

**EAST AYRSHIRE COUNCIL**

**COMMUNITY SERVICES COMMITTEE – 14<sup>TH</sup> NOVEMBER 2001**

**NEW CONTROLS ON OZONE DEPLETING SUBSTANCES: DISPOSAL OF REFRIGERATORS**

**Report by the Director of Community Services**

**1. PURPOSE OF REPORT**

- 1.1 To advise the Committee of new Legislation which will significantly affect the disposal of refrigerators.

**2. BACKGROUND**

- 2.1 The Montreal Protocol on Substances That Deplete the Ozone Layer was first agreed in September 1987, adjusted in Vienna in 1995 and amended and adjusted in Montreal in 1997. The protocol contains provisions for a licensing system for the import and export of all ozone-depleting substances.
- 2.2 The UK along with other members of the European Union has implemented the Montreal Protocol through an EC Regulation which is directly applicable in UK law and Regulation 2037/2000 requires the removal of ozone-depleting substances (including those trapped in insulating foams) from refrigeration equipment before such appliances are scrapped. This requirement will apply to domestic appliances from 1<sup>st</sup> January 2002.
- 2.3 Each year approximately 2.5 million domestic refrigerators are replaced in the UK, about 40% being sent to developing countries in working order with the remainder being sent to scrap metal recovery facilities or disposed of to landfill. From 1<sup>st</sup> January 2002, the export of functional fridges will not be an option.
- 2.4 While many of Scotland's Local Authorities have introduced facilities for the recovery of ozone-depleting substances from fridges, the UK has no facilities at the present time capable of extracting such substances from insulation foam. This fact coupled with the prohibition on exports will have significant implications for the Council in its role as a waste collection and disposal Authority. It is anticipated that electrical goods retailers who currently operate "take back" schemes, second hand furniture dealers and charities who handle used fridges (and also the scrap metal industry) will now consider how the new regulations impact on their businesses.
- 2.5 Given the fact that domestic refrigerators can be classified as household waste, the Council has little option but to collect any refrigerator presented by a householder.

- 2.6 The Scottish Executive is understood to be in discussions with a company with a view to setting up a plant for extracting ozone-depleting substances from insulation foam in refrigerators but until an appropriate plant is constructed, the Council has no option but to either send scrap refrigerators to some other EC country for treatment or store these in the UK until a suitable facility is available.
- 2.7 The Scottish Environmental Protection Agency (SEPA) has to be consulted before shipping any used refrigerators abroad. If waste refrigerators are to be stored until a treatment facility becomes available then planning permission and a waste management licence will be required (issued by SEPA) to ensure that no ozone-depleting substances will be released to the atmosphere.
- 2.8 CoSLA are involved in the discussions with the Scottish Executive and the contractor who wishes to provide the facility.

### **3. DISCUSSION**

- 3.1 The contractor who is currently speaking to the Scottish Executive is adamant that the company be given exclusive rights to all scrapped refrigerators amassed by Scotland's Local Authorities. It has been made clear however that such a position creates a monopoly and would not sit well with Best Value.
- 3.2 At the present time it is thought that it will cost approximately £35 per unit to remove all ozone-depleting substances from both the refrigeration equipment and the insulation foam in the unit. The Scottish Executive have intimated their intention to provide additional funds in the 2002/2003 GAE and it is expected that these funds will be ring-fenced.

It is believed that the Scottish Executive could base their financial support on the number of fridges currently handled by the Council (i.e. no provision could be made for those units which used to be handled/recycled by the electrical trade).

- 3.3 The company currently speaking to the Scottish Executive propose to build one plant to deal with all fridges arising in Scotland. If this project comes to fruition then there will be additional transport charges involved in transporting stored fridges from each Council's area to the new plant. These additional transport costs will not be catered for in the additional GAE funding currently under consideration.
- 3.4 Effectively the Council will require to store all redundant fridges presented for collection after 1<sup>st</sup> January 2002. The units will require to be stored in such a manner as to minimise the release of ozone-depleting substances to the atmosphere but it is not clear whether the additional GAE funding will cater for costs arising from providing

storage facilities. Further guidance on the Regulations is awaited from the Scottish Executive.

- 3.5 In strict terms, any facility designed to store controlled waste prior to treatment will require a Waste Management Licence (assuming there is an appropriate planning consent in place) and it is legislatively impossible for SEPA to issue a Waste Management Licence in the current timescale for a storage plant to commence operations after 1<sup>st</sup> January 2002.

It is anticipated that in most circumstances, the storage arrangements will have to provide for removal of the fridge doors and steam cleaning of interiors. The requirement for removal of CFC refrigerators however will disappear (as this will be carried out in the (proposed) treatment plants).

- 3.6 It is understood that if a treatment plant is to be built, it will take between nine and fifteen months to become operational. This means that the plant could begin operation with around a twelve month backlog.
- 3.7 A Working Group of Council staff comprising Waste Management, Planning and Property Services Officers began work at the beginning of October to identify potential solutions to the problem.
- 3.8 As apparently no ozone-depleting substances have been used in white goods since 1995, it is thought that this problem has a limited life (the average life of a fridge is 10 years).

#### **4. LEGAL IMPLICATIONS**

- 4.1 EC Regulation 2037/2000.
- 4.2 The Environmental Protection Act 1990.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 At the present time the Council uplifts approximately 3000 scrap domestic refrigerators each year. To this has to be added the 2000 estimated scrap fridges currently collected by the local electrical companies but probably fall into the Council to be collected after 1<sup>st</sup> January 2002. At £20 per unit this will generate an additional annual cost of £100,000 in collection costs alone. It is understood that these costs may be covered by additional GAE funding in 2002/2003.
- 5.2 There will be additional (as yet undefined) charges resulting from the provision of storage facilities for refrigerators. Once the treatment plant (s) is provided, additional transport costs will have to be met.

## **6. POLICY IMPLICATIONS**

6.1 The Council is committed to complying with all Environmental Legislation.

## **7. CONCLUSIONS**

7.1 New EC Regulations will effectively prevent the Council from using existing disposal routes for scrap domestic refrigerators after 1<sup>st</sup> January 2002.

7.2 The lack of an appropriate treatment plant in Scotland at the present time means the Council being faced with storing scrap refrigerators for a period between nine and fifteen months.

7.3 The new Regulations will mean additional costs for the Council in terms of providing storage facilities, transport and treatment costs.

## **8. RECOMMENDATIONS**

8.1 The Committee is invited to:-

- (i) note the significant additional costs which will fall to the Department from 1<sup>st</sup> January 2002 as a consequence of this new Legislation;
- (ii) note that the Scottish Executive have indicated that additional GAE funding will be provided in the 2002/2003 settlement and recommend appropriate provision be made for the additional costs in the budget preparation exercise for the next financial year;
- (iii) remit to the Director of Community Services in consultation with the Chair to take appropriate action following the issue of guidance by the Scottish Executive on this matter; and
- (iv) otherwise note the report.

William Stafford  
**Director of Community Services**

28<sup>th</sup> September 2001

WS/JFC/RRS

### **LIST OF BACKGROUND PAPERS**

1. Letter from the Scottish Executive dated 14<sup>th</sup> September 2001.

Any person wishing to inspect the background paper listed above should contact John F Crawford, Head of Protective Services, on telephone (01563) 575111.

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**AGENDA**