customers to use reusable bags, but this is completely voluntary. In addition, Christchurch City Council collects plastic shopping bags from the kerbside as part of their recycling collection service.

Country	Ban	Levy
South Africa	In 2003, South Africa banned the use of High Density Polyethylene (HDPE) plastic bags, which are the thinner plastic bags (less than 30 micrometer thick)	<p>Additionally, a levy on the thicker plastic bags was imposed allowing retailers to sell plastic bags but not distribute the bags for free.</p> <p>The thinner plastic bags (HDPE) were banned first, as they tend to be more extensively used than the thicker, boutique style plastic bags (the Low Density Polyethylene (LDPE) plastic bags). Also thick bags are more expensive and not may retailers can afford to supply them, therefore the fear that they would be used as single carrier bags would not be the same as it is in NI.</p>
Bangladesh	Was one of the first countries to introduce a ban on plastic bags due to the major flooding in 1998 where plastic bags blocked drains preventing water from escaping. Therefore the government took action with a plastic bag ban. This lead to alternative bag use such as jute bags made from jute plants that grow in abundant amounts locally.	
China	In 2008, China introduced a ban on the production, distribution and use of lightweight HDPE bags.	In addition to the ban, retailers are allowed to charge consumers for heavier duty LDPE plastic bags with a thickness greater than 0.025 micrometres.
India	Mumbai banned the use of plastic bags thinner than 50 microns in 2012 due to clogging of drainage systems. In October 2008 Chandigarh banned the use and sale of plastic bags. In October 2009 the city added translucent plastic bags (produce bags) and disposable containers to the list of banned materials. Severe flooding in 2005 caused by the blockage of municipal drainage systems brought about the ban of plastic bags in Maharashtra. A bag ban was introduced in Thrissur 2011, and merchants who violate this can face fines and have their shop license revoked.	
Mexico	Mexico City approved a law to ban the use of non-biodegradable plastic bags in 2009	

1 Northern Territory <http://www.abc.net.au/news/2011-09-01/20110901plastic-bag-ban-begins/2865780>



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