



An Independent Study into Fly-tipping and Unregistered Waste Carriers in England

Final report

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Executive Summary

Background

Millions of tonnes of waste fail to make it into legitimate disposal and recycling routes each year. There were nearly one million recorded instances of fly-tipping on public land in England in 2019/20, and the figures for fly-tipping on private land (which are not recorded) could also be very significant. The Environment Agency (EA) also dealt with nearly 1,000 organised illegal waste sites on top of this.

We estimated that approximately 1.82 million tonnes of waste fell outside the legitimate system in 2019/20 in England, due to fly-tipping on public land, or being taken to an illegal waste site. These issues combined could potentially equate to lost landfill tax of £176 million each year, and this estimate would be significantly higher if fly-tipping on private land was included. These activities are costing the public and private sectors significant sums of money each year and are impacting severely on the environment.

The above latest annual statistics on fly-tipping on public land in England, which showed that local authorities were forced to clear up just under 1 million (976,000) fly-tips, included 58,000 waste electrical and electronic equipment (WEEE) fly-tipping incidents involving ‘white goods’ and ‘other electrical’ incidents on public land. The total weight of this fly-tipped WEEE was estimated to be 25,346 tonnes. We also estimated that the amount of WEEE that is being fly-tipped via household residual (‘black bin bag’) fly-tipping incidents could be a further 2,817 tonnes. Add to this the amount of WEEE estimated to be entering Illegal Waste Sites (59,200t) and this takes the total to approximately 87,363 tonnes per year, some of which would never make it to approved recovery, and that which eventually did added significant cost to the system.

The carrier, broker and dealer (CBD) registration system which determines who can move waste in England is central to the security of waste streams. This study was funded by Material Focus to investigate the extent to which non-professional actors moving waste (including WEEE) outside the formal system were contributing to WEEE being improperly recovered, or not being recovered at all. If waste was being collected by people who were either incompetent or with bad intentions, that were operating under the radar of the authorities, it could also explain why so much is ending up in places that it should not. To form a better understanding of the extent of this problem this project examined who was advertising waste collection services online in ten UK areas and compared thousands of business names to entries in the CBD register to check registration.

Key Findings

Evidence gathered shows that the existing CBD regime both does not function effectively and is being misused. This is resulting in extensive criminal exploitation of that system, serious waste crime, environmental damage, and lost revenue.

The number of unregistered carriers, brokers and dealers is very high. We collected a list of all the companies based in 10 locations in England which were using one of five advertising platforms to promote relevant waste services. We identified 4,742 such persons or businesses

and then checked the CBD register for each to identify registration status. Nearly two-thirds (63%) of businesses offering to handle waste appear to be unregistered. We have estimated that 238,741 individuals or organisations could be operating in the waste transportation sector without registration in England and 284,215 in the UK at large. An assumption can be made that if these individuals and organisations are unregistered, they might be more likely to dispose of waste illegally, which would be of great concern.

Great reliance has been placed on businesses and householders being required to check whether carriers are CBD registered, but, as mentioned, the online register that enables them to make these checks does not allow them to do so effectively.

The current regulatory approach does not appear to provide the requisite scrutiny of CBD registration. Consequently, names of organisations and individuals are being entered inaccurately, or fraudulently, and many businesses mask their identities by simply giving their legal name as “John” or “Waste”. The same legal name is often registered by different businesses, which makes registration checks very complicated. Some businesses are not disclosing all their trading names: they register in one name but advertise in large numbers of other names. Some applicants provide PO Boxes, addresses of agents, or even false locations as their trading address. Additionally, large numbers of people are not notifying the EA when their address or trading name has changed. There is a two-tier registration process whereby those in the lower tier are left unregulated. Evidence gathered finds that many lower tiered registered businesses should have been registered in the upper tier as they were moving waste as their main business. Many should have been identified because they had words like “skip”, “asbestos” and “waste” in their business titles.

The largest size category of fly-tipping incidents involves van loads. Unsurprisingly, the van sector had the highest number of businesses that appeared to be operating without CBD registration (86%). The split regulatory responsibilities between the EA and local authorities appears to have led to blind spots, as there was strong evidence that a lot of problems in this sector might be down to connected organised networks, as opposed to one-man operators. Some appeared to be spending hundreds of thousands of pounds a year on advertising.

Advertising platforms which ensured rigorous checks on those advertising only accounted for 1% of all the waste collection adverts. The main advertising/social media platforms do not appear to be doing anything to prevent unregistered operators advertising, even though their declared policies would suggest they could play a far greater role in stopping these individuals and organisations from advertising on their websites.

Central to CBD registration is that there should be some aspiration to only have good operators in the system. Whilst hundreds of thousands of people are being subject to enforcement action, very few are ever removed from the register (the only known examples being just two upper tier registrations and zero lower tier registrations in the last three years).

There is an over reliance on the use of penalty notices as a tool to punish those caught doing the wrong thing. This method (providing a penalty of a few hundred pounds), is not effectively factoring in the economic gain of people breaking the law, does not enable the assessment of cumulative offending, and is not a sufficient deterrent to make those committed to breaking the law think twice about doing this again. Cases that should be escalated and going to court are not, seemingly because of a lack of resources within local authorities and the EA.

Opportunities for Reform

The carrier, broker and dealer registration system as a whole is not achieving its main goals and should be rethought. A number of opportunities for improving the existing system have been identified, which are presented in Chapter 12.

We consider that a system refresh should be based on the following four principles:

1. It needs to move customers away from using the non-professional sector by giving them better tools to check they are using bona fide businesses.
2. Only legal entities that are clearly identifiable can be registered and an ordinary customer should be able to check easily the validity of the business registration.
3. There should be credible regulation and enforcement of the CBD system – whether this is by multi-agency action against organised elements, or traditional waste regulation type activity.
4. Only legitimate operators should be allowed to advertise, and in a form or manner that makes them easily identifiable as being registered.

However, though we feel this will help reduce the problem, it is recognised that fixing the CBD registration system alone will not solve the issue of fly-tipping and dumping.

1. The Problem of Fly-Tipping/Waste Dumping and Study Objectives

This chapter considers the size of the problem of fly-tipping/waste dumping and the consequences of waste ending up in the wrong place. This includes an examination of the environmental and financial impacts, as well as the circular economy impacts of so much waste being channelled to undesirable routes. It provides some background information about the origins of this report, the funder and the objectives of this project.

1.1 Introduction

Environmental regulations state that every person or business that produces waste in England has the responsibility for managing it properly. There have been a number of waste industry campaigns to persuade people to comply with these laws and to ensure that the right waste ends up in the right place. The scale of fly-tipping and illegal waste dumping that is taking place calls into question the effective application of this whole area of law and regulation. This report attempts to understand what is going wrong.

1.2 The Size of the Problem

Fly-tipping

According to the Department for Environment, Food and Rural Affairs (Defra) local authorities in England dealt with more than 976,000 instances of reported fly-tipping on public land in 2019/2020.¹ This is an increase of 37% from the 711,000 reported in 2012/13.² Although these figures are probably not completely accurate, they indicate the ballpark size of the problem.³

What is less understood is the scale of fly-tipping on private land, which is not included in the local authority derived statistics relating to fly-tipping on public land. Some stakeholders believe that cases of fly-tipping on privately owned land are significantly more than on public

¹ Department for Environment, Food and Rural Affairs, 'Fly-tipping statistics for England, 2019/20' (Defra, 2021) <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/964062/FlyTipping_201920_Statistical_Release_Acc_checked_FINAL.pdf>

² G. Arnett, 'Why is fly-tipping in England down in the dumps?' Guardian, 15 October 2013. <<https://www.theguardian.com/news/datablog/2013/oct/15/fly-tipping-england-break-down>>

³ One reason for this is that fly-tipped waste is recorded differently by different Local Authority officers (who make judgement calls on case-by-case basis) and separate Local Authorities count and classify this waste differently.

land.⁴ The 2018 National Rural Crime Survey (NRCS)⁵ found that 57% of rural businesses have been a victim of fly-tipping/dumping. When a waste crime incident occurs on private land it is the landowner's responsibility to remove the illegally dumped waste and dispose of it legally and at their expense. This means that some waste crime goes unreported to the Environment Agency (EA), local authorities and the police, especially as larger landowners often have the resources and capability to clean-up waste dumped on their land themselves. The NRCS found that 72% of fly-tipping/dumping probably goes unreported on private land. Not reporting the waste crime event can be down to a multitude of reasons, but the information available so far indicates that the scale of the problem is far larger than estimates show.

Illegal Waste Sites

Illegal waste sites are more substantial than fly-tipped waste and are typically sites which operate without a permit, are organised and involve multiple loads of waste being treated, stored or disposed of. These can operate with or without the knowledge of the owner of the land (especially if the land is not occupied by the owner).

About three illegal waste sites are detected each day in England by the EA (with an average of about 868 unlawful sites each year).⁶ Such high detection numbers can make it seem like regulatory approaches are succeeding. In reality, the true extent of the incidents remains largely unknown. Some perpetrators will not be caught. Additionally, whilst some sites are successfully closed down, the authorities will not always have good intelligence data about the extent of the criminality and the timings of the events. If an unlawful site has been operating for years, or decades, this can still be considered a failure of the regulatory system, even if they are eventually detected.

1.3 Key Impacts

Environmental

Fly-tipping can be a serious blight on local environments: a source of pollution; a potential danger to public health; a hazard to wildlife; and a nuisance.⁷ Regulated waste sites are located, designed, operated and monitored to ensure compliance with regulations. Unlicensed ones are not, posing far bigger risks to the environment and health.

Financial

As well as being an environmental crime, fly-tipping/waste dumping is also an economic crime. The high landfill taxes that are in place in England have provided a strong incentive for some people and businesses to dispose of their waste via improper channels. The rule of law

⁴ I. Hoey, 'CLA calls for tougher action as fly-tipping increases,' Farm Business, 24 February 2021. <<https://www.farmbusiness.co.uk/news/cla-calls-for-tougher-action-as-fly-tipping-increases.html>>

⁵ National Rural Crime Network, 'Living on the Edge: Why crime and anti-social behaviour is leaving rural communities and businesses frustrated, undervalued and isolated. Report & Recommendations from the 2018 National Rural Crime Survey (NRCN, 2018).

<<https://www.nationalruralcrimenetwork.net/research/internal/2018survey/>>

⁶ Department for Environment Food and Rural Affairs, 'Digest of Waste and Resource Statistics – 2018 Edition' (Defra, 2018). Figure based on average number of new sites detected between 2009 and 2017.

⁷ DEFRA - Fly-tipping statistics for England, 2014/15

gov.uk/government/uploads/system/uploads/attachment_data/file/469566/Flycapture_201415_Statistical_release_FINAL.pdf

and payment of taxes are being avoided by those bypassing proper disposal and recycling channels and the financial strain of such activities is substantial. Total illegal waste activity, which includes fly-tipping and organised waste dumping at illegal sites, is estimated to be costing the English economy at least £1bn a year.⁸ Some of the key financial impacts are given in the table below.

Impact	Relevant to	Estimated Annual Cost
Clean-up costs of fly-tipping on public land	Local authorities / taxpayers	£50 - £60 million ⁹
Clean-up costs of fly-tipping on private land	Private landowners	£1,000 total annual cost on average per business. ¹⁰ Estimated total cost to private landowners is £50-150 million a year. ¹¹
Clean-up costs of illegal landfills on public land (or where money cannot be obtained from landowner)	Local authorities / environment agencies / Government	Unknown total. At the UK's largest illegal site this was estimated to potentially cost £100 million (for a single site). ¹² At a different UK site a court was told that the minimum clean-up cost to the taxpayer would be in excess of £50 million and should the dumped contaminants leach into the city water supply, it could cost £9 billion. ¹³
Clean-up costs of illegal landfills on private land	Landowner	Total unknown. There have been a number of cases where the owners of private land have become responsible for paying clean-up costs running into millions of pounds. ¹⁴

⁸ Environment Agency, 'Waste Crime Interventions and Evaluation Project' (EA, 2017).

⁹ See: Sara Priestley, Oliver Bennett, Alison Pratt, 'Fly-tipping - the illegal dumping of waste,' House of Commons Briefing Paper, Number CBP05672, 9 May 2016. Additionally, the annual fly-tipping statistics usually contain a clean-up cost figure.

¹⁰ National Rural Crime Network (n5).

¹¹ National Fly-tipping Prevention Group <<http://www.tacklingflytipping.com/landowners/1500>>

¹² R. Milne, 'Cleaning up huge illegal tip near Derry could cost £100m' (The Planner, 12 January 2017) <<https://www.theplanner.co.uk/news/cleaning-up-huge-illegal-tip-near-derry-could-cost-%C2%A3100m>>

¹³ S. Frost, 'Quarry dumping could cost taxpayers £9 billion amid fears drinking water supply may be contaminated' (North Somerset Times, 21 October 2019) <<https://www.northsomersettimes.co.uk/news/crime/quarry-dumping-could-cost-9billion-to-clean-up-4549880>> accessed 5 December 2020.

¹⁴ E.g. (i) 'Exclusive: 30,000 tonnes of waste abandoned with £2m clean-up cost' (ITV News, 31 October 2018) <<https://www.itv.com/news/central/2018-10-31/exclusive-30-000-tonnes-of-waste-abandoned-with-2m-clean-up-cost/>> accessed 5 December 2020; (ii) 'Site "Transformed" After Removal of 66,000 Tonnes of Illegal

Cost of attending fires at unlawful waste sites	Fire Service	£8 million a year. ¹⁵
Tax avoidance	HMRC	Unknown how much tax avoidance can be directly attributed to fly-tipping and illegal waste sites, but this could be significant. A single site detected in the UK had landfill tax avoidance estimated to be at least £97 million. ¹⁶
Undermines legitimate waste businesses where unscrupulous operators undercut those operating within the law.	Waste industry	Unknown. But taxes that would be payable to the treasury by legitimate companies are being lost because work is going to waste carriers who are not disposing of waste through legitimate channels.

1.4 The amount of waste falling outside legitimate systems

If waste does end up in the wrong place this can have a serious impact on achieving a circular economy. If it is illegally handled and subsequently fly-tipped or dumped, it may fall out of the system and could be lost forever (e.g. if it goes into illegal landfills, is set on fire or illegally exported), impacting on recycling and other recovery targets. There are data gaps on overall tonnage losses out of the legitimate waste system, so we have tried to derive figures on how much tonnage could be being channelled to undesirable outcomes. These figures should be seen as estimates.

Fly-tipping

A study in Scotland found that from the 61,227 incidents of waste recorded as fly-tipped and dealt with by local authorities, there were an estimated 26,756 tonnes of waste in total, giving an average weight of 0.44 tonnes per fly-tipping incident.¹⁷ In reaching our estimate below we have therefore assumed that each fly-tipped load has an average weight of 0.44 tonnes based upon the number of incidents reported. This figure clearly should be treated with some caution. However, it does give an average weight from which some estimates can be made. To support the argument that 0.44 tonnes per incident is reasonable, a Ford Transit standard wheelbase

Waste' (Circular, 1 August 2018) <<https://www.circularonline.co.uk/news/site-transformed-after-removal-of-66000-tonnes-of-illegal-waste/>>.

¹⁵ National Fire Chiefs Council, 'Testing Time for Waste Fires' (February 2016) <<http://www.cfoa.org.uk/20972>>.

¹⁶ Figure based on UK standard landfill tax rate of £96.70 per tonne (in April 2021), and that 1m tonnes of waste was found at the Mobuoy site. See: C. Macauley, 'Government's lack of joined up thinking' on illegal dump criticised' (BBC News, 27 October 2017) <<https://www.bbc.co.uk/news/uk-northern-ireland-41775317>> accessed 5 December 2020.

¹⁷ Zero Waste Scotland, 'Scotland's Litter Problem' (ZWS, 2013)

van (which would be a common vehicle size for illegal fly-tippers) can carry a payload of 1.085 tonnes.

There were 976,000 fly-tipping incidents on public land in England in the latest annual statistics, which would potentially equate to 429,440 tonnes of waste being fly-tipped each year in England following the Scottish estimates.

If the amount of waste being fly-tipped on private land was potentially the same as that on public land (which stakeholders such as the CLA think it is)¹⁸ then the combined fly-tipping figure (for both public and private land) could potentially be doubled to 858,880 tonnes annually.

Illegal waste sites

The total tonnage of waste found at illegal waste sites is not published. An industry report commissioned in 2017 estimated that there was an average of 1600 tonnes of waste at each illegal waste site.¹⁹ This could be much higher in practice, however, based on another UK environmental agency estimating that an average illegal waste site in their country contains 6700 tonnes of waste.²⁰

Earlier in this report we commented that 868 unlawful waste sites are detected annually in England.²¹ If the lower 1600 tonnes per site figure is used, the annual amount of waste potentially going to (detected) unlawful sites in England could be 1.39 million tonnes each year. This figure could potentially be higher - 5.82 million tonnes each year - if these calculations are based on data supplied by the other UK environmental agency.

Estimated total tonnage lost from circular economy

If you add the tonnage estimate for fly-tipping on public land to the tonnage estimate for illegal waste sites in England, this produces a total of approximately 1.82 million tonnes of waste falling outside the legitimate system each year. This would equate to evasion of landfill tax in the region of £176 million annually in England (assuming all the waste would be landfilled).²² This is a substantial figure, and one which could be significantly higher, because it does not cover fly-tipping on private land or include unrecorded crime.

1.5 The Focus of this Report and its Funder

There have been numerous efforts at local and national level in England to try and combat fly-tipping and illegal dumping. For example, the EA received an extra £30 million from

¹⁸ Hoey (n4).

¹⁹ Eunomia, 'Rethinking Waste Crime' (Environmental Services Association & Environmental Services Association Educational Trust, 2017)

²⁰ Seminar (organised by Air & Space Evidence), 27 April 2017, at University College London. Attended by Environment Agency, Scottish Environmental Protection Agency, Northern Ireland Environment Agency (NIEA). Tonnage figure was given by NIEA.

²¹ Defra (n.6).

²² Figure based on UK standard landfill tax rate of £96.70 per tonne (in April 2021). Figure is very close to figures from one newspaper article which reported that "Eunomia found that fly-tipping, the simple dumping of rubbish, carried the greatest cost to the economy, at £209m a year."

<<https://www.theguardian.com/environment/2017/may/03/dog-registered-waste-collector-critic-lax-regulation>>

Government specifically for tackling waste crime in England.²³ There has also been a high level review into serious and organised crime in the waste sector.²⁴ The Government's Resources and Waste Strategy also includes a number of commitments to improve sentencing of fly-tippers, including working with the Sentencing Council to increase magistrates' awareness of the prevalence and importance of waste crime.²⁵ The above initiatives were clearly sensible and produced good recommendations. However, under current approaches, the scale of fly-tipping and dumping of waste does not seem to be reducing.

The carrier, broker and dealer (CBD) registration system which determines who actually can move waste is central to the security of waste streams. The (CBD) registration system appears to be a weak link and could be responsible for a significant proportion of the problems of fly-tipping and illegal waste sites. We acknowledge that an unquantified proportion of fly-tipping could also be committed by the owner/producer/householder – but this is not the focus of this study.

Our assumption in this study is that problems probably occur when waste producers pass their waste to a carrier. So, the key questions are: who is responsible for moving and illegally disposing of that quantity of waste that has fallen out of the system, how are they getting hold of that waste, and to what extent is this being perpetrated by those with, or without, CBD registration?

The authors of this report received funding from the EA in 2019 to develop methodologies to better estimate the extent of waste crime.²⁶ This work gave us the opportunity to explore whether there could be a significant dark sector of unregistered or non-professional operators working on waste collection and disposal. We undertook a small sample study in one English county to see who was using advertising platforms and social media to facilitate waste collection services and whether these individuals and organisations were CBD registered to be able to legitimately move waste or not.²⁷ The purpose of this examination was to give a snapshot of the overall level of CBD registration compliance in the waste industry and to provide an indication as to whether unregistered individuals or organisations could be a significant factor in the levels of fly-tipping and waste dumping that were occurring. This research found that 61% of the individuals or organisations that were identified as advertising waste services did not appear to be registered with the EA, which meant that only 39% of those advertising waste collection services could be identified as CBD registered and were therefore known to the EA.

The cross-industry evaluation panel which reviews applications through Material Focus' open technical research round selected this project for funding to enable us to undertake a much deeper investigation into compliance with carrier CBD registration. Their interest in funding the project was because the amount of Waste Electrical and Electronic Equipment (WEEE) in the approved system was declining, impacting upon successful recovery, and not all of this could be readily explained. Whilst a key focus of this report was to ascertain where system gaps were in relation to disappearing WEEE, it was hoped that this work might also help

²³ L. Noel, 'Independent review into serious and organised crime in the waste sector' (HM Government, 2018).

²⁴ Noel (n23).

²⁵ Department for Environment, Food and Rural Affairs, 'Our Waste, Our Resources: A Strategy for England' (HM Government, 2018).

²⁶ Air & Space Evidence, New Methodologies for the Measurement of Waste Crime (report to the Environment Agency in 2019 as part of Project 24693: Understanding the True Scale of Waste Crime).

²⁷ Sample of 193 businesses in Oxfordshire undertaken. We could not find registration details for 117 of these.

ascertain what was going on with the waste CBD system generally, and why, broadly, so much waste was being channelled to undesirable outcomes.

The research reported here investigates the following characteristics of fly-tipping and illegal waste dumping.

1. An assessment of how many carriers that were advertising waste collection services were registered to do so in selected areas in England and the extent of the dark or non-professional sector operating.
2. An examination of systemic weaknesses in the whole CBD registration process.
3. An assessment of the ability of those wishing to dispose of waste to be able to identify whether a waste organisation is correctly registered.
4. An assessment of other factors which might ultimately be influencing the levels of fly-tipping and waste dumping that are being experienced.

Our approach was not just to identify problems, but also to suggest some positive and practical opportunities for reform that might ultimately mean less waste (including WEEE) going to the wrong place. To ensure that these were both sound and implementable in practice, we brought together a steering panel containing leading experts in the UK in a variety of different fields and working backgrounds relevant to waste crime. Further information about the authors and the steering panel are contained in Annex 1

2. The Regulatory System in Place for Carrier, Broker and Dealer (CBD) Registration

This report contains many observations about the shortcomings of the current CBD registration system. To provide some context, this chapter outlines how the existing carrier registration system came into being, what formal rules are currently in place for regulating waste transporters, and how these are set up to meet the statutory duty of care requirements.

2.1 Historical Background

In the 1980s anyone transporting waste was only subject to statutory controls that applied to all businesses and to the operation of vehicles. Most of the legislation applying to vehicles was intended to ensure their safe operation irrespective of the nature of goods carried.

In 1985 the House of Lords Select Committee on Science and Technology recommended a separate, national system of licensing for all waste transporters. The committee felt that the existing vehicle operator licensing system was not suited to the task of regulating waste transporters, especially since it did not apply to vehicles below 3.5 tonnes gross weight.²⁸

Also, in 1985, the Royal Commission on Environmental Pollution (RCEP) concluded that it was imperative that a system for identifying and monitoring the competence of waste transporters should be established as an essential link in securing the waste stream.²⁹ They considered that without a system of carrier registration, irrespective of vehicle weight, a vital link in the discharge of the duty of care responsibility would be missing. RCEP concluded that it would be costly and impractical to conduct application vetting initially in the registration system and that anyone with a heavy goods operator's licence should be able to register. In addition, the RCEP wanted that system extended with modifications to smaller vans. Having a vehicle operating licence was thought to ensure a degree of credibility and anyone holding one would have registration granted automatically, unless it could be shown they had persistently committed environmental offences. Whilst RCEP suggested a light touch initial approach to registering waste transporters, they did also recommend that on renewal of carriers' licencing the regulators should gradually vet and investigate further and clamp down so that *"progressively, therefore, the competent operators will be separated from the 'cowboys'."*³⁰

The dominant impetus for bringing in the registration of the carriers system though was the obligation under Article 12 of the then European Union Directive on Waste 75/442/EEC, as amended by Council Directive 91/156/EEC (The Waste Framework Directive).

²⁸ House of Lords Select Committee on Science and Technology (1985). Opinion of the Committee on the Review of the Control of Pollution (Special Waste) Regulations 1980. Sixth Report, Session 1984-85. HMSO, London.

²⁹ Royal Commission on Environmental Pollution (1985) Managing Waste: The Duty of Care. Eleventh Report, Presented to Parliament in December 1985, Cmnd.9675. HMSO, London. See in particular paras 8.25 – 8.37.

³⁰ RCEP (n29) para 8.31.

2.2 Legislation

The registration of carriers in England was introduced under the Control of Pollution (Amendment) Act 1989. Regulations under the 1989 Act required regulation authorities to maintain a register of waste carriers and with effect from 1st April 1992 it became an offence to transport waste in the course of business for profit or gain without being registered.

In May 1994 the registration system was extended to include ‘brokers’ and ‘dealers’ who arrange for the disposal or recovery of waste. This was enacted alongside major reforms to the waste licensing system to give effect to the revised EU Waste Framework Directive.³¹ Together, these requirements constitute what is now known commonly as the carrier, broker and dealer (CBD) registration system.

The 1994 Regulations also enshrined other EU requirements including the duty on regulators to carry out appropriate periodic inspections of CBDs and others with a view to achieving the objectives of the EU Waste Framework Directive, to ensure waste is recovered or disposed of without endangering human health or harming the environment. The EU Waste Framework Directive also enshrined the ‘polluter pays principle’ in UK law, which justifies the fees and charges imposed on those who deal with waste.

Further regulations in 2011 were primarily intended to give effect to the 2008 revision of the Waste Framework Directive.³² In respect of carriers, the update was to reflect a European Court of Justice (ECJ) ruling that found the existing national laws were not fully transposing Article 12 of the Directive. The ECJ found that the registration of professional waste carriers must include all those who normally and regularly transport waste “whether that waste is produced by them or others”.³³ The Government were under an obligation to amend the list of those who are currently exempt from registration and bring into the system a range of businesses not previously registered with the Environment Agency (EA), particularly those who “normally and regularly” carry waste they produced themselves. The 2011 Regulations make provision for a two-tier registration system that complies with the ECJ’s judgment but is “as light as possible for businesses”.³⁴

Registration can be done online³⁵ or using a printed form. There is a different process for registering as a waste carrier in Northern Ireland, Scotland and Wales. Businesses or individuals can be fined up to £5,000 if they operate as a carrier, broker or dealer in the waste sector in England without registering.

2.3 Different Tiers in the Registration Process and Costs

There are two types of registration that are available for businesses or individuals: upper tier and lower tier. What kind of certificate of registration is applicable depends on the person or organisation’s operations. When you apply online for a registration and if there is uncertainty about what registration category is relevant the applicant can check by answering a few

³¹ The Waste Management Licensing Regulations 1994 SI 1994 No.1056.

³² The Waste (England and Wales) Regulations 2011 SI 2011 No. 988.

³³ Case C-270/03 involving infraction proceedings by the European Commission against Italy.

³⁴ Explanatory Note to the Waste (England and Wales) Regulations 2011 SI 2011 No. 988.

³⁵ <www.environment-agency.gov.uk/business/sectors/wastecarriers.aspx>

questions about their business activities, and this will guide them to the most appropriate option.

According to the Environment Agency (EA) website a person or organisation will be deemed to require upper tier registration if they:

- transport other people's waste (or arrange for other people to transport, dispose of waste or buy/sell it)
- collect scrap metal as part of their business
- produce construction waste through the repair, alteration, maintenance or demolition of any building or infrastructure. This will include, for example, a general builder refurbishing a bathroom in a domestic house or a kitchen fitter who transports old kitchen units or wall tiles as part of an installation of a new kitchen

An upper tier certificate of registration costs £154 (+VAT) for a new registration which is valid for 3 years, and then costs £105 (+VAT) for subsequent renewals (which are also valid for 3 years).

The lower tier registration process, which was introduced in 2011, was motivated by the Government to achieve compliance with European case law that provided that all those who normally and regularly transport waste should be registered, including waste producers.³⁶ A person or organisation will require lower tier registration if they:

- only carry waste they produced in the course of carrying out their business (unless it is construction or demolition waste)
- only carry, arrange or deal in animal by-products, waste from mines and quarries or waste from agricultural premises
- are a charity or voluntary organisation
- only carry green waste.

A lower tier certification of registration is free to obtain, and its validity is open-ended.

2.4 Information that Must be Given in the Registration Process

Any person or business applying for an upper tier registration must supply the following information when they apply for registration:

- Full names and dates of birth of the organisation's executives, owners, directors or partners.
- Name of the 'legal person.' These may be (a) an individual, (b) the individual partners in a partnership, (c) a body corporate. The latter including limited and unlimited companies, charities, clubs and societies.
- Their 'principal place of business' (i.e. trading address).
- Information about whether the applicant or any other person in that business, have any unspent convictions of a relevant offence.³⁷
- Contact details: telephone number, email address.

³⁶ Case C-270/03 (n32).

³⁷ 0.07% of applicants declared that they or their company or someone managing their company had a relevant conviction – 101 out of 140316 upper tier applications. Information obtained from a Freedom of Information Act 2000 response by the Environment Agency, 22 April 2021 (Reference NR214321).

A legal person may operate under any number of trading names. The online registration does ask for trading names to be supplied. The requirement for registering by using a legal personality also explains why companies within a group must all register separately, because they are legally separate entities.

A person or business can be prosecuted and fined up to £5,000 if they give false or misleading information. Once a registration has been completed, the person or organisation's details appear in the public register of waste carriers, brokers and dealers.

An upper tier registration will expire after 3 years and if this is not renewed the details will be permanently removed from the register. A lower tier registration will indefinitely be recorded on the register and there is no mechanism to either renew or remove entries.

2.5 Numbers of Persons or Businesses that are Registered as CBD

*The total number of Upper Tier registrations in England was 140,213 on April 1st 2021.³⁸
The total number of Lower Tier registrations in England was 155,327.³⁹*

The main focus of this report is on the upper tier carrier system because these are professionally involved in transporting waste. It is surprising to us that there were as many as 140,213 persons or businesses registered as professionals in this category, although as indicated above, this tier is supposed to also include builders and kitchen fitters. This is an average of about 409 registrations for each local authority in England.⁴⁰

2.6 Regulatory Scrutiny

It is unknown what degree of checks of the information supplied are undertaken by the EA before registration is granted. *Of the 140,234 Upper Tier Registration applications received between 1 April 2018 and 1 April 2021, the EA refused 19 applications (0.01% of applications).⁴¹* No Lower Tier Registration applications were refused in that three-year period.

The cost of Upper Tier registration is intended to cover the costs of regulating the applicants' activity.⁴² *If there are currently 140,213 upper tier registrations this would seem to generate somewhere (approximately) between £14.7 million + VAT (renewals only) and £21.6 million + VAT (new applications) every three years (the period of registration) directly to the EA to regulate the CBD system.*

³⁸ Based on the period 01/04/2018 – 01/04/2021. 140,234 Upper Tier Registration applications were received, 19 applications were refused, and 2 registrations were Revoked – leaving 140,213. Information obtained from a Freedom of Information Act 2000 response from the Environment Agency, 22 April 2021 (Reference NR212642).

³⁹ Figures correct as of the 11 January 2021. Data supplied directly by the Environment Agency on that date. Additionally, there were 67,132 applications received between 01/04/2018 and 01/04/2021 for Lower Tier Registrations. Information obtained from a Freedom of Information Act 2000 response from the Environment Agency, 22 April 2021 (Reference NR212642).

⁴⁰ In total there are 343 local authorities in England. See further: <<https://www.gov.uk/guidance/local-government-structure-and-elections>>

⁴¹ Information obtained from a Freedom of Information Act 2000 response from the Environment Agency, 22 April 2021 (Reference NR212642).

⁴² See further: <<https://www.gov.uk/guidance/environment-agency-fees-and-charges>>

2.7 Keeping the CBD Register Up to Date

- A person or business must contact the Environment Agency within 28 days to update their registration if there had been any change of circumstance affecting information in the entry,⁴³ including:
 - contact details change
 - management changes
 - someone in management is convicted of an environmental offence
 - the organisation changes what it does, for example, they are registered as a waste carrier but start acting as a waste broker as well.

It costs £40 to change any of the above. Therefore, such charges would provide additional registration income on top of the £14.7 - £21.6 million figures mentioned above.

A person or business must make a new registration if:

- the business type has legally changed, for example if they have changed from a sole trader to a limited company
- the activities undertaken have changed from a lower tier to an upper tier registration.

It costs £154 to make a new registration.

A fine of £5,000 may be enforced if a registration is not updated. If the Agency becomes aware that the information held on the register is incorrect in respect of any carrier, broker or dealer, it may remove that person from the register where it is reasonable to do so.⁴⁴ The Agency must restore the person to the register if the correct information comes to its notice.⁴⁵

2.8 Revocation of CBD Registration

The way the system is set up means that there could potentially be three scenarios that might lead to someone's registration being removed. The first is if the EA become aware through their own investigations that there has been a change of circumstances in that registration, and they have not been informed by the registration holder. For example, an enforcement team in the EA might tell the CBD registration team that enforcement action had been brought for an environmental offence. The second is if the carrier self-reports a change of circumstances, in line with the procedure under the legislation above and this is deemed serious enough to remove their registration. For example, they notify the EA that someone in management has been convicted of an environmental offence. The third is if the EA becomes aware that a registered person or business has been subject to an enforcement action for an environmental offence by an external body. For example, this could be via a local authority notification after a fly-tipping enforcement action.

In practice, very few registrations are removed. Between 1 April 2018 and 1 April 2021 the EA revoked only 2 Upper Tier Registrations (0.001%) and no Lower Tier Registrations (0%).⁴⁶

⁴³ Regulation 30(1), The Waste (England and Wales) Regulations 2011 SI 2011 No. 988.

⁴⁴ Regulation 30(2), The Waste (England and Wales) Regulations 2011 SI 2011 No. 988.

⁴⁵ Regulation 30(4), The Waste (England and Wales) Regulations 2011 SI 2011 No. 988.

⁴⁶ Information obtained from a Freedom of Information Act 2000 response from the Environment Agency, 22 April 2021 (Reference NR212642).

2.9 The Duty of Care

A member of the public, or a business, who gives someone else their waste has a legal responsibility for this waste. This is called their ‘duty of care’ for waste.⁴⁷ The duty of care aims to protect the environment and human health by making sure that waste is handled safely and only passed to people authorised to remove it. Everyone has a duty of care to ensure that their waste is disposed of in a responsible manner, or they can face fines of up to £5,000.

A vital pillar in the current registration system is having a mechanism which allows for identification of those who are registered, and therefore legally authorised, to carry waste. This applies to both the regulator who needs to identify non-compliance and monitor the competence and activities of waste transporters, as well to persons/businesses who, to meet their duty of care responsibilities, need some way of ensuring that the CBD they are transferring the waste to is properly authorised to accept it.

Traditionally waste holders could check whether someone was registered as a CBD by physically showing the customer a registration document. This was somewhat unsatisfactory as an intervention because it might have occurred when the waste transaction was taking place (and if they ‘forgot’ their registration card then it is plausible that the transaction would have continued nonetheless). To enable waste holders to check whether a person or business that they might use is registered, or not, before a transaction involving waste takes place, an online public register on the data.gov.uk website platform was set up in 2016.⁴⁸

The online CBD register gives three search engine options to check whether someone is registered. There are separate individual registers you can search respectively covering lower tier categories and upper tier registration categories. A further option is a ‘quick check’ search facility in which you can enter the business name or registration number and it will search both the lower and upper tier categories together. This is the most prominent search feature on the register website, as demonstrated in the image below.⁴⁹

Register of waste carriers, brokers and dealers

People or businesses who transport, buy, sell or dispose of waste, or arrange for someone else to do so, must be registered.

Quick check

To check a registration, enter the registration number or business name:

Choose a register to search:

Lower tier

Upper tier

⁴⁷ s.34 Environmental Protection Act 1990.

⁴⁸ <https://environment.data.gov.uk/public-register/waste-carriers-brokers/registration?name-number-search=TA®ister=waste-carriers-brokers>

⁴⁹ Ibid, web address. Image retrieved April 26, 2021.

2.10 Oversight and Enforcement

The carrier, broker, dealer registration process (and connected offences) is handled exclusively by the EA.

Local authorities and the EA both have a role in respect of illegally deposited waste⁵⁰. Local authorities deal with most cases of fly-tipping, whilst the EA investigates and enforces against the larger, more serious and organised waste crimes.

HM Revenue and Customs (HMRC) also play a background role in taking action against waste crime. There does not appear to have been a national action plan on targeting unregistered waste carriers for offences such as false declaration of earnings or landfill tax avoidance, but in recent years there has been concerted action by HMRC via new legislation which allows them to reclaim tax from unlawful waste sites and for penalties to be issued.⁵¹ Since this legislative change in England in 2018, 62 interventions at unauthorised sites have been undertaken (up to October 2020), whereby the revenue authority raised tax assessments totaling £7.8 million and issued penalties totaling approximately £2.6 million.⁵²

⁵⁰ It is an offence to illegally deposit waste on land contrary to Section 33(1)(a) of the Environmental Protection Act 1990. This can cover what is considered fly-tipped waste (e.g. black bag waste, white goods) as well as larger deposits of materials such as industrial waste, tyres, construction material and liquid waste.

⁵¹ Finance Act 2018, s42 & The Landfill Tax (Disposals of Material) Order 2018 SI 2018/442.

⁵² Freedom of Information Act 2000 request made by authors. Reply: 7 October 2020, HM Revenue & Customs UK.

3. Numbers of Non-Professional Waste Transporters Operating Outside the CBD Registration System

This chapter gives the results of a large sample of people or businesses that were using advertising and social media platforms to promote waste collection services online. We collated all their data and then checked whether they were correctly registered with the EA. We wanted to determine whether there was a significant non-professional service sector that was operating under the radar of the regulator.

3.1 Research Methodology

To form a better understanding of how many of those persons and businesses advertising waste transportation services were registered, and how many were non-professional, we undertook a detailed sample study between December 2020 and March 2021 looking at data within advertisements and compared these to entries in the CBD register. This data collection and analysis exercise took 64 days in total. The project contract came to an end in May 2021.

Please move ahead to section 3.2 of the report to bypass the methodology and see the results.

Geographic Locations

We chose the following 10 local/unitary authority areas as research locations: Birmingham, Bradford, Croydon, Ealing, Leeds, Liverpool, Manchester, Plymouth, Sheffield and Southampton.

These 10 areas were chosen because they had the greatest absolute numbers of incidents of fly-tipping of WEEE⁵³ (in line with the interests of the project sponsor: Material Focus). The areas were also of different sizes, containing different levels and types of population density, housing stock, demographics, commuter routes, unemployment and poverty. Perhaps most significantly in respect to the regions each area is geographically based in, they contain differing average fly tipping incidence rates.⁵⁴ We introduced a 15-mile geographical search radius around all locations except Croydon and Ealing. A two-mile geographical search radius was imposed on Croydon and Ealing because it was thought that the number of research hits would be too extensive if these covered large areas of London.

⁵³ In the 2018/2019 statistics (which were the most recent when the project started). About a quarter of all waste electrical fly-tipping in England was recorded in these ten locations. Under the recorded fly-tipping categorisations there were 49,416 incidents of 'white goods' fly-tipping and 15,581 incidents of 'other electrics' (total: 64,997 incidents relating to WEEE). There were 16,892 total incidents of WEEE fly-tipping (white goods and other electrics) in the ten locations chosen.

⁵⁴ E.g. London (40 per 1,000 people), Yorkshire and the Humber (17), North West (16), West Midlands (12), South East (10) and South West (9). Defra (n1).

Advert Platforms

Five advertising/social media platforms were selected for examination: Yell (yell.com), Checkatrade (checkatrade.com), TrustATrader (trustatrader.com), Gumtree (gumtree.co.uk) and Facebook (facebook.com).

There are large numbers of other platforms where one can procure someone to remove waste. The five platforms were selected as a sample as they were considered by the project team to be nationally representative and the most likely sources for someone wishing to find a waste carrier. We also wanted to include platforms which we knew conducted internal checks on companies before allowing them to advertise (Checkatrade and TrustATrader) and those that conducted no checks whatsoever before displaying adverts (Yell, Gumtree and Facebook).

Advert Search Criteria

The search terms we used when searching advertising platforms can be classified as one of the following eight categories: rubbish clearance, domestic waste disposal, waste collection, waste disposal, recycling, house clearance, commercial waste disposal, and skip hire.

The above eight search terms were selected after consultations with those members of the team who had previously worked in waste crime enforcement. Searches varied slightly between advertising platforms, depending on the search categories of those platforms. ‘Recycling’ was the only category where there might potentially be question marks about whether waste was ever transported, bought, sold or disposed of – many clearly did but we did not have time to research every company’s operations.⁵⁵ False positive results were detected and removed from our data.⁵⁶ In respect to data reliability it should be noted that in some advertising platforms the numbers of adverts were changing whilst we were undertaking the research, as new adverts were placed and old ones expired. This has very limited impact on our data collection because we were just intending to get a snapshot of which people and businesses were advertising when we looked at a particular time and not collecting data about who was advertising over a moving time period.

We did not include in our searches the cases of builders, kitchen fitters and the like who carry out waste disposal as part of their normal work rather than offering waste disposal services.

Numbers of Advertisements

We collected a list of all the companies based in the 10 target areas which were using one of the five advertising platforms to promote relevant waste services. We identified 4,742 such persons or businesses.

⁵⁵ To give some context, some companies had “recycle” or “recycled” in their company name, or were advertising in the recycling filter category, but all the evidence within the advert (and sometimes other sources) was confirming that they were obviously offering waste services that required them to be CBD registered. Many companies were found to be licensed, which reaffirmed the view that the recycling category should be included as a test category. However, it should be recognised that there could be some recycling companies that might not require CBD registration because of the way they operate (e.g. engineering recycling equipment for commercial use).

⁵⁶ E.g. in Yell.com a small number of adverts identified were kitchen fitters advertising waste disposal within their ad, but this was taken as meaning that they probably fitted waste disposal units in kitchens, rather than offering a waste removal service.

Registration Checking

We then checked the publicly searchable EA CBD register to see if each of the 4,742 persons or businesses were registered. We used the 'Quick check' search option in the CBD register because we wanted to see if anyone offering waste services which would be more appropriately suited for upper tier registration was in fact registered in the lower tier. The search process is described in the flow chart below and the number of 'checking' stages undertaken was dependent on how easily we could match the advert details with a person or business that was registered.



Bias and accuracy of methodology

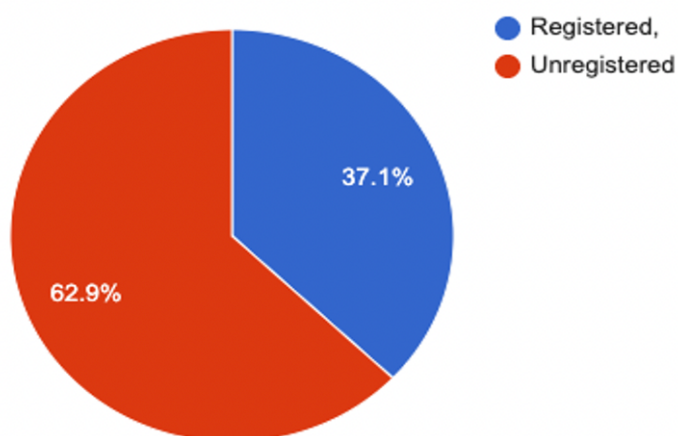
To get a precise measurement of the levels of unregistered carriers is difficult. It will become clearer later in the report that the process of checking whether somebody is registered or not is a complex one. This can be down to multiple factors. Firstly, an advert might contain a person or businesses name, or contact details, that are entirely different to what is in the registration, but they still might be registered. Secondly, the public register is not very effective in producing matches. Thirdly, it is common for multiple companies to operate using the same name in the

same place. Annex 2 of this report discusses how we dealt with the above issues in our data collection and analysis and shows what are the limitations of our research methodology.

3.2 Total Numbers of those advertising that were registered / unregistered

Our research analysing the 4,742 adverts found that large numbers of operators are advertising waste services that probably are not registered or there is no simple way for a prospective customer to check that they are registered based on the checks we undertook. *We found that 1,759 operators appeared to be registered, and 2,983 appeared to be unregistered. That suggests that in the areas investigated, nearly two-thirds (63%) of persons or businesses offering to handle waste appear to be unregistered.*

Total Numbers of those advertising that were registered / unregistered



Some of the 2,983 carriers that appeared to be unregistered might be registered in practice – it is just that based on the information that we had available we could not match the details in an advert to a valid registration. It should be noted in respect to date accuracy that the 63% figure of unregistered carriers recorded was close to the 61% figure in the smaller trial in Oxfordshire funded by the Environment Agency in 2019 and noted in chapter 1.

3.3 Comparing CBD deviance to other Sectors

The finding that nearly two-thirds of persons or businesses undertaking waste services in England appeared to be unregistered was a shock. Evasion rates for comparative sectors, including some that require similar forms of formal registration, usually falls between the 1 and 8% range, as the table below demonstrates. A 63% evasion figure for CBD registration is staggeringly high relative to other comparative sectors.

Category	Estimated evasion rates
Waste CBD registration	63%
Television licence (BBC)	7.25 ⁵⁷
Gas safety register for gas engineers (Gas Safe)	5% ⁵⁸
Fishing rod licence (Environment Agency)	4% ⁵⁹
Benefit fraud (Department for Work and Pensions)	1.9% ⁶⁰
Car tax evasion (Department for Transport)	1.6% ⁶¹

3.3 Estimation of Total Numbers of Unregistered Waste Transporters in England

In Chapter 2 we noted that there were approximately 140,213 upper tier registered persons or businesses in England. What our research does show is that from our sample only 37% of those advertising waste services are registered operators (although the sample design is potentially uncertain/biased in an uncontrolled way). To get a very rough estimate of the total numbers of unregistered carriers that might be operating waste services in England we have applied the 63% unlicensed figure to the total of 140,213 registered companies to arrive at a total number of individuals and organisations that could be operating as carriers, brokers or dealers.

We estimated that 238,741 individuals or organisations could be operating in the waste transportation sector without registration in England. We estimated this figure would be closer to 284,215 across the whole of the UK.⁶²

The above estimated figures are just a guide. The 10 Local Authorities with highest WEEE fly-tipping rates were chosen for examination, which may be highly correlated with having so many potentially unregistered carriers operating locally. Other Local Authorities may not be subject to such high rates of non-registration/unlicensed operators, and therefore it is acknowledged that the 63% the figure may not extrapolate nationally. Chapter 2 mentioned the upper tier CBD registration requirement for all those handling construction or demolition waste. This sub-sector of builders, kitchen fitters etc is absent from the scope of the adverts studied. Therefore, the estimated numbers of unregistered persons and businesses could also be higher than is recorded in the estimate above if tradesmen in this category have not obtained CBD registration.

3.4 Implications of a Significant Informal / Non-professional Waste Carrier Sector

The fact that there are high numbers of unregistered carriers in practice can provide some explanation for the extreme number of fly-tipping incidents and illegal waste sites that are

⁵⁷ House of Commons Library, Briefing Paper, 'TV Licence Statistics', Number CBP-8101, 27 January 2021.

⁵⁸ Personal Communication, Gas Safe Register, 26th April 2021 (based on last available estimates, undertaken 5 years ago).

⁵⁹ Parliamentary Question for Defra, UIN 82609, tabled on 28th August 2020. Answered by Victoria Prentis, 8th September 2020.

⁶⁰ Department for Work and Pensions, Fraud and error in the benefit system: financial year 2019 to 2020 estimates, 14 May 2020.

⁶¹ Department for Transport, 'Vehicle Excise Duty Evasion Statistics' 2019, 21st November 2019.

⁶² Estimate formed on the basis of population size, with England accounting for 84% of the total UK population. The estimate assumes that there are consistent levels of unregistered carriers in the other parts of the UK.

occurring in England. Our methodology can lead to the assumption that those registered are good actors and those that are not are bad actors.⁶³ We think that there are strong arguments that if you are unregistered then there is a greater likelihood that you might dispose of waste materials in the wrong way and in the wrong place, especially as unregistered waste carriers are supposedly excluded from official statistics.

The large number of unregistered carriers does seem surprising when considered alongside the fact that CBD registration for three years only costs £154 (see chapter 2). This figure would appear affordable to almost all informal operators. It would also seem to us to make sense for a business to pay for registration even if it was considering fly-tipping or illegally depositing waste, to give it an air of legitimacy and to give them a greater chance of undertaking more jobs if customers asked to see registration details before booking. But perhaps it is not the low fee or the administrative burden that is holding them back, but an unwillingness to bring themselves to the attention of the authorities in any way, which adds to the suspicion that this is a problem group: they might be involved in feeding illegal waste channels or operating off-the-book to avoid tax or both. Alternatively, if they perceive that there are no consequences to operating without registration then why would they spend £154 on CBD registration?

The estimate of nearly a quarter of a million non-professional people and businesses being active in the waste transportation sector is disturbing. If there are that many informal/non-professional operators in England this suggests waste collection is an ultra-competitive market, which will push down margins and lead some operators to take waste out of proper channels to be competitive, for example by obtaining an unfair benefit over those in the registered sector by not paying taxes. With lower overhead costs (both carrier registration and costs of proper disposal of waste), these informal operators may be able to pass these cost savings onto customers and therefore undercut competition, which then is likely to more work being done by these improper operators. This is a case of market failure.

Connected to the above there are wider consequences of allowing this high level of non-compliance to continue. Firstly, if a person or business that is unregistered flourishes, then what other laws might they be tempted to avoid? Secondly, it could be the case that others will see poor behaviour and copy it, or decide that they cannot compete legitimately with so many people doing the wrong thing that they might as well join in behaving unprofessionally. Legitimate businesses in the waste and resources sector are being undermined and they should not have to compete in a sector where others appear to be breaking the law.

The regulatory sector also cannot cope with such levels of non-compliance. Even if the Environment Agency managed to obtain the contact details for all of the people that are advertising that appear to be unregistered, that is a lot of letters and “knocking on doors” to check registration. That is before considering the resources involved in enforcement if non-compliance continues.

Defra are currently looking at two big strategic changes to tackle waste crime. One is the digital tracking of waste. Whilst this is a good idea it will presumably apply to those that the regulators already know, i.e. registered businesses within the system. Many of these businesses will

⁶³ We recognise that the simple assumption of good and bad actors will not always be a reflection of what happens in practice. There will be some unregistered people that will not be fly-tipping or dumping waste and will find other outlets for the waste, so that waste might be split and some will remain in legitimate waste systems. Conversely there will be some CBD registered people/organisations that will be fly-tipping or dumping waste. We do not know enough about what choices people make and why.

probably already be compliant. Tracking will not solve the problem of the substantial numbers of people in the grey economy operating either outside the system or on its edges. Secondly, Defra is looking at tightening up the CBD registration system. This also seems appropriate, but if you have a system whereby 63% of people are not registered then there are deeper issues at play.

4. The Efficacy of the CBD Register in Enabling the Public to Check Those That Collect Waste

This chapter outlines our experiences in attempting to check whether companies advertising waste services were CBD registered or not using the online register. By looking at 4742 businesses adverts (and in reality seeing many more, because some businesses had multiple adverts) we gained a lot of insights into why the CBD registration checking process would be extremely difficult for the public to use under the current systems in place, what precisely is not working, and how it is probably not fit for purpose as it stands.

4.1 The Importance of the Register

Having a register which the public and businesses can use to check if someone is CBD registered, or not, before hiring them to take waste away is the central tenet used to secure waste streams in England. As the Environment Agency (EA) adopts a very light touch approach to regulating the waste carrier sector it is the primary tool for spotting unprofessional actors, effectively relying on those holding waste to police the law. The principle of utilising public monitoring instead of strong regulatory checks can be contentious and risky, which makes it all the more important that the system that is in place is effective. This chapter will demonstrate that this is not the case.

4.2 Numbers of People Using the Register

Generally, the idea behind having an online register that can be searched by the public or businesses is a sound one. The proof of the pudding as to its success in practice is what proportion of individuals or organisations are actually conducting checks in this way?

The register search facility has been operating for over five years now (from 1 April 2016), which is a sufficiently long time period to measure useability. We asked the EA for online traffic data for the register. Unfortunately, this data was unavailable because the EA have only had a capability to assess hits on all of the public registers, not a sub-set of them.⁶⁴ A switch to a new system recording traffic specifically for the register occurred recently in 2021 but this data is not yet available.

There has been no research analysing whether people know about the existence of the online CBD register. Government research has found that less than half (49%) of respondents were aware of their duty of care when it came to disposing of waste.⁶⁵ We envisage that there would probably be comparable, or worse, results relating to knowledge of the CBD database. The fact that there are a lot of people undertaking waste collection, apparently without registration

⁶⁴ Personal communication with EA, 9 March 2021.

⁶⁵ Department for Environment Food & Rural Affairs, Awareness of and Adherence to the Household Duty of Care Among the Public (Defra, 2019).

(63%, as found in Chapter 3), suggests that the marketplace is not conducting registration checks, or acting on negative checks, before handing waste over.

4.3 The Online Register Only Works if the Person/Business Provides a Name in an Advert

To check if someone is registered the starting point is that you need to know what the business or individual name is to search the CBD register. We found that large numbers of those advertising waste services did not use any identifiable name. This was especially true on Gumtree and Facebook. Some persons or businesses used first names or sometimes just one letter or gave no information that could identify them. For example, they simply described themselves as ‘waste removal’ in adverts. This poor advertising practice demonstrates that the system of checking registration does not work as intended if much of the content being used in adverts prevents checks from being undertaken.

4.4 Technical Glitches with the Online Register

Once a name is ascertained from an advert a search can be undertaken using the online CBD register. We found that the online register does not consistently function properly. There were occasions when a business name, or registration number, was searched by us and no hits were retrieved. When we tried again using the exact same search criteria on a different occasion hits would sometimes be found. *This suggests there are technological glitches affecting the register’s online search function.* This is problematic because it could mean that a registered carrier might lose work if someone had checked their registration and not found their listing.

4.5 The Search Functionality on the Online Register Fails

The online register is only useful if businesses use *exactly* the same name to advertise as they did to register with the EA. Many do not in practice. Where there is the slightest difference in name this was too challenging for the register’s search function. To illustrate this, we have given some examples below of problems we encountered. All of these are based upon real searches, but we have used an alias name.

Advert Name	Registered Name	Comments
1 ST Smith Waste Services	First Smith Waste Services	Cannot distinguish between 1 st and First.
Jons skips	Jon’s skips	Search does not detect apostrophes.
Jon Skips	Jon Skip Hire	Search would not recognise the ‘s’ after skip.
SJ Waste Management	S&J Waste Management	Would not detect the & in between the name.
JonSmith Skips	Jon Smith Skips	Spacing differences affect search results.
Jon-Smith.co.uk	Jon Smith Skips	Hyphen would affect search results.
J.S. Skip Hire	JS Skip Hire	Search did not identify full stops between letters.
Jon Smith (UK) Ltd	Jon Smith Ltd	The use of ‘(UK)’ would affect search results.

Jon & Smith Partnership	Jon M Smith Partnership	Use of & instead of M.
Jon Smith Skips	Jonathan Smith Skips	Cannot distinguish between use of shortened names.
Jon Smith Skip Ltd	Jon Smith Skip Limited	Cannot distinguish between Ltd and Limited.

The key conclusion from the above is that it appears that modern software solutions are not being used and the current search function will often fail. As can be seen from the above table it has findability and matching issues with the use of apostrophes, spaces, symbols, numbers and other slight differences in recorded names which would lead to a failure to identify a company on the register from its advert. The search engine did not even appear to be sensitive to gaps in postcode details. A user should be able to use the search function without having to precisely match details. ***The search function has been going for over five years, but it appears that the above functionality problems have yet to be addressed, which renders searches unreliable as a way for the public or businesses to check registration.***

4.6 Businesses Can Register in the Same Name as Another Company

There are many businesses that are operating under a name that is precisely the same as that of other businesses. This could be in the adverts, in the register or both. Some will have the same name as another registered business in a different part of the country and others could have the same name as other registered businesses directly in that same area. This makes the registration checking process very difficult.

The clearest way to navigate the above problem is to look at the other information contained in the advert. An address that can match an advert and registration is helpful. However, in practice adverts vary in the levels of detail within them, meaning that less information will make it harder to do an accurate check. Check a Trade will include a business address in an advert while Gumtree does not. If there are multiple companies with the same name, which appear unconnected, and a person does not have a matching address for any of them, but can see that there is only an entry in the register for a business with this name, this could lead to them getting frustrated with the process and deciding that it was likely that the company being checked by them was probably registered.

It was surprising that having the same registered name was so common. Many registration platforms, like Companies House, do not allow this because of its likelihood to cause confusion and identification difficulties. Predictably, it looked likely that some (unregistered) waste companies might have deliberately adopted the name of another company that they knew was already CBD registered (particularly in a different area). Some were clearly acting deliberately and had been subject to complaints from the larger registered waste company. Other businesses seemed to be unaware that their company name, or similar name too, was being used by other businesses. One search found different adverts with the same company name and same email address, but subtle differences were noted. One advert had a logo and landline number, while the other did not have a logo and had a mobile number. We spoke with the company with the logo used in the advert, and they said they did not have an office in that other location.

At the moment it is hard for people to be able to check if a company is registered based on only searching the register with a company name. It can be time consuming checking whether a company in one place is connected to a company in another place to ascertain registration

status. To be certain you sometimes have to examine logos, website addresses, or email formats in order to see whether there were connections. To demonstrate that even an investigative exercise such as this is problematic, our research found that 16% of website addresses given in waste carrier adverts were either not operational or were false.⁶⁶ It is doubtful whether a member of the public would be so determined in establishing a company's registration status in practice.

4.7 Businesses are Registering in One Name and Advertising in Another Name

Some companies were also advertising in a slightly different name to that which they were registered under. As mentioned in Chapter 2, the registration system does ask for a trading name, but clearly these are being entered inaccurately, are never entered, or do not reflect all the trading names used. It is possible that the trading name is not the same as the given registered name, even though it should be in most cases. Even if that is the case, it shows the shortcomings of the register in practice. Some examples of differences of name are given below.

Advert Description	Registration Name	Comments
Jon Smith Rubbish Removers	Jon Smith Moves Rubbish	Different name if search by full title.
JSS	Jon Smith Skips	Acronym would not be identified in search.
Smith Waste & Skips	Smith Builders	Different trade.
Waste removal Towncester	Towncester waste removal	Rearrangement of the key words in name.
Jon Smith Waste Disposal Services.	Jon Smith Unique Services	Same town. But same people?

As mentioned previously the online register only works if businesses use *exactly* the same name to advertise as they did to register with the EA. So even the slightest difference between an advertised and a registered name would make it extremely hard to conduct a check on the register. The position is harder where the name that is registered bears absolutely no resemblance whatsoever to the name that is used in the advertising. ***We kept a record of those companies that seemed to be advertising/trading in a completely different name to that which was contained in the CBD register. We found that 11% of all companies advertising (where we found a match) fell into this category. Such high numbers would impact on having an effective system of checking registration.***

The explanation for some discrepancies was that businesses were registered in the owner's name. For some it seemed that they advertised under multiple personas appropriate to the service offered. For others, it was inexplicable why they chose to use one name on their business cards, websites, emails and advertising literature but then use a completely different name in their CBD registration. This makes it extremely challenging for a member of the public to verify their legitimacy using the online register.

Searches of Companies House would sometimes reveal that there had been an official change of business name (e.g. a merger or acquisition). These records sometimes showed that

⁶⁶ In a test in Manchester, we found that 108 out of 690 adverts contained in Yell had websites that did not work (either no longer available, or went to a non-waste company, usually in a different country).

businesses had changed their names over three years ago. Sometimes a company was still advertising in an old name, but the registration was held in the new name or vice versa. Under legislation, a person or business has to contact the EA within 28 days to update the register, or apply for a new registration in some circumstances, if their status or name changes. It seems that large numbers of businesses are not telling the EA of name changes in practice.

4.8 The use of different trading names and brokerages

Some companies were advertising in a name that was different from their CBD registration but could still be easily found in the register because the trading name was included in their company name registration details, e.g. Company A (trading as Company B). A search of the CBD register suggests that there are currently 802 companies registered as upper or lower tier carriers that have registered themselves using both their business name and trading name. This is good practice because it enables a match to be ascertained between the advert and the registration.

We have already noted that there were significant numbers of businesses that are operating in trading names which were different to their registration entries, even though the online registration system clearly explains that companies within a group are legally separate entities that are required to register separately. Connected to this we found a number of interlinked skip brokerage companies that used substantial networks containing separate entities that did not seem to be complying with the rules. This was uncovered because our research found that 68% of skip companies that were identified during our work appeared to be unregistered. It was a surprise that skip companies were worse than the average non-compliance figure of 63% (for all sectors). Our prior expectation had been that anyone operating a skip hire business is much more likely to be a professional and aware of the need for a licence. This high percentage can in part be explained by the fact that *numerous skip brokerage type companies had only registered with the EA in their brokerage name, but were advertising skip services across England under multiple different trading names that were unknown to the EA.*

It was extremely hard to connect many of the skip company names used in the adverts to a CBD registration, or even real trading companies. Many adverts were linked to companies that do not appear at Companies House. Some of the companies that are on the Companies House register were ultimately linked to non-trading companies (including dormant companies and dissolved companies). For several brokerage companies, advertising nationally, it was difficult to ascertain any registered CBD record at all. In the case of one brokerage company, it was very difficult to assess who was behind it as no information was contained on the website. A search of Companies House revealed no limited company operating with this name but a series of seemingly unrelated companies that have either been dissolved or stopped trading. They claimed in their adverts to be registered with Checkatrade, but could not be found on the Checkatrade website. They also had an Instagram and Twitter presence, both with only one post and one follower. It was, therefore, surprising that they had a nationwide advertising presence.

The names used by the brokerage companies in the adverts were usually very different to the CBD registered name and it required some investigation to ascertain such connections and whether they were ultimately registered or not. The only clear method of connecting the two was to look at the individual websites of the skip company's advertising and sometimes in small letters in the terms and conditions at the bottom of the page, it is stated that the company is part of another company. Will a non-expert user of waste services read through all the T&Cs

to find out the operating name of the legal entity and then cross refer this to the EA’s website? It is unlikely that a waste holder would go to so much investigative effort. As very large numbers of adverts do not establish clear links between the company and the CBD register it renders the registration process and online register somewhat ineffectual in practice.

In some cases, we found that brokerage services appeared to adopt a business name that already belonged to other companies that were registered with the EA, but did not seem to have any connection to that brokerage company. We initially assumed that was where the chain (that was responsible for hundreds of adverts nationwide) was based. Further investigations suggested otherwise, because a registered company was a sole trader, and we could find no link with the name used by the brokerage company. It is deeply unhelpful to the registration check process if large brokerages use the same name as unrelated companies in advertising, especially if the name used in their operations is not directly registered with the EA.

It is unclear from the existing guidance whether it is permissible to advertise waste carrier services in advertisements in multiple names but to only have registration in one name, and a name that is not directly disclosed in the advert. There is an argument to be made that if you are offering services nationwide in one name then your registration should also be in that same name. At the moment it seems too far removed to have a brokerage registration in one name, but not advertise in that name, and instead advertise in significant numbers of entirely different names that are unregistered. This could be construed as being against the spirit and intention of the CBD registration system and potentially non-compliant.

The above method of brokerage advertising might also be viewed as potentially highly problematic for customers. It is not clear from these skip advertisements that they are dealing with a national broker which ultimately will not be providing the skip. In fact, most of the adverts seem to be specifically targeted towards making people think they are dealing with a local business by containing local addresses, personalised websites and telephone codes, even though there is doubt that the broker itself has a physical presence in each location. The method of operating by using multiple names – which are often the more expensive promoted or elevated type of adverts – means that anyone wishing to obtain quotes for skip hire could in fact ring three or four different companies which appear near the top of the platform listings and be completely unaware that in reality they were ringing the same brokerage company. Some of the reviews that we saw complained about the hidden brokerage system and it being misleading: for example, “beware middlemen – go direct to the organ grinder”.

The brokerage models and how they are set up also raise questions about meeting the duty of care requirements. It is unclear how it affects the waste holder’s duty of care requirements, even if they have got registration details of the broker. Although the broker might themselves be registered, the work will be subcontracted to another party who pick up the waste from the waste holder. This would make it very difficult for householders to establish if waste was actually being collected by a registered carrier. It is also not clear what records and checks are undertaken by the brokerages about whether a company that is used to move the waste is registered, and that waste has been recorded as going to an authorised facility.

4.9 The address in the CBD registration does not match the address in the advert

The carrier has to register their principal place of business (see chapter 2). Additionally, like the position with business name changes, those registered must also contact the EA within 28

days to update a registration if their organisation's contact details change. Neither of the above appears to be happening successfully.

We found that 11% of the addresses given in adverts (where a registration was traceable) were not the same as those held in the CBD register. This percentage figure did not include those registrations by larger companies who operated from multiple sites, but included those where we thought that there was an unexplainable difference to use different addresses. This was troublesome, especially in combination with the fact that different businesses were using the same name, adding another layer of difficulty on confirming registration status.

Some of the anomalies were probably because the address in the registration was the director's home address or an accountant's address. There also looked to be some degree of registration sharing taking place.⁶⁷ Similarly to the situation with name changing, it appeared some companies simply did not bother to inform the EA that they had moved business premises. Checks with Companies House showed that some had moved many years before and had notified Companies House and changed their advert details, but not the EA registration details. CBD's are supposed to register their "principal place of business", where they trade, and keep this data up to date, otherwise it makes the CBD checking process substantially more difficult if the address is not the premises that the business runs from and uses in adverts.

4.10 Feedback Loop to the EA

The (self-policing) system in place enables the public in principle to identify if a CBD is registered or not. What appeared to be missing from this system was a way for the user of the register to let the EA know if they had found somebody was operating in the waste transportation sector who did not appear to be registered. *There was nothing on the online sites connected to the register where non-professional actors could be reported to the EA.* Other comparative bodies with checking services seem to go to some effort to enable the reporting of unlicensed operators (e.g. Gas Safe in England).

⁶⁷ There were often linkages between names, addresses and telephone numbers which indicated this.

5. The Registration Vetting Process and Fees

A key issue in respect to the functioning of the waste carrier/broker/dealer (CBD) system and its oversight is the capacity of the Environment Agency (EA) to know who it is that they are regulating. This chapter examines whether the vetting process to obtain registration is rigorous enough to enable the EA to adequately regulate those wishing to transport waste.

5.1 Background

In 2017 a waste management consultant based in England tested the CBD registration system by applying for registration in the name of Oscar, his West Highland terrier dog who had died 10 years previously.⁶⁸ The EA granted the registration, suggesting that there were no background checks or vetting being conducted on those that were being registered.

There has obviously been some vetting since then because in chapter 2 we noted that of the 140,234 Upper Tier Registration applications received by the EA between 1 April 2018 and 1 April 2021 they had refused 19 applications (0.01% of applications). The low number of total refusals is still a concern though, and the analysis below which examines existing practice shows that the vetting process could be undermining the whole of the CBD system.

5.2 Typographic errors in the registration data

One giveaway that there is very light touch vetting was the discovery of typos in the registration data. When we were performing registration checks we found that there were often typos in either the advert or the registration details. The causes of which could be simple mistakes or attributed to other factors.

It was concerning that there were many examples of the person's name or business name being spelled wrongly in the register. Sometimes this included words such as the spelling of 'environmental'.⁶⁹ We also saw examples of the business' location name being spelled incorrectly in the register (including city names). Other times the addresses contained in the advert and the register did not match, and this also seemed like a typo. For example, a property address could have one number that did not match (249 High Street compared to 349 High Street). Sometimes the difference was simply one saying 'road' and the other saying 'street'. One would have assumed that the registration system would be a bit more sophisticated and utilise some form of auto-filters, which recognise spelling mistakes or information that does not cross match with other records.

For the register to be functional the information within it has to be correct. The previous chapter noted that a search of a slightly different business name, or address, would not result in a match if it contained a typo, meaning it is important to get this registration system working correctly.

⁶⁸ D. Gayle, 'My dog is a registered waste collector, says critic of lax regulation' Guardian 3 May 2017, <<https://www.theguardian.com/environment/2017/may/03/dog-registered-waste-collector-critic-lax-regulation>>.

⁶⁹ Other examples of poor spelling included: 'commercial,' 'collection,' 'specialist,' 'management,' 'clearance,' 'disposal,' 'clean' and 'removals.'

It is obviously not the EA’s fault if a person has made a mistake when entering their registration details. However, this shines a light on the shortcomings of the electronic registration system in place. On a basic level most online data systems enable a user to select an address based on information such as a postcode. Many other online systems also automatically work around typos, making intelligent guesses about what words were intended in the search (so the incorrect spelling of words like ‘environment’ would be picked up). It is also quite basic to incorporate functionality that checks if a name has already been taken when registering. Finally, at a more advanced level, if the information entered was more intelligently merged with data from other sources (e.g. HMRC or DVLA) then this would spot if there were mismatched data.

The information mistakes in the register suggested that the EA were either conducting no further vetting checks beyond the information that was collected during registration, or that there was only a very light touch vetting process before registration was granted.

5.3 Double Registering

We saw several examples of double registration. That is, the same company with the same name at the same address having duplicate upper tier registrations. We assumed this was because someone within that organisation had not realised that another person had already applied for registration. This meant that many companies were double paying. We concluded that the online registration system was not picking up that the person or business was already registered (which is fairly commonplace functionality amongst most other online registration systems) and there was no human vetting either.

5.4 Masking Business Identities

Chapter 2 noted that applicants for registration have to give the name of the ‘legal person’ (trading name(s)). *There appeared to be many businesses and individuals that were registered in the CBD register in a way that masked their true identities. Identities were often either partly hidden, were either extremely difficult to ascertain or even impossible to check.*

We found that the names of individuals were often generic or incomplete. There were 18 John Smith’s registered, which might be correct, or some might be a pseudonym. More interestingly eight registration holders in the CBD register were just simply registered as “John” or “John’s”. There were many more that just had names like “Jonny G,” “John’s van” and “John’s waste”. Additionally, if you search by business name in the register the listed name is also often very generic. Some examples are given in the table below.

Business Name	Number of Businesses Registered in that Precise Name
Scrap Metal Dealer	108
Scrap Dealer	43
Rubbish Clearance	13
Rubbish removals	8
Waste removal	8
Waste	6
Waste disposal	5

It is surprising that a professional company could simply be registered as a business called something generic such as “waste” or “waste removal”. This would make it very hard for anyone wishing to be checking their registration credentials based on an advert, especially where no address was given. If you simply searched the CBD register for “waste” then you would get 2000 hits for businesses with “waste” somewhere in their title (which is the system maximum), and as the results are presented in alphabetical order you probably would not even get to business names starting with ‘w’. So it would be impossible to check whether that business was registered unless you could filter out the search results with an address. This raises questions about whether the EA has sufficient capacity to vet and regulate a person or business based on the name that they register in. There also do not appear to be adequate rules on what name a business can be registered in. However, there do appear to be significant opportunities for automated systems to implement rules that would minimise the need for human oversight.

5.5 Masking Addresses

In chapter 2 we also mentioned that the applicant has to register their principal place of business. Some businesses advertising waste services did not use a business or trading address in the CBD register but gave a PO Box. When we checked the register we found that 80 individuals, or businesses, had given the EA PO Box details as their registered address. This raises questions about why anyone in the waste transportation industry needs to operate through a PO Box, and just how traceable these businesses are in practice.

Some CBD registered businesses have also used agents who help with company formation, and sometimes provide virtual offices. The address of such agents was sometimes used in the register rather than a trading address. We searched the register using the address of one of these, the Made Simple Group, and got 215 hits. Some of these businesses might be paying these groups to have their post forwarded, but others will not. This again raises questions about whether the rules about supplying business addresses are being met, as well as the traceability of some of these people and how easy it is to communicate and find those people if the EA went looking for them.

5.6 Incorrect Addresses

We found that there were businesses which had clearly given the EA incorrect addresses. Some addresses that were used in the register were abandoned buildings, vets, clothes shops, sports venues, and even a Premier Inn, which again suggests insufficient background checks have been undertaken, and that the EA do not always know how to locate some businesses and individuals.

5.7 Applicant Type

We also discussed in chapter 2 that applicants for CBD registration have to let the EA know what applicant type they are – for example, whether they are a registered company or a sole trader. If they are a registered company details are held at Companies House, the national registry for all UK limited companies. In return for the benefits of limited liability, a company must be open and transparent about certain aspects of its affairs. Sole traders are not incorporated in this way and therefore do not have a company registration number.

Our research found that some businesses that were listed in the CBD register as sole traders appeared to be companies which were registered at Companies House. It is unclear why they gave the EA incorrect information. Additionally, significant numbers of those that were listed in the CBD register as companies were actually found to be dissolved or dormant companies. These were still trading (hence the adverts) even though they were dissolved or dormant, and others had started new companies under a different name but appeared to be relying on the extant CBD registration based in the original (dissolved) company name.

5.8 Different Entities and Separate Registrations

In chapter 4 we reported that one of the reasons that the EA search facility does not appear to be fit for purpose was because some businesses were registered in one name, but trading in a significant number of other names (that would be picked up in the register). There seemed to be genuine confusion and differences in the number of upper tier registrations that people thought was required. Some businesses interpreted the rules that a unique registration was needed for different parts of their company or even for each site or building.⁷⁰ Others were operating in complex networks or franchises and interpreted the rules such that one registration for all these entities was sufficient. Either the existing rules about when registration is required for different trading entities is being misinterpreted by some, or it is insufficient because it is too unclear or too easily exploitable.

The above analysis highlights two issues. *Firstly, the lack of scrutiny by the EA on the use of different trading entities by CBD registered businesses would seem to be making the whole registration checking system unworkable.* It will be interesting to see if and how proper recording of trading names and searches will be addressed with mandatory electronic duty of care records. *Secondly, if the rules are already complicated or blurred for the EA and the waste industry, they are going to be even more confusing to wider society who are looking to use companies to take away their waste.*

5.9 Information Sharing Between Authorities

Our research found that some companies advertising waste services were registered with Companies House but did not appear to have CBD registration (and vice versa). Some of these could be identified via Companies House as being in the waste sector by their business names alone.

Companies House also had some specific knowledge about who was working in the waste business via standard industrial classification (SIC) codes. Companies are required to assign SIC codes to their businesses to indicate the nature of their business. There are many SIC codes specific to the waste industry.⁷¹ We found that significant numbers of companies involved in the waste sector (ascertained from both the CBD register and adverts) were registered at Companies House with SIC codes that did not reflect that they worked in the waste business. It seemed very odd to us that you could have a company with the word ‘waste’ in their title, or whose core business function (based on advertising and website data) seemed to be collecting waste, yet they had SIC codes that were not related in any way to waste. It was not clear whether the SIC codes assigned were a mistake, or a cover for their true activities.

⁷⁰ E.g. Biffa have 5 upper tier registrations; Veolia hold 17 upper tier registrations and 1 lower tier registration; and Viridor have 8 upper tier registrations.

⁷¹ E.g. 38110 Collection of non-hazardous waste, 38210 Treatment and disposal of non-hazardous waste

There would appear to be benefits to the different agencies in sharing data (in both the vetting process and on a rolling basis) to help identify those businesses that might be falling outside of each other's systems.

5.10 The CBD Registration Fee

From the outside there does not seem to be much pro-active activity by the EA in terms of regulating the CBD sector for the registration fee that is charged to applicants. Chapters 4 and 5 demonstrate that a lot of low-quality data is going into the register which is impacting on the whole system. Because there appears to be little-to-no adequate scrutiny of this data at the registration point, inadequate data will also be coming out which will also affect the ability of those charged with regulation and enforcement to make use of it.

In chapter 2 we described the background behind the CBD system in the 1980s. One might argue that today's problems with the CBD regulatory system started to set in nearly 40 years ago because of a failure to move on from the light touch initial approach suggested by the RCEP (see para 2.1). However, the legislation that was introduced after the RCEP recommendations clearly places a duty on the EA to carry out appropriate periodic inspections of CBDs (see para 2.2). This element of the system in place is probably adequate, it is the failure to carry out appropriate inspection of CBDs in practice that is the problem.

The charges for upper tier registration certainly seem to be an influencing factor in this light touch approach. This might be attributed to political pressures to reduce burdens on business and keep fees and charges down. To provide some perspective as to how these fees sit compared to others:

Registration	
Cost of CBD registration	£154 (for 3 years)
Cost to register as a childminder on domestic premises on the Childcare register	£220 (per year) ⁷²
Renewal / Subscription	
Cost of CBD renewal (per year)	£35
Cost to renew registration as a gas engineer in the Gas Safe register (per year) ⁷³	£157

It is surprising that registering as a childminder could be over four times more expensive than CBD registration (each year), or that it costs nearly five times as much money to renew to be on the Gas Safe register as it does to be on the CBD register. We would have thought that the cost of being on the CBD register should be higher than those two examples, primarily because it is not just a registration process and detailed regulatory checks, and oversight of those businesses are supposed to be undertaken by the EA. Some of the problems that might be occurring in respect to the scale of waste crime in England might simply be attributed to the fact that the registration fee is too low for the EA to adequately regulate the waste carrier sector.

⁷² See: <https://www.gov.uk/guidance/childminders-and-childcare-providers-register-with-ofsted/fees> and <https://www.nurseryworld.co.uk/news/article/ofsted-childcare-fees-set-to-rise>

⁷³ See: <https://www.gassaferegister.co.uk/help-and-advice/becoming-registered/registration-fees/>

Even though the charges for upper tier registration seem very low, it is estimated that the EA still directly receives somewhere between £4.9 million and £7.2 million annually in registration fees.⁷⁴ Any money from registration fees is supposed to be spent on ensuring the CBD registration system is effectively administered and regulated. However, as the issues catalogued above show, it is firstly hard to see where this registration fee money is being spent by the EA, and secondly more investment in these systems is clearly needed. The cost of the online register (which is basic, hosted by Government, and in any case does not appear to work effectively) is assumed to be minimal. ***There does not appear to be sufficient vetting on whether an individual or organisation applying for registration is who they say they are, and whether they are identifiable and contactable, when considering the fees collected.*** For the amount of money being collected it should be possible to both rebuild the online system and to fund a small team to undertake proper vetting in addition to the automatic checks, and maybe to even pro-actively look for unregistered operatives by routinely performing the types of advert checks that we undertook. If it is not possible to pay for such a system with the current sum collected in registrations, then the fees should be raised to cover the cost of having an adequate system of regulatory checks (to cover the proper monitoring and regulation of the waste carrier system).

In respect to the fees, it seemed disproportionate that at the current time a micro business involving a single vehicle operation could be paying the same amount of money in registration fees as a major company with a turnover of tens of millions of pounds. It is surprising that there is not a tiered payment system based on turnover, company size, or type of operation. The counter argument to this is that the cost of registration should be the same at the current time, because the EA can only charge to recover its costs of registration, unlike environmental permitting where there is both an application fee and an annual subsistence fee. If the fees covered both registration and subsequent monitoring and inspection there would be increased regulation and greater justification for a tiered charging approach.

⁷⁴ There are currently 140,234 upper tier registration holders. Registration lasts for 3 years and would bring in between £14,724,570 (renewals only) and £21,596,036 (new registrations) over that period.

6. The Two-Tier CBD Registration System and Potential Exploitation

Individuals or businesses that transport other people's waste require upper tier carrier/broker/dealer (CBD) certification. In this chapter we examine whether there is a problem with individuals or businesses mistakenly or deliberately obtaining lower tier registration when they should be obtaining upper tier registration.

6.1 Potential Issues with having a Two-tier Registration System

Chapter 2 noted that there are two types of registration that are available for businesses or individuals: upper tier and lower tier. The kind of certificate of registration that is applicable depends on the person or organisation's operations, but for most people who move waste they will require upper tier certification. It is the movement of waste by upper tier actors that is deemed to require regulation and oversight on top of registration, whereas the lower tier category is in reality nothing more than a registration system.

Several assumptions can be made about the two-tier system. Firstly, because applicants are asked to answer a few questions at the start of the application process to guide them to the most appropriate registration tier, this should prevent honest mistakes, that is people registering in the wrong tier.

Secondly, the tier system is most likely to be an irrelevant consideration to a member of the public who is minded to check whether someone they plan to hire to move waste is registered or not. We find it hard to believe that anyone who is outside the waste industry would grasp the nuances of the tiered system, or bother to read through all the guidance given on the site underneath the search facility. We anticipate most people would just go straight to the first search facility (quick search) at the top of the page and use that. This encompasses both upper tier and lower tier registrations. Therefore, if a member of the public checked out a local tradesman, we believe as long as they could see their name in the register that would be sufficient checking for them. What is not known is what fraction of the public would even attempt to make such checks before deciding to use a given tradesperson/organisation.

Thirdly, it would seem plausible that some rogue operators who planned to fly-tip or dump waste would be tempted to register in the lower tier category. This would be free. It would also enable them to look legitimate if anyone searched the quick search facility on the online CBD register. Scrutiny from the Environment Agency or local authorities would also be less likely.

6.2 The Advert Checks

When we were checking whether individuals or organisations that were advertising waste collection were registered or not in our data collection phase it became notable that some had lower tier registration. In all of these cases this was plainly wrong judging by their company

names and/or the detail in their advertisements about what they were offering and prepared to do.

6.3 Lower Tier Register Checks

Detailed examination of the number of registrations in the incorrect tier was not the main focus of the research project but a brief survey suggested some troublesome findings. We searched for upper-tier indicative words (indicating that they were directly involved in the waste management industry) in the lower-tier register only. The results from this test were quite shocking.

There were thousands of businesses in the lower tier register that had the following words in their titles: ‘waste disposal’, ‘scrap metal’, ‘tyre recycling’, ‘house clearance’, ‘rubbish removals’, ‘grab hire’, ‘skip hire’, ‘junk removal’, ‘tip runs’, ‘trash’ and ‘asbestos removal’. Chapter 2 also noted that general builders and kitchen fitters are advised on the EA website that they require upper tier registration. However, we again found significant numbers of companies in the lower tier register with either ‘build’, or ‘kitchen’ in their business names.

Some examples of businesses with lower tier registration but which have business names that indicate upper tier activity these are given below.

Words in business names⁷⁵	Number of businesses registered as lower tier licence holders
‘Build’	999 (e.g. builder)
‘Waste’	669
‘Scrap’	614 (e.g. scrap metal, scrap dealer)
‘Kitchen’	614 (e.g. kitchen fitting)
‘Recycling’	426 (e.g. metal recycling, tyre recycling)
‘Clearance’	320 (e.g. waste clearance, house clearance)
‘Rubbish’	148 (e.g. rubbish clearance, rubbish removals)
‘Disposal’	72 (e.g. waste disposal)
‘Grab Hire’ (these come in the form of a lorry, and these vehicles are used to clear away large quantities of waste from hard-to-reach areas with the help of a hydraulic arm)	45
‘Skip’	50 (e.g. skip hire)
‘Junk’	26 (e.g. junk clearance, junk removers,)

⁷⁵ Note that we removed names of individuals and place names from the results – e.g. a search for skip might find companies or places with skip in part of their name e.g. Skipton.

‘Tip runs and Tipping’	21
‘Asbestos’	18 (e.g. asbestos removal)
‘Trash’	10 (e.g. trash and carry)
‘WEEE’	6 (e.g. WEEE scrap, WEEE recycling)
‘Garbage’	6 (e.g. garbage brokers, garbage disposal)
Total	4,044

If these businesses that we identified were all in the incorrect registration category we estimated that this could amount to approximately £623,000 in lost registration fee income to the EA.⁷⁶

The above problem may possibly look worse than it is. It is possible that individuals or businesses may hold both upper and lower tier registrations and therefore their activities could be adequately covered by their upper tier registration. This problem might exist because lower tier registrations do not expire, with simply many now non-existent entities having ghost registrations from long ago. If so, this should also be cleaned up in a system refresh e.g., cross referencing registrant’s accounts and using this to contact/close accounts.

Conversely, the above issue of businesses being in the wrong tier could be just the tip of the iceberg, as it is likely that some of those inappropriately holding lower tier registration could have business names that did not include any of the key words we used.

The tests conducted reinforce the view that there is either little or no vetting of applications for lower tier registration that are submitted to the EA, or if there is, it would be very surprising that entities with these names in the lower tier could pass such vetting.

⁷⁶ 4,044 businesses identified in our test x £154 registration fee = £622,776. Note: There could also be some overlap in the 4,044 number if the words searched for appear more than once in a business’s name.

7. Organised ‘Man and Van’ Networks

Fly-tipping and illegal waste dumping perpetrated by man and van businesses have traditionally never been seen as a serious waste crime problem to look at in detail, especially when taken individually, because of the small size of loads involved. This chapter examines how big a problem this sector could be when viewed collectively, especially in terms of the numbers of unregistered operators involved and the fact that there appeared to be large, organised networks in this sector.

7.1 The Contribution of the Van Sector to Fly-tipping

According to the 2019/2020 fly-tipping statistics, the largest size category for fly-tipping incidents in England in 2019/20 was equivalent to a ‘small van load’ (34% of total incidents, or 325,000 incidents), followed by the equivalent of a ‘car boot or less’ (28%).⁷⁷ There was a 2% increase in ‘small van load’ incidents in 2018/19. It was notable that ‘single items’, such as furniture, mattresses etc. which would probably also need to be transported by a van, also accounted for 17% of total incidents in 2019/20 (161,000). This demonstrates that the van sector is problematic in respect to fly-tipping. It is not known how much of the illegal waste site problem involves the van sector.

7.2 Suspicious Behaviour

Our research found that the largest category of adverts concerning waste removal involved vans. Gumtree was the platform where these networks were most prevalent, but they extended to other advertising platforms as well. Some of these appeared to be professional waste removers and others advertised they could move waste but looked to belong in another trade classification.⁷⁸ It was not always clear whether those from another trade classification were moving waste on the side, or if they had evolved from working in one profession to another and had kept the same company name, or if having a separate trade identity was an attempt to provide some form of cover for their activities. *We found that the van sector had the highest number of persons, or businesses, that appeared to be operating without CBD registration (86% unregistered) out of any waste collection sector.*⁷⁹

Generally, there were many different elements within adverts that suggested many in the man and van sector were non-professional actors. Some are contained in the table below.

⁷⁷ Defra (n1).

⁷⁸ E.g. removal companies, gardeners/landscapers, plasterers, builders, cleaners, fencing companies, guttering companies, haulage companies, antiques companies, auctioneers, plumbers, couriers, and piano movers.

⁷⁹ We worked this out by searching all of the adverts that we had seen in the 10 locations for company names that had “van” in their business title / advertising name. This was a simple sampling exercise based on words in the business title only, because otherwise it would provide to be a time consuming and complex survey, because some business offered multiple types of waste removal services in practice. This sector check was also undertaken in respect to: ‘skips’ (68% unregistered), ‘scrap metal’ (61% unregistered) and electrical [‘WEEE’, ‘Electro’, ‘Electronics’, ‘IT’, ‘Computer’, and ‘Appliance’] (59% unregistered).

Factor in Advert	Issue that Aroused Suspicion
Claim they had CBD registration	Including EA registration numbers in an advert in a format that was clearly not issued by the EA, or when checked the business was found not to be registered.
	No appreciation of who was registering them. Some of those advertising claimed that they were licensed to carry waste by: (i) the 'local authority' (ii) the 'County Council' (iii) the 'Environmental Department' (iv) the 'Environmental Agency', or (v) the 'Department of Health and Safety'.
Pricing and Payment	Some of the low example prices given within adverts suggest that waste was not going to authorised facilities, because there would be little or no profit margin.
	Emphasis on cash payments.
Anonymity	Not using any identifiable name of a person or company – just contactable via a mobile phone number or by advertising platform messenger service.
	Website (if given) not working, or would take you to something completely unrelated.
	The contact name contained in the advert was different to the name of the person who placed the advert.
	Use of lots of different mobile phone numbers connected to the same person placing the advert.
	Use of multiple identities (sometimes slightly different names and other times entirely different names). Some of the companies were registered at Companies House and had EA registration in the same name, but were additionally advertising in multiple different names.
Location in another country	Location listed as being geographically based in another country (e.g. Russia or Romania)
Reviews	Bad reviews, especially those that indicated criminal tendencies. For example, in one the reviewer claimed that people from the company they had hired to remove waste had later been arrested for coming back and burgling their house.
	Getting considerable numbers of reviews, or followers, in a very short space of time (e.g. hundreds in one week) suggesting they were a much larger and organised operation than they appeared to be. Also, large numbers of reviews which pre-dated having a CBD registration.
The Van	In photos the licence plate had been physically removed, or had been photoshopped to blur this out.
	Van photos contained no logo, or the logo had been blurred out.
	Use of van photo which was clearly on a sales lot with a price card in the window.
	The advert containing no name of an individual, or company, but the van photo showed the name of a company.
	A name/telephone number of the company had been obviously superimposed on to the image and was not on the van in practice.
	Advertising in one business name but the van photo used in the advert shows another business name on the side of the van.

Concealment	A number of those placing large numbers of adverts appeared to be deliberately putting spaces or characters in between the telephone numbers used in the adverts. Our assessment was that the reason was to avoid appearing directly in searches to show interconnectedness.
Claims of networks	Some persons or businesses claimed in adverts that they had networks of thousands of drivers in the UK, suggesting a degree of professionalism, but then supplied no landline number or website.

Whilst taken on their own the elements above might be explainable, but when multiple elements were seen in single adverts, and CBD registration could not be connected, this suggested that some of these operators might not be acting legitimately.

7.3 Persons Placing Significant Numbers of Adverts

Whilst some man and van operations are clearly being run by small businesses, other operations were found to be extraordinarily large. There are large numbers of individuals who are placing large numbers of ‘man and van’ adverts in Gumtree connected to waste removal. When we examined Gumtree there were 10,426 live adverts for man and van services in England and many of these advertised waste removal within them. There were also 3,235 live adverts on Gumtree which specifically tagged that the individual, or organisation, undertook waste removal services.

When one looks at an individual advert on Gumtree you can also conduct a further search to see individual sellers’ other live ads that they had placed. Our research found several individuals that had placed between 500 – 1,000 adverts on Gumtree across the target locations in the previous 60 days. There were also many more persons who had individually each placed over 100 adverts in the last 60 days. ***We concluded that 4,150 out of 10,426 adverts in the man and van category were probably placed by just two individuals or organisations. This is 40% of all the man and van adverts on Gumtree.*** There was also a strong possibility that these two networks were interconnected as well. On top of that figure there were many more adverts that contained similarities in style and content, but a quick review could not produce enough evidence that they were definitely connected.

7.4 How we Identified Connections in Adverts

As mentioned in the table above, man and van adverts are being posted by individuals who are also posting under multiple first names or organisation names, and using multiple telephone numbers. Those that are posting large numbers of adverts in Gumtree can take this to the extreme. Again, when you click on a poster’s other adverts you can sometimes see a complex web of multiple names and telephone numbers linked to one advert placer. For the two organisations above that we estimated to be potentially responsible for 4,150 adverts in total, one of these was using three separate advertising business names and the other was using approximately 17 advertising names: these were names of individuals placing the adverts not the names of all the contact people contained within the adverts, which would be far greater.

It was not unusual to see an individual poster using around 10 different person/business names and mobile telephones in their different adverts. Sometimes the names of the people placing the adverts were also periodically changing. Additionally, one person’s posts also used photographs of many different van types (makes and colours) in their adverts. When we ran photo recognition software on some of these this normally showed that these photographs

originated from another source. Sometimes the business that had taken and used the original photograph had had their name photoshopped out.

As well as the suspiciousness of a man and van operator seemingly having so many identities, telephone numbers and vans, there also seemed to be strong evidence of interconnectivity between adverts placed by entirely different posters. Therefore, even though person A had posted 100 adverts (for example), there appeared to be connections with person B who was also posting 100 adverts (for example). There appeared to be links because:

- Sometimes the telephone numbers used by different posters were the same.
- Sometimes the same photographs were used by different posters.
- The adverts' language, layout and wording was often identical or near identical.

The extent of connections between those placing man and van waste removal adverts could also be much bigger than the above suggests. Using the linked data contained in the adverts above we performed a search on the net looking for connections outside of Gumtree. There were significant numbers of adverts contained in other advertising platforms, man and van platforms, and stand-alone websites that certainly appear to be linked to those in Gumtree. These were across the UK and even linked to other countries too.

7.5 Advertising in Multiple Locations

There is a degree of marketing sense if you are based in one city in having multiple adverts which specially tag different geographical areas of that city, or immediate areas that you operate in, so that if someone does a search that is based on area or distance you will come at the top, or the near the top of any search criteria. What was surprising in our research, was that there were many individuals advertising in one place that were also advertising in other areas, often some quite a distance away.

To illustrate this, in Gumtree there were 43 advertisers in Croydon and Ealing combined. Twenty of these 43 advertisers were advertising in multiple counties across the length and breadth of the country.⁸⁰ Similar methods of individuals advertising in large numbers of multiple locations across the country were repeated in every one of the 10 locations that we examined.

It should be made clear that the individual adverts themselves were not advertising that they could pick up waste from multiple places. Instead, they suggested that they were based in the specific place they were advertising (in each particular advert). All of the above individuals were specifically advertising waste removal services. It is clearly not feasible for someone operating in Croydon to offer to move waste in Manchester for the prices that are given within the adverts.

7.6 The Numbers of Adverts and the Cost of Advertising

As adverts on Gumtree cost a minimum of £11.99 (lasting 60 days) which means that posters responsible for 100 adverts were spending approximately £7,194 a year on advertising. *The*

⁸⁰ Including: London, Berkshire, Surrey, Hampshire, Oxfordshire, Buckinghamshire, Herefordshire, Bedfordshire, Cambridgeshire, Essex, Kent, Merseyside, Manchester, West Yorkshire, Hertfordshire, Nottinghamshire West Midlands, Leicestershire, Berkshire, East Sussex, West Sussex, Wiltshire, Northamptonshire, Derbyshire, Gloucestershire, and South Yorkshire.

two suspected networks that we identified with 4,150 adverts would be spending approximately £50,000 every 60 days, or in total around £300,000 a year on advertising. These prices were not even including the extra cost of placing featured ads. This seems like a lot of advertising spend for a man and van outfit.

7.7 Organised Networks

Whilst it is not unheard of in some professions for businesses to ‘borrow’ text or photos from other ‘successful’ companies in their sector, it would appear to be unlikely that such a cut and paste advertising strategy would be copied to such an extent (i.e. nationwide), and in plain sight in the same advertising platform. This would probably be noticed by the person originally responsible for the ‘borrowed’ text and photos. Additionally, copying text and photos does not usually extend to also using the same telephone numbers. A lot of effort must be being spent placing so many (interconnected) adverts. The evidence points to the fact that there are organised networks of man and van operators moving waste.

Whilst a significant part of the van network is organised, that might not mean anything illegal is taking place. One explanation for the geographical distances could be that as well as moving waste these people also do house moves. Many adverts suggested they did both. However, it still does not seem feasible to think that a business based in Croydon, for example, would advertise to do a house move for someone in West Yorkshire if they were moving to Merseyside.

One explanation for the use of networks is that some groups are running informal brokerage type systems – taking commission by coordinating work and passing this on to regionally based contacts of theirs (who could be operating legally, or taking waste to authorised facilities). But this does not explain why they are then going to such lengths to mask their identities and operations and using so many names and telephone numbers. *While some factors on their own might be explainable, when taken together alongside the amount of organisation involved and the money being spent on advertising, it is a logical assumption that something very unusual seems to be occurring in the man and van sector. This pattern is one that may well be of interest to the relevant authorities.*

7.8 The Potential Significance of Van Networks

Consultations with the project’s Expert Steering Group and other relevant stakeholders found that the EA has never focussed significant resources on man and van type operations when investigating serious waste crime. As noted earlier, they have never been seen as a significant problem when taken individually, because of the size of loads involved. Checking on man and van type operations has been left to local authorities, as the EA deals with the “big, bad and nasty”⁸¹ problems. Therefore, there does not appear to have been any organisation looking to see if there were organised van networks, and this can be reflected in the fact that many of the networks on Gumtree have been posting for many years.

The large amounts of money being spent on advertising in the van sector suggests moving waste is worth a lot of money. If the networks are spending that amount of money on advertising, how much are they making? We tried to estimate how much man and van

⁸¹ The phrase “big, bad and nasty” is commonly used by the National Fly-Tipping Prevention Group <<http://www.tacklingflytipping.com/Documents/NFTPG-Files/Summaryguide.pdf>> and the Environment Agency <<https://environmentagency.blog.gov.uk/2014/04/16/tackling-waste-crime/>>

operations might be making in terms of profit from landfill evasion if the waste was disposed of illegally. We used two calculation methods:

Method 1

In chapter 1 we noted that a Scottish study indicated that there was an average weight of 0.44 tonnes per fly-tipping incident (section 1.4). It is assumed that this average weight was for each recorded incident, but it is possible that it could have comprised multiple loads. We looked at adverts and online booking facilities to get a sense how many waste collection jobs man and van services were undertaking on average each day. From this information we have assumed there would be five loads a day. Over a five day week we calculated that one vehicle could potentially tip 25 loads or approximately 11.0 tonnes of waste in total. We then assumed that if the vehicle was used for 52 weeks a year, this might result in a maximum of 1,300 waste movements from a vehicle, at a total weight of 572 tonnes. Assuming the cost of depositing a tonne of waste was the same as the landfill tax of £94.15 then this equates to a potential maximum evaded disposal and therefore additional illegal profit of £1,036 per week for an individual van. Over a year this additional illegal profit from evasion would be approximately £54k per van.

Method 2

An alternative approach would be to consider tonnage based on the size of common vehicles, used for transporting waste. A Ford Transit (Standard Wheelbase) van can carry a payload of 1,085 kg (or 1.085 tonnes). If a carrier undertakes 25 trips a week in this vehicle at full capacity that would equal approximately 27 tonnes. Assuming that the cost of depositing a tonne of waste is the same as the Landfill tax of £94.15, then this equates to a potential maximum evaded disposal fee and additional illegal profit of £2,542 a week for an individual van. Over a year this evaded figure would be approximately £132k per van.

Applying the methods to van networks

The two methodologies above produce a potential evasion profit range of between £54,000 and £132,000 per van each year.

Note that the figures above only relate to landfill tax evasion. They do not cover the final profit of the carrier from each job, or the associated operating costs of these services, such as van fuel, road tax, driver/operative wages etc.

Obviously, the above is an estimated range and is dependent on several factors such as the number of jobs undertaken and the size of jobs, but it is notable that most companies advertise that they operate seven days a week rather than five, so some leeway is built in. It also relies upon the assumption that every single van load picked up by this van is disposed of without paying appropriate charges for legitimate disposal – which is very difficult to determine in a desk-based study like this one.

The above analysis suggests it is likely that there could potentially be nationwide networks of people, each operating 100 vans or more. Applying the logic above, anyone operating 100 vans could produce a potential evasion profit range of between £5.4 million and £13.2 million each year based on the assumptions above.

Above we noted that there were probably two networks which together were putting out 4,150 adverts. To derive a rough estimate, if we divide that figure in half to understand what one network could be spending on average, this would be 2,075 adverts at a cost of approximately £25,000 every 60 days. Over a year that would be a £150,000 spend on advertising in Gumtree alone. It is interesting, when considering the numbers involved, that the potential return on investment (relative to advertising cost and purely taking into account potential revenues associated with landfill tax evasion) of operating 100 vans could fall somewhere between the 40 to 1 and 80 to 1 mark, which demonstrates that a van network used for waste disposal can be a lucrative route to making money.

8. The Role of the Advertising/Social Media Platforms

Our research found that online advertising and social media platforms were clearly acting as the intermediary between those holding waste and the non-professional waste sector. This chapter looks more closely at which platforms were being used by those involved in waste transportation services and why. It also examines the commercial policies and terms and conditions of these platforms to see if they can help prevent non-professional actors advertising on them.

8.1 Where Carrier/Brokers/Dealers (CBD) were Advertising

Yell.com, the U.K.'s largest online business directory, appeared to be the platform used by the most individuals or organisations recorded in this waste checking study (73%). Facebook was the next biggest (23%). Gumtree accounted for 3%, Checkatrade 1% and there were no adverts at all found in TrustATrader in the locations analysed.

The statistics above are not platform-wide but were limited to the 10 geographic areas in-scope for the research. They are broken down further in the table below.

Source	Number of carrier companies advertising	Percentage of adverts compared to other advertising sources	Appear to be CBD registered	Appear to not be CBD registered
Checkatrade	50	1%	43 (86%)	7 (14%)
Facebook	1,071	23%	428 (40%)	643 (60%)
Yell	3,477	73%	1,250 (36%)	2,227 (64%)
Gumtree	144	3%	38 (26%)	106 (74%)
TrustATrader	0	0%	0	0
Totals	4,742	100%	1,759	2,983

Between them Facebook and Yell accounted for 96% of all the persons or organisations advertising waste services in the locations analysed. At first glance this suggests that these two advertising platforms could be where problems in unlicensed carriers procuring work are originating, but these figures alone do not paint a complete picture.

8.2 The Platforms used by Registered/Unregistered CBDs

Checkatrade had the highest percentage of registered carriers (86%). All of the other platforms fell below 50%.

We could only find registration details for 40% of persons or organisations using the Facebook platform. This platform was multi-faceted, and some elements performed better than others. If a company had visibly tagged itself as a waste management company that could be discovered via the platform's search function it was more likely to be registered than not. If an untagged profile page had been set up this provided a larger degree of anonymity and was more likely to be an unregistered operator. The largest problem with unregistered operators was on the Facebook marketplace pages and buy and sell pages. Mostly, these were adverts whereby businesses or persons were offering to collect waste for money. Large numbers of those advertising on this had in excess of 100 active adverts. Finally, we detected a number of closed sites relating to waste collection whereby you had to be a member to access them, but these were not included in our research.

Nearly three quarters of all the adverts looked at in this study were found in Yell, but we could only locate registration details for 36% of companies on this platform. This was surprising because most of the adverts on Yell contain full company names, addresses and website details, which suggest a degree of permanence. This more complete data also enabled us to undertake more detailed and accurate checks on the EA registration search facility.

The Gumtree platform appeared to have the lowest percentage of registered carriers – only about a quarter (26%). Whilst the numbers of people or businesses advertising on this platform were relatively small (as this study primarily focussed on individual businesses and whether they were CBD registered), the total numbers of adverts that these individual businesses could be placing were very large, e.g. 10,000+ adverts a month across England. Unlike some platforms where people paid to advertise for a year, adverts on Gumtree can be placed fluidly at great speed and removed just as quickly.

8.3 What might be Driving Advertising Choices?

Platform Vetting

Only two platforms conducted business background checks (including checking CBD registration). These were Checkatrade and TrustATrader. This explains why Checkatrade had by far the highest number of advertisers who were CBD registered. Whilst we could not locate any adverts in TrustATrader in the 10 chosen locations, they had a similarly high percentage (to Checkatrade) of those advertising being registered in a sample we undertook of other locations.

One would assume that the fact that Checkatrade and TrustATrader undertake considerable efforts to try and advertise only reputable tradesmen, including conducting CBD checks, would mean that 100% of those advertising would appear to be registered in our checks, but they

were not. This suggests that some of those individuals or organisations advertising were once registered but no longer are. Interestingly, 9% of those that we found advertising waste services on Checktrade were flagged up on the site as having expired public liability insurance. Having an expired CBD registration is not flagged up on the site, but based on the expired insurance findings this could be a plausible explanation as to why we could only manage to find registration details for 86% of those advertising. Alternatively, it could in part reaffirm our conclusion in chapter 4 that the search function to check registration does not work very well.

It is quite telling that two of the largest advertising sources, which ensure rigorous background and registration checks of those advertising, only accounted for 1% of all the waste adverts.

It could be said that those that do not undertake any business checks are acting indirectly as ‘crime promoters’⁸² in the waste sector. They are enabling the non-professional sector to operate. On one level it could suggest that those with things to hide do not want to undergo any checks. More generously, it also appears to us that this could be because of the nature of waste removal. If a homeowner needed a plumber, builder or electrician they are naturally going to want someone who is reputable, licensed to do that work and insured because it impacts on their life and where they live. Conversely, with waste there is probably a mindset for some that being reputable, licensed or insured is less important, because it is leaving their house, and will no longer impact on them or their lives.

Traceability

The second factor we considered potentially relevant was traceability. Which platforms could potentially provide a trail back to someone identifiable? The only one that appeared to provide full anonymity was Facebook which accounted for approximately a quarter of all the adverts examined. Gumtree also enabled those posting to do so without using names and sometimes contact details. However, all of the platforms apart from Facebook required some form of payment to be made that might allow some traceability.

Advertising cost

We also looked at whether cost might be a factor in determining where unregistered operators advertised. The approximate cost for each platform is contained in the table below.

⁸² This term means people or organisations that inadvertently, carelessly or deliberately make crime by others more likely or harmful – see The 5Is Framework for Crime Prevention : <https://5isframework.wordpress.com/conjunction-of-criminal-opportunity/>.

Platform	Percentage of adverts compared to other advertising sources	Estimated Annual Cost of One Standard Advert (not including VAT) ⁸³
Facebook	23%	£0
Gumtree	3%	£71.94
TrustATrader	0%	£799
Checkatrade	1%	£839.88
Yell	73%	£1,395

It was our assumption at the outset that the platforms that were charging the least amount of money might be the ones which were used the most by unregistered carriers. But this does not hold true because Yell, the platform that was responsible for nearly three quarters of the total number of adverts appeared to have the highest charges per advert.

Our assumption that money would be a factor in platform choice appeared to be vindicated by the fact that Gumtree, the platform which had the highest number of unregistered operators, was also the lowest fee-paying advertising platform per advert. But interestingly, after further investigations this turned out to be the platform where it appeared that persons were spending the highest total amount of money on advertising; a staggering £11,510.40 sum annually on average per person (based on analysis from one geographical area).⁸⁴ This advertising spend can be attributed in part to the prevalence of van networks, as discussed in chapter 7.

The fact that the two advertising platforms which appear to have the highest proportion of unregistered waste transporters active (compared to other advertising platforms), were making the highest amounts of revenue, was an interesting finding. This suggests that those waste operators that might be unregistered seem to be basing their advertising strategies on platforms that do not conduct background or registration checks, even if this is ultimately significantly more expensive.

8.4 Regulation by the Platforms

Online activity is often difficult for the authorities to police. It is not unreasonable to suggest that advertising platforms may have some accountability in this, as well as the tools to prevent unregistered persons using their site. Their involvement in promoting adverts from those that are fly-tipping and dumping waste crime could cause reputation damage. The online platforms examined in this study that do not undertake background checks (Gumtree, Yell, Facebook) have various commercial and advertising policies as well as conditions of use.⁸⁵ We

⁸³ Gumtree and Facebook fees were taken from their websites. Gumtree is based on a £11.99 fee for a 60 day listing. Checkatrade and Trust-a-Trader gave us their prices on the telephone. Despite repeated interactions Yell declined to supply us with details about advertising costs. The figure for Yell was taken from another website which compared prices of advertising platforms - <https://www.caffeinemarketing.co.uk/blog-alternatives-to-yell/>. This figure is several years old, so it might have changed, and we have not had it verified by Yell. Note there were higher prices for boosted/highlighted adverts, but these have not been included in this analysis.

⁸⁴ This figure is based on analysis of those people advertising on Gumtree in Croydon. There were 23 individuals, or organisations, advertising waste transportation services in this location and these generated 49 adverts in total (just over 2 adverts for each). However, if you looked at other locations that these 23 people advertised in this generated 3,685 adverts in total (an average of 160 adverts for each). This amount of advertising would cost each person £1,918.40 (60 days advertising) or £11,510.40 (12 months advertising) on average.

⁸⁵ (i) Yell - <https://www.yell.com/legal/>; and <https://business.yell.com/legal/yell-advertising-policy/>; (ii) Facebook - https://www.facebook.com/policies_center/commerce; and

examined these to see if they contained anything that might help them restrict anyone advertising waste services if they did not have a valid CBD registration.

Compliance with the law

All of the platforms warn against the advertising of illegal services.⁸⁶ However, at the current time it is not illegal for someone to simply advertise they can move waste. The offence is committed if they are caught in the act moving it and they are not CBD registered, or actually fly-tipping or dumping it. The platforms avoid responsibility by holding the person placing the advert responsible for not breaking any law, and some require the person posting the advert to confirm that the adverts are not promoting illegality. However, if the poster of the advert is found not to comply with these provisions the platform's own policies say they can suspend or stop them from advertising. The EA and local authorities might consider requests to platforms to stop those convicted from advertising.

Offering waste services generally

The offering of waste services was allowed on all platforms, apart from Facebook. The Facebook commercial policies indicate that services are not allowed to be listed on their platform.⁸⁷ They give some examples of what 'services' might cover and whilst waste collection is expressly not one of these, there are examples given that are analogous e.g. cleaning services, lawn care services. If our assumption that collecting waste is a service is correct, Facebook could enforce this policy.

Categories of listings which cannot be posted

Platforms also have the power in their terms and conditions to prevent certain things being sold on their platforms. For example, there are 35 categories of listings which cannot be posted on Gumtree. Waste is not currently one of the restricted categories on any of the platforms (although Facebook prohibits 'hazardous goods and materials' which might include some waste).⁸⁸ There are analogous categories though which are prohibited such as red diesel and animal parts. The category listings are more applicable to goods than services, but do show that platforms can adopt their own policies and police them if they want to. Gumtree can prohibit certain items at the request of their user community, especially if these can be shown to interfere with the well-being of the community.⁸⁹

Obligation to be qualified to undertake the service

Yell's advertising policy imposes an obligation upon the individual placing the advert to ensure that they are appropriately qualified and authorised by the relevant regulatory body where that is required. As can be seen from the supposed high numbers of unregistered carriers using the platform this is probably not complied with in practice. However, Yell do go further by committing to only accepting advertising in certain professions where the advertisers hold the

https://www.facebook.com/communitystandards/integrity_authenticity; (iii) Gumtree -

https://help.gumtree.com/s/policies?cat=Posting_Policies&article=What-s-Not-Allowed-on-Gumtree

⁸⁶ Yell conditions of use [Para 26(d)] and advertising policy [Para 1]; Facebook commerce policies [Para 1]; Gumtree posting policies.

⁸⁷ Facebook Commerce Policies para 3.20.

⁸⁸ Facebook Commerce Policies para 3.10.

⁸⁹ Gumtree Posting Policies.

appropriate qualifications.⁹⁰ It is unknown how much this is policed by Yell. The list of user professions that have to be appropriately qualified and authorised by a regulatory body amount to 22 different classes. The waste carrier sector is not one of them. However, the policy states that Yell reserves the right to vary the list from time to time, so it is possible for CBD to be added in the future if the EA or Government requests this.

Inaccurate or misleading adverts

In chapters 4 and 5 we reported that there were a lot of businesses that were operating using trading names and business addresses that either masked their true identity or were fake. Some businesses also either provided false CBD registration numbers within the advert, or incorrectly claimed that they were CBD registered but we could not locate them in the register.

Yell have rules about advertising using names that are not the normal trading name (i.e. as registered at Companies House) and the use of addresses in the advert which are not the genuine trading address of the business.⁹¹ They also require the person posting the advert not to mislead others. Facebook also has general Community standards for users,⁹² which have rules against misrepresentation and ‘inauthentic behaviour’.⁹³ Again the significance of these formal provisions is that the platforms should remove adverts that go against these conditions and can suspend or stop the poster from advertising again. There is potential for the EA to identify adverts from unprofessional actors and work with the platforms to prevent such persons using them.

⁹⁰ Yell Advertising Policies [Para 2(1)]

⁹¹ Yell Advertising Policies [Paras 3.1 & 3.2]

⁹² See Facebook Community Standards: https://www.facebook.com/communitystandards/integrity_authenticity.

⁹³ Facebook Community Standards [Para 20].

9. System Design: Regulation, Detection and Enforcement Approaches

This chapter examines the design of the overall system relating to carrier/brokers/dealers (CBD) and how individual elements are working in practice. It examines the regulatory strategies in place, how non-compliant behaviour is identified, enforcement options and outcomes, and whether those that are caught not complying with the law are being taken out of the system.

9.1 A Vision for an Improved CBD System

The CBD system should have a register that lists the (presumably) ‘good’ registered operators, so that those with waste can distinguish them from the ‘non-professional’ actors who are not on the register. This is so that waste holders can properly discharge their duty of care and ensure that waste goes to the proper channels. To make this work, it would make sense to expend considerable efforts to ensure that ‘bad’ and non-professional actors do not get on the register and that the regulator knows who they are regulating. Because good practice cannot be guaranteed from registration alone, there should also be efforts to detect bad behaviour, improve compliance, and if the system is working well enough, and has a successful deterrent impact, to then reduce enforcement effort. Connected to this it is fundamentally important that if CBD registered operators are identified as being ‘bad’ actors (e.g. if they are caught fly-tipping or are involved with illegal waste sites) that they are prevented from operating and that that they have their CBD registrations removed for a period of time, to enable the registration system to work properly.

The system in place seems very different from the one proposed above.

9.2 Registration

The CBD register is seen as the key regulatory tool in the system. This report has already provided evidence that the online register is not fit for purpose because the search facility does not function effectively. There appear to be four major interconnected problems affecting the proper functioning of the register itself. Firstly, there is a low bar of entry to be registered and the fees are so low that they arguably do not appear to cover the costs required to check applicants thoroughly. Secondly, there appears to be a very light touch scrutiny of applicants. Thirdly, those being registered are also expected to give honest answers in the registration which are unlikely to be checked. Finally, the applicants are then effectively expected to self-police by letting the EA know if any issues affecting their registration arise, for example a conviction for an environmental offence.

Chapter 2 showed that most of the tools that are needed to make the registration system work are in place. Persons doing the wrong thing can have their registration removed and be subject to enforcement action. Examples include: (i) supplying incorrect information in the registration application, (ii) not letting the EA know about a change of circumstances affecting their registration, (iii) registering in the lower tier when they clearly should be in the upper tier. The

problem appears to be that the EA is not making the appropriate checks to see if any of these things are actually happening. If there is a CBD system in place with inadequate regulation or sanction, people quickly learn about this and exploit it. There appears to be an insufficient deterrent to doing the wrong thing, and this is concerning because if you are conveying the message that you are not looking at the administrative type offences, then this could have an impact on the behaviour of individuals when choosing to comply with the wider regulatory system. It is unclear whether this is a problem that has not been identified before, or if it is simply a resourcing or funding issue.

9.3 Regulation

We consider that there should not be over-reliance on a registration system because not everyone will know about it or use it. Less than half of people who hire a gas engineer check that they are licenced before letting them into their home (41%),⁹⁴ and Government research has found that less than half (49%) of respondents were aware of their duty of care when it came to disposing of waste.⁹⁵ But regulatory design also looks to be fundamentally flawed. The first two observations involve the fees and charging system in place and the impacts of these.

CBD registration sits with the EA, but local authorities are expected to undertake the vast majority of the fly-tipping investigations. It does not make sense that, as far as we are aware, the local authorities receive no money at all to tackle the problem whilst doing all the heavy lifting. The EA receives all the registration fee money, yet they do not appear to be adequately scrutinising applications or appearing to be pro-actively looking for non-compliance in the system. It makes sense for a national agency to administer a national waste carrier scheme, because vehicles and waste travel over local authority borders, but the regulation is clearly not as effective as it could be.

The EA have a duty to maintain the register and inspect CBDs appropriately. For site-based legislation the EA physically monitors and inspects sites. *The CBD inspection system appears to be very light touch. One might argue that they should be doing more proactive intelligence gathering and physical site inspections⁹⁶ under the CBD system, because the statutory duty to regulate is the same (see para 2.2).* This would not be an easy task because there are a lot of people and businesses on the CBD register. But if the current system is not producing the desired outcomes, there is a strong argument for the EA to make to the Treasury that they have a regulatory inspection duty, that they want compliance significantly improved, and to lay down a costed plan as to how they might do this, which would enable them to charge accordingly.

There also appear to be issues relating to the regulatory structures in place, that is, who is doing what and why. The EA are focussed on detecting ‘big, bad and nasty’⁹⁷ waste crime, such as large and dangerous organised waste sites. The local authorities are focussed on detecting and bringing enforcement action against fly-tippers in their own backyard. They have little incentive in chasing people outside their area. This is resulting in things falling through the

⁹⁴ See <<https://www.gassaferegister.co.uk/news/news-2018/most-brits-check-what-s-on-tv-but-less-than-half-check-if-their-gas-engineer-is-working-legally/>>

⁹⁵ Defra (n65).

⁹⁶ Many of those CBD registered will not have a ‘site’. This point is merely meant to say that they could visit the trading addresses of those that are CBD registered.

⁹⁷ See n81, which discusses the use of this phrase.

middle, that are not being spotted by either of the EA or local authorities. For example, chapter 7 found that there appeared to be long-standing man and van networks advertising locally, but operating nationally. *These networks are not being identified because it appears that nobody has anticipated this being a problem and therefore have not been looking for evidence of the problem, highlighting that there are potential regulatory blind spots.*

Generally, there appeared to be a disconnect between the EA and local authorities. Anecdotal evidence given to us suggested that co-operation was patchy and that both groups were not working together as effectively as they could be on these issues. This included intelligence sharing, enforcement action sharing, and even ensuring that identified illegal waste sites are being recorded on the contaminated land register. It is not clear how the stated goals of the Waste Strategy⁹⁸ and the Joint Unit on Waste Crime are measurably improving current practice in this area. Some of those we spoke to thought that there was no national plan which guided regulation and there was not enough collaborative regional action occurring.

9.4 Detection

A major challenge in regulating waste crime is that there is so much of it and it is so dispersed. If you look anywhere in the UK you can find it. This presents dangers. One is that it can appear that detection approaches are working, whereas in reality they are probably just reflective of the regulatory effort and resources that are put in. If enforcement authorities spent twice as much money on detecting fly-tippers or those running illegal waste sites, they are probably going to catch twice as many offenders. Therefore, whilst detection is necessary and important, it does not address the roots of the problem and the figures need to be treated with caution.

There are a number of other ways that offences are currently detected. These include (but are not limited to):

- Catch in act
- Evidence leading back to a waste holder in fly-tipping
- Witnesses/tip-offs
- Stopping vehicles
- Pro-active targeted investigations, for example the use of tracking devices in waste
- Caught on CCTV or camera traps

Some of the above methods can be resource intensive and are probably only detecting a small minority of those breaking the law. Anecdotally, we heard that even when there was some evidence contained with the waste, or witness information about who was involved, this was not always acted upon because of lack of resources.

We were also told anecdotally that whilst some fly-tips contained something identifiable in them that could lead back to a waste holder, witness intimidation meant that some persons were not willing to give a statement. We also heard anecdotally that some people living near organised waste sites were afraid to provide tip-offs or statements for fear of their safety. This again suggests an interconnection between low-level and high-level waste crime and the prevalence of organised criminals.

⁹⁸ HM Government, Our Waste, Our Resources: A Strategy for England (Defra, 2018).

Some local authorities that we spoke to also argued that there was no adequate guidance given to them about the use of camera traps and tracking devices, in respect to data protection and privacy legislation.

9.5 Detection via Adverts

Chapter 3 of this report demonstrated that analysing adverts might potentially collate good intelligence on unregistered operators in the waste sector. If businesses are unregistered, they are relatively easy to identify. Conversations with the EA suggested that some regional offices do sometimes look at social media platforms for intelligence data, but this did not seem to be part of a substantive national strategy. Whilst a national strategy of looking at advertising platforms to identify non-professional actors might be fruitful, this raises the issue of what is ultimately the best use of this data.

One option would be to identify all of those who do not appear to be registered carriers and then ask them to produce evidence of their CBD registration. If this is not forthcoming, soft action can be taken to move them into compliance – reminding these groups that they need CBD registration to operate and they can be subject to enforcement action without one. Or alternatively a firmer approach could be adopted, as there are criminal offences of failure without reasonable excuse to produce evidence of carrier registration,⁹⁹ and failure to register as a waste broker or dealer.¹⁰⁰

An issue with the above is resources. Chapter 3 noted that there could be hundreds of thousands of unregistered operators. Anyone examining adverts in any kind of detail would likely find so many advertisers that meet this criterion that pursuing them all would be overload, much like the police being swamped by identification of uninsured drivers when they started using automatic number plate recognition technologies.

We considered whether someone advertising waste collection services, when they did not have registration, was in itself sufficient evidence of an offence to justify taking enforcement action. The EA told us that it probably was not. Their assessment was that as well as having evidence of advertising by an unregistered carrier, they would also need to be in a position to prove the elements of the offence before they could prosecute. Under the current legislative drafting they would require evidence of the actual carriage of waste by an unregistered person and they would have to see the operators loading the waste for it to be about to be transported, or for it to be in the act of being transported.

Unless there is a change in the law, the best use of any data collected would probably be to direct other intelligence-led work which may be useful in identifying and targeting suspects and may be of benefit for the purposes of disrupting the most serious offenders. The data collected could be risk profiled so those that look to be the higher-level, unregistered operators, based on advert numbers/spend on advertising, could be targeted first.

What is unclear about the above is how it would work in practice because of the set-up and disconnects in the current system. We would assume that the EA would have responsibility for this, but there would have to be some strategy about how intelligence was shared with local authorities and who played what role in intelligence and enforcement.

⁹⁹ Section 5(7) Control of Pollution (Amendment) Act 1989

¹⁰⁰ Regulation 42 of the Waste (England and Wales) Regulations 2011

9.6 Enforcement

Between 2018 and 2020 local authorities issued 152,400 fixed penalty notices and collected 4,727 court fines in relation to fly-tipping.¹⁰¹ In 2018/2019 the EA brought 77 successful waste crime prosecutions, resulting in 8 prison sentences and fines of £440,000.¹⁰² This data and the anecdotal evidence we received from numerous sources suggested that the enforcement elements of the system were not working.

The first observation is that the reliance on penalty notices by local authorities (97% of all fly-tipping enforcement actions) is problematic. Enforcement should not let those breaking the law be gaining beneficial positions over those doing the right thing. It should be addressing the balance and acting as a deterrent to stop future offending. This doesn't seem to be happening. In chapter 7 we estimated that a single van could produce a potential tax evasion profit range of between £54,000 and £132,000 each year. A penalty notice requiring a few hundred pounds to be paid as a punishment does not factor in the economic gain of many operators breaking the law, enable the assessment of cumulative offending, or make those committed to breaking the law think twice about doing this again. Nor is it likely to harm an operator's trading reputation in practice, given the ease of changing names.

In light of the above, it is problematic that only 3% of enforcement actions for fly-tipping are taking place via the courts. We were told that there were concerns within local authorities about the resources needed to take people to court, as this could be resource intensive, both in terms of legal costs and also collecting evidence to a high enough standard to win. There could also be an issue with delays in court proceedings, exacerbated now by the Covid lockdown backlog. We were also told anecdotally that there was sometimes a reluctance to lose anything in court. *It seemed that some local authorities were biased in favour of not taking enforcement action where it was needed. This suggested that cases that should be escalated and going to court were not. It therefore appears that a lack of resources within local authorities to enforce waste crime penalties is undermining the effectiveness of the enforcement process.*

There appear to be similar problems with respect to the EA tackling illegal waste sites. Although the numbers of detected illegal sites have remained fairly constant over a long period, the number of prosecutions in relation to illegal waste sites are reported to have fallen by 33% between 2009/10 and 2017/18.¹⁰³ Above we noted that the EA brought 77 successful waste crime prosecutions, resulting in eight prison sentences and fines of £440,000 in one year.¹⁰⁴ To put those figures into perspective, they are detecting about 868 illegal waste sites a year on average, suggesting that only 8% of the sites they currently detect result in a prosecution. Obviously, enforcement is not always appropriate, and the right people to prosecute might not always be identifiable, but that percentage still seems low. Chapter 1 also found that an average illegal waste site contained 1,600 tonnes of waste and resulted in evasion losses of £154,720

¹⁰¹ Defra (n1).

¹⁰² '77 successful waste crime prosecutions in a year – EA' (Circular, 1 August 2019) <<https://www.circularonline.co.uk/news/77-successful-waste-crime-prosecutions-in-a-year-ea/>> accessed 25 June 2020.

¹⁰³ Environmental protection standards in Britain “under threat,” (Circular, 20 August 2019) <<https://www.circularonline.co.uk/news/environmental-protection-standards-in-britain-under-threat>> accessed 25 June 2020.

¹⁰⁴ '77 successful waste crime prosecutions in a year – EA' (Circular, 1 August 2019) <<https://www.circularonline.co.uk/news/77-successful-waste-crime-prosecutions-in-a-year-ea/>> accessed 25 June 2020.

per site, on average. There seems to be a similar problem here in relation to having the resources to bring prosecutions, and then adequately recovering the cost of non-compliance from non-compliant people and deterring them from breaking the law again.

It seemed to us that there were two key problems with enforcement. One was that those charged with policing and enforcing the law might be losing credibility by not having the appetite to bring appropriate enforcement action. The underlying reason behind this would seem to be the significant reductions in environmental protection budgets within the Environment Agency and local authorities.¹⁰⁵ The second was that the penalties being handed out were insufficient to deter re-offending and address the cost of non-compliance.

There have been some tactics introduced such as van seizures, but these were not having the required impact in practice because anecdotal evidence given to us suggested that some repeat offenders were responding by buying cheaper vans. There appeared to be no systematic approach to addressing this form of criminality in terms of effectively disrupting and punishing non-compliant people or organisations.

9.7 Revocation of CBD Registration

In chapter 2 we reported that *over the most recent three-year period, the EA revoked only two Upper Tier Registrations and no Lower Tier registrations. This is a surprise when one considers over a two-year period local authorities issued 152,400 fixed penalty notices and collected 4,727 court fines (and the EA also brought a number of illegal waste site prosecutions).¹⁰⁶ There appears to be a significant disconnect between the level of enforcement action brought by local authorities and the almost-zero rate of revoked registrations by the EA (0.001%). Either nearly all those offences were committed by persons or businesses that were not CBD registered, or the EA did not think it was necessary to revoke registrations for a non-compliant period, or that there is no mechanism in place for local authorities to report enforcement actions to the EA.*

Registration seems to be a passport to operate with little oversight if there is no effective scrutiny of applicants, and no communication between local authorities and the EA regarding those that are subjected to enforcement action. If those that are caught get straight back to work as CBDs immediately, this element of the system also seems to be functioning ineffectively.

9.8 Multi Agency Cooperation

Waste crime is not just an environmental crime. It is also an economic crime. This applies to both the small and large actors that are breaking the law; the latter who will see it as just another ancillary criminal side-line. Chapter 1 gave estimates of the amount of tax that was being lost. Chapter 5 also showed there were issues with dissolved and dormant companies in the sector, as well as people operating under inappropriate Companies House SIC codes being in the waste sector.

It seemed unfortunate that there appeared to be no adequate linkages and intelligence sharing between the EA and HMRC in scrutinizing the activities of CBDs in order to “follow the money”. This study highlights that there is very likely to be a significant hidden economy

¹⁰⁵ Abi Kay, Environment Agency budget cuts leads to drop in pollution prosecutions' (Farmer's Guardian, 14 May 2019) <<https://www.fginsight.com/news/news/environment-agency-budget-cuts-lead-to-drop-in-pollution-prosecutions-81541>> accessed 25 June 2020.

¹⁰⁶ Defra (n1).

in the waste sector, whereby there is probably significant undeclared economic activity by businesses or individuals where their income could be unknown to HMRC. Likewise, it was surprising that, as far as could be ascertained, there was not a more formal multi-agency integrated system involving the EA, Companies House, DVLA, HMRC and the police, providing input into the registration of CBDs, and sharing data on the investigatory parts of the system.

10. Horizon Scanning – Emerging Problems?

This chapter looks at two emerging issues associated with the security of waste streams that were noted when analysing waste collection advertisements. These were the establishment of new private sector markets covering the collection of domestic refuse, which are filling the gap left by some local authorities undertaking less frequent pick-ups, and the growing visibility of some waste holders seeking to pay less for their waste to be collected by auctioning its removal.

10.1 Bin Bag Collection Services

Most fly-tipping incidents involve what is categorised as ‘household waste,’ which account for nearly two-thirds (65%) of all incidents.¹⁰⁷ The percentage is broken down to include ‘black bin bags’ (18%) and ‘other’ household waste (47%). Fly-tipping incidents involving single black bin bags comprised the largest overall category increase (16%), between the 2018/2019 and 2019/20 recorded figures.

From anecdotal evidence black bin bag waste has often been seen as a minor issue, as this type of fly-tipping incident might have traditionally included households putting bin bags out on the wrong days. Whether incidents of this nature are recorded in the fly-tipping statistics, or not, can vary from one local authority to the next.

A new service industry appears to be growing with individuals and business now offering to take away domestic black bin waste in some cities. The backdrop behind this appears to be that many local authorities replaced traditional sized refuse bins with ones that are up to 50 percent smaller, and some also stopped collecting domestic non-recyclable waste (black bin bags) on a weekly basis in an attempt to save money and boost recycling.¹⁰⁸ Just one in six local authorities in the UK still collect ‘bin bag’ waste every week. Collections are now often fortnightly, or in some local authorities can be 3-weekly, or 4-weekly.¹⁰⁹

Some individuals and businesses have realised that there is an opportunity to make money here and stepped in. Advertisements on online platforms show there are a multitude of bodies, from micro-business man and van companies, to enterprises that appear much larger and specialised for these types of collections, now offering household black bin bag collection services. This can either be on a one-off basis, or on a booked regular basis for the weeks that the local

¹⁰⁷ Defra (n1).

¹⁰⁸ Darrell Moore, ‘94 Councils Reduce Black Bin Size In Effort To Improve Recycling,’ Circular, 15th January 2014.

¹⁰⁹ Rob England and Paul Bradshaw, ‘Bin collections are weekly for just one in six councils,’ BBC News Online, 22 March 2019.

authority does not collect. Major cities appear to be where most of the advertising is taking place.

What is concerning is that whilst one would expect a strong degree of traceability of waste picked up by local authority-funded collections, it is harder to determine what happens to this privately collected black bin bag waste. Some of the collection prices, particularly by man and van type companies, do seem very low, indicating that they might ultimately not end up at authorised facilities.

At the current time some members of the public are paying for an additional collection of their residual waste. If businesses also adopt similar models, then this could cause significant problems. The rise of these services may undermine statistics showing decreases in waste going to approved landfill and incineration. Government should pay close attention to reductions in local authority services as a potential driver to increased fly-tipping or waste dumping.

10.2 Waste Auctions

A problem identified in some advertising and social media platforms was waste holders themselves advertising for waste to be removed. Such adverts usually contained a photograph of the waste and its location and invited waste transporters to send private messages to the waste holder indicating a price for removing it. Sometimes the waste holder would specifically say that the lowest offer received would win the waste collection work.

These types of transactions are clearly problematic because they encourage a race to the bottom, whereby price is the key factor, rather than responsible disposal via a registered business. Many of the adverts seem to be responded to by individuals who appear to be non-professional actors, who say that they can do the job and have given a price via the platform's private messaging facility. An observer cannot see who wins the work and how much will be paid. Our perception of this is that those who are bidding in these silent auctions are probably pitching low quotes and inevitably are the ones least likely to be disposing of waste in the correct places.

Waste auction adverts were prevalent in both Facebook and Gumtree. There have also been at least four companies in England that have created businesses either based on this waste removal auction concept, or creating customer-to-business listings with a price the waste holder is willing to pay for the removal of the waste. *The idea of bidding to take waste away is not in itself disreputable, but raises duty of care questions. Some of the businesses that promote the auction concept do say that they only use carriers which are registered with the EA, but not all do. The platforms that facilitate this could have a clearly enforceable duty only to accept bids from licenced carriers, otherwise they risk encouraging poor practice.*

11. WEEE Losses from the Legitimate System via Fly-Tipping and Waste Dumping

This research is supported by Material Focus who have an interest in understanding where waste electrical and electronic equipment (WEEE) is going missing from legitimate systems. This chapter draws together all the relevant findings in the previous sections of the report and considers the impact that advertising by unregistered or non-professional waste transporters might be having specifically on WEEE system losses.

11.1 Lost WEEE from the system

In July 2020 research commissioned by Material Focus¹¹⁰ estimated that at least 500,000 tonnes of waste from WEEE were lost per year through a range of unreported channels, including being thrown away with residual waste, hoarded, stolen or illegally exported. In addition, the report concluded that problems were occurring because of:

- mixing of WEEE in other metal (i.e. light iron / scrap) waste streams;
- the fact that some treatment facilities are not required to report;
- the difficulty of tracking exports for reuse or treatment;
- a poor understanding of the amount of time buyers keep, hoard and re-deploy products;
- disposal by consumers of small WEEE in residual waste;
- lack of reporting of sales for reuse by the third sector and businesses;
- lack of awareness of regulations among companies outside the UK, resulting in failure to report data on EEE placed on the market.

In short, the report found there were numerous opportunities for WEEE to be diverted from ‘ideal routes’ as it passes from person to person along the chain to its final recovery or disposal. Once the WEEE has left the ‘ideal route’ it can be easily inferred that this significantly increases the risk that it will end up lost from the legitimate system.

Those persons who collect and transport WEEE will have a crucial role in keeping the WEEE within the system. If a waste collector is not registered as a carrier, broker or dealer (CBD) this could be seen as an indicator that they are at best a non-professional actor. An unregistered carrier will likely find it difficult to access permitted facilities, where they may require checks that they are properly registered. It can also be inferred that if a person is not CBD registered then they may be more likely to commit other offences, such as fly tipping, depositing waste at illegal sites and feeding the illegal export market. Basically, if it goes wrong at the first interaction of the waste chain, WEEE is likely to be lost to the legitimate system.

¹¹⁰ M. Sayers & R. Peagam (Anthesis), Electrical Waste – Challenges and Opportunities. An Independent Study on Waste Electrical & Electronic (WEEE) flows in the UK. (Material Focus 2020).

11.2 Analysis of Adverts

Our analysis of adverts from the 10 areas found that the most common illustrative pricing example within adverts on the more ‘casual’ advertising platforms such as Facebook and Gumtree, were prices to remove certain types of WEEE. The most common example being fridges and freezers. Adverts were offering to take these away for anything between £15 and £60 (with a median range of about £30 - £35).

The above was a surprise to us because the prices quoted were often higher than it would cost to ask a reputable electrical product distribution company to take away a product, at a time convenient to the waste holder. For example, some of the biggest electrical retail companies, such as AO, Currys PC World and John Lewis, collect and recycle old cookers, fridges, freezers, TVs, dishwashers, washing machines or tumble dryers for approximately £15 - £20 per item (when a replacement item is delivered).¹¹¹

Alternatively, the vast majority of local authorities (all but four) also offer a bulky waste collection service whereby old WEEE products can be removed from in front of households. Research by AnyJunk show collections vary considerably in terms of price and service; price ranges from free in some areas for local authority bulky waste collections, up to £114 in others.¹¹² However, 52% of English local authorities charged (as of April 2020) £35 or less.¹¹³

So how can the ‘man and van’ operations compete with low-cost removal services from the large retailers as well as the local authorities? Perhaps one explanation could be convenience, especially if they want the appliance moved at a specific time. Local authority services appear to be competitive on price; however, anecdotally, collections have to be booked some weeks ahead and if you are a householder with limited space, or time, perhaps you would be willing to pay more for a quicker service.

Generally, man and van operations are not discriminating about what they pick up – it can be anything and everything. There are, however, a number of specialist companies use advertising platforms to offer collection of WEEE materials specifically. Some of them advertise no charge for collection of certain items and others charge a fee.

To investigate whether companies of this type were licensed we took a snapshot of companies who were operating or advertising Yell and Facebook who had one of the following words in their company name that they were advertising under: ‘WEEE’, ‘Electro’, ‘Electrical’, ‘Electronics’, ‘IT’, ‘Computer’, or ‘Appliance’. Clearly this would not be representative of the entire market as this is not an exhaustive list of terms service providers might use. However, it does provide some perspective on the services offered for collection of some electrical items.

As can be seen from the table below we could only find CBD registration details for 41% of the companies. This figure is surprising because it is very close to the overall number of companies that we found to be registered (37%). It was our view that companies that had a

¹¹¹ See: (i) <https://ao.com/help-and-advice/delivery-and-services/collect-and-recycle>; (ii) <https://www.currys.co.uk/gbuk/help-and-services/delivery-installation/recycling-9-commercial.html>; (iii) <https://www.johnlewis.com/our-services/home-appliance-installation-and-disposal>.

¹¹² <https://www.anyjunk.co.uk/blog/2020/01/28/council-bulky-waste-collection-england/>

¹¹³ 152 out of 292 councils. See research on Any junk website above (n114).

specific waste removal/disposal/recycling focus would have much higher rates of carrier registration than the norm.

Electrical Product Companies

Advertising Platform	Total adverts	Licensed	Could not find licence details
Yell	26 (90%)	11 (42%)	15 (58%)
Facebook	3 (10%)	1 (33%)	2 (67%)
Total	29 (100%)	12 (41%)	17 (59%)

We also conducted a second round of platform searches looking for companies with scrap, scrap metal or metal in their company title. The results from the three relevant platforms are contained in the table below.

Scrap Metal Companies

Advertising Platform	Total adverts	Licensed	Could not find licence details
Yell	61 (42%)	26 (43%)	35 (57%)
Facebook	84 (57%)	31 (37%)	53 (63%)
Gumtree	2 (1%)	1 (50%)	1 (50%)
Total	147 (100%)	58 (39%)	89 (61%)

As can be seen from the above we could only find licence details for 39% of the scrap metal companies operating in this sector that were advertising in the ten areas we examined. This might indicate why some WEEE is disappearing from the recycling system. So where is it going?

11.3 WEEE and fly-tipping

For the 2019/20 year, local authorities in England dealt with just under 1 million (976,000) fly-tipping incidents, an increase of 2% from the 957,000 reported in 2018/19.¹¹⁴ The data showed that there were 47,000 incidents involving ‘white goods’, and 11,000 ‘other electrical’ incidents.

We have applied the same calculation method as contained in Chapter 1 of this report to estimate total fly-tipping. Zero Waste Scotland¹¹⁵ estimated that in Scotland, at least 26,756 tonnes of waste is fly-tipped each year and dealt with by Scottish local authorities, across an estimated 61,227 incidents– this gives an average weight of 437kg per incident.

Assuming each fly tipped load has an average weight of 437 kg, based upon the number of incidents in 2019/20210 in England reported as either ‘white goods’ or ‘other electrical’, and assuming each of these incidents comprises only of WEEE, then the total annual weight of WEEE fly tipped could be 25,346 tonnes in England alone.

¹¹⁴ Defra (n1).

¹¹⁵ Zero Waste Scotland (n17).

In addition, there will be a component of the “household like waste” that would contain an element of WEEE. Earlier work sponsored by Material Focus reported that the average weight of WEEE found in householder’s residual waste collected at the kerbside was 0.93% in 2017 (with an estimated increase to 1.02% in 2018).¹¹⁶ Just under two thirds (65%) of fly-tips in England involved household waste. Total incidents involving household waste were 632,000 in 2019/20 in England.

If the amount of residual WEEE in black bin bags fly tipped is consistent with the previous reported figure of 1.02% and the average weight of each fly tip is 437 kg (which is potentially an overestimate) then this could mean that there could be an additional 2,817 tonnes of WEEE that could be part of the mixed household waste fly-tipped in black bags.

Therefore, combining the estimates of fly-tipped materials recorded as WEEE, plus the estimate of WEEE incorporated within the residual waste contained in fly-tipped black bag waste it is estimated that 28,163 tonnes of WEEE could be part of the fly-tipping problem. As not all fly tipping is reported and recorded (particularly that occurring on private land, as discussed earlier), this could be an underestimate of the amount of WEEE fly tipped overall.

11.4 Illegal Waste Sites

The Environment Agency (EA) find and close about 1,000 illegal waste sites (IWS) each year. Amongst the categories of site recorded are sites that are categorized as dealing with WEEE and scrap metal. In the financial year 2019/20 the EA reported that it had stopped 37 IWS that were classified as dealing with WEEE and 19 that were dealing with scrap metal.¹¹⁷

A report commissioned by the Environmental Services Association in 2017¹¹⁸ made estimates about the amount of waste at each illegal waste site, basing its estimates on EA data, and concluded that there was an average of 1,600 tonnes of waste at each illegal waste site. It also noted that the IWS figures are an underestimate of the number operating at any given time. The figure for average amount of waste needs to be treated with caution as it is based upon estimates and is for all waste types, not just WEEE or scrap metal. However, if this figure was representative of the average illegal waste site containing WEEE (and if each of these sites only dealt with WEEE), then the amount of WEEE handled by IWS each year could be an estimated 59,200 tonnes (37 IWS x 1600 tonnes) in England, and again this is likely to be an underestimate because this does not take account of: WEEE being incorporated in the mixed metal streams at IWS; the under reporting of total numbers of IWS; and WEEE mixed into the “black bag” and other household waste at IWS.

¹¹⁶ Sayers & Peagam (n110).

¹¹⁷ The link to this data (released February 21, 2021) can be found on this link: <https://www.gov.uk/government/publications/environment-agency-2019-data-on-regulated-businesses-in-england>

¹¹⁸ Eunomia (n19).

11.5 Illegal Export

The Material Focus work from 2020 estimated that 32,000 tonnes of WEEE were illegally exported each year. It does not require a huge leap of imagination to see a connection between the presence of IWS in the system and the supply of WEEE for the illegal export market.

12 Challenges and Opportunities

12.1 The Key Challenge

Evidence gathered shows that the existing CBD regime both does not function effectively and is being misused. One interpretation is that the system in place is adequate, but it is just not being complied with or policed. It appears that there is an element of truth to this, but the problems seem to run deeper still, which has created a system that appears to be very ineffective. The system could benefit from radical reform, which we understand from Defra is already underway. Some of the problems we have identified might apply in equal effect to the other nations in the UK.

Corrupt business practices through a massive, unregistered carrier sector are thriving, resulting in significant lost revenue amongst many other detrimental impacts. The Government and regulatory bodies appear to be overwhelmed by all of these problems and the system is not set up in such a way that they could readily get on top of them.

This report has highlighted that there is such a myriad of interlinked systemic problems that there can be no quick fix solutions, with more work required in this area. It is good timing, therefore, that the Government will shortly consult on CBD reforms for England, as there is therefore an opportunity for a system rethink/refresh.

This report has identified what we believe to be some of the most significant problems and gaps in the CBD registration system. We have subsequently developed some proposals about how parts of the system might be improved: section 12.2 makes suggestions about what can be done to improve the CBD system and section 12.3 looks at the bigger strategic issues which are affecting the problems that are occurring and affecting the CBD system.

12.2 Opportunities to Improve the CBD System

(a) Identify the non-professional actors and bring some into compliance

Challenge

The number of apparently unregistered waste carriers is extremely high. The authors and the steering group struggled to find a regulated system, for example, where there is a comparable level of non-compliance across all sectors.

Opportunities

We would advocate having a more robust system of regulatory monitoring to drive down the numbers of informal carriers. A better, tighter, more policed system where they are quickly identified should bring some non-professional operators into compliance and marginalise those persistent bad actors that should not be in the system.

Government could consider what might make it more attractive for those in the informal sector to come out of the shadows. It might review experiences in other countries about how non-professional activities in the waste sector can be incentivised into formal compliant operations. The Environment Agency (EA) could also identify non-professional actors through

their advertising, asking why they are not registered and following up to check that they have moved into the legitimate system. If they have not registered after being spoken to, they should be stopped from operating.

Our research found that there were a lot of house removal companies moving waste that were unregistered. Government might think about communicating with the house removal trade associations¹¹⁹ to get their assistance encouraging CBD registration compliance in their sector. This tactic might also be applicable to trade associations in other sectors.

(b) Move people away from using the non-professional sector

Challenge

It is assumed that many people seem not to know about potential consequences of selecting the operator who is the cheapest, the waste duty of care, or the CBD register. If householders and businesses do not know about these then this is continuing to support the flow of waste getting into the hands of non-professional actors.

Opportunities

We need to get to the position where it becomes the social norm to do the right thing when getting third parties to take away waste, i.e. to pay the market value and to check the person is registered. Better education and awareness raising is needed which will give the public and businesses the information they need to make the right choices.

There could be better awareness raising of the impacts of hiring unregistered carriers. Directly, waste holders are being exposed to people who might not be who they say they are, coming to where they live or work. Indirectly, fly-tipping/dumping is also affecting where they live, for example through becoming a blight on their communities and through the impacts on local authority budgets because they are having to clean it up. There could be campaigns to stigmatise using the unregistered carriers (in some cases, the ‘white van man’) to take away waste. This could have some impact because a lot of people and businesses may be horrified that they might be giving their waste to people who went on to dispose of it badly. If more people are aware what the issues are, and its interconnectedness with other crimes, it becomes almost impossible to ignore.

A further awareness raising method might be to focus on deterring those who do understand the negative implications but who might be tempted to save money by using unregistered companies. There could be a national publicity campaign reinforcing the penalties they might receive if waste belonging to them turns up fly-tipped or at illegal waste sites.

¹¹⁹ E.g. (i) British Association of Removers <<https://bar.co.uk/>>; (ii) Association of Independent Movers <<https://www.aimovers.org.uk/>>.

(c) Give people better tools to check they are using bona fide businesses

Challenge

There are practical limits on individual responsibility and at the current time it is difficult for people to identify the good operators and to do the right thing with their waste. The best example of this is that the search facility on the online register does not work well.

Opportunities

One of the main tools of situational crime prevention is to make compliance easier.¹²⁰ A good first step would be to have an online CBD database that functions effectively. This should be a quick, easy, accessible consumer facing platform and one which uses more up-to-date and appropriate software automation solutions than the existing database appears to use.

Vehicles used for collecting waste could display carriers' registration details, and if so, there should be strong penalties (including confiscation) for displaying false licences.

People are also relying on social media and advertising platforms to identify waste carriers. There is an opportunity for Government to rein in the advertisers who help promote the non-professional waste sector. This is discussed further below, but Government might wish to consider better promotion of those advertising platforms that do undertake checks of operators advertising on them.

There could be better highlighting of the good operators and 'marking' of the non-professional ones. Waste holders could be further persuaded to make good choices in who they hire with better guidance showing them what good practice looks like (and maybe what bad practice looks like). If a 'bad' carrier has been subject to enforcement action and they can be identified on social media, the EA might consider identifying their customers through online reviews and followers and sending them a formal warning and guidance about the licencing system and how to make better choices.

We also have three more complex ideas, which the Government might review:

Firstly, Government could examine creating a database that would run alongside the online CBD register. Instead of conducting a search for a specific operator, the user could type in their postcode and collection needs and see what registered businesses were operating in their areas. This might provide an alternative to the advertising platforms by providing people with a guarantee that they will be using a registered professional business.

Secondly, Government might consider creating a mandatory online reporting app and website for those wishing to get rid of waste, as part of the Duty of Care reforms. This would be similar to a car parking app, where they would enter in the type of waste, their address, and the carrier's name and registration number. This would enable the transaction to be officially recorded and satisfy the duty of care requirements. This might be better placed as an industry-backed initiative.

Finally, our most radical suggestion is that people should not pay for 'collection' of their waste but instead pay for its 'deposit' at an authorised facility with the carrier providing evidence of

¹²⁰ E.g. see the CLAIMED framework: <https://5isframework.wordpress.com/claimed-mobilisation-of-preventers/> Alert, Inform, Motivate, Empower, Direct.

this when billing the customer. The customer would place the ‘deposit’ into an automated system which would not release the money to the carrier until the duty of care paperwork had been submitted. This would be a significant shift from the current system, but could help to stop waste from being mismanaged and therefore ending up in the wrong place.

(d) Give the public tools to report the non-professional actors

Challenge

The CBD sector is large in size and dispersed, making it very hard for the EA and local authorities to police. There is no easily identifiable reporting mechanism for people to report non-professional carriers.

Opportunity

The public and businesses could help police the sector by reporting any suspicious operators they come across. This is successfully managed by Gas Safe and Crimestoppers in relation to unregistered operators in the gas sector and something similar would also be beneficial in the waste sector. This should be promoted next to the CBD register and more widely.

(e) Have better data entry and validation and improved linked systems to keep the non-professional actors off the register and enable better identification of those breaking the rules

Challenges

Many of those on the CBD register are supplying insufficient or false information. It is also common for many to be trading using different names or addresses to that which they have registered with. This is often not detected by the EA, meaning that they do not have good data, or a particularly good grasp who they are actually registering. Receiving bad data, not scrutinising it appropriately, or not sharing data with other agencies is also helping facilitate the hidden economy through the avoidance of tax and VAT etc.

Opportunities

There should be greater scrutiny of individuals or businesses going on the register. To make this process easier we suggest better data is collected. The Government should look at introducing more sophisticated data entry and validation through connectivity with other databases. The following information should be linked to CBD registration.

- (a) Identification – passport/driving licence details.
- (b) Bank details – what account is the business money going to be paid with.
- (c) Proof that the person is in business – VAT/tax/employer identification numbers.
- (d) Business and vehicle insurance details.
- (e) Vehicle registration details – for all vehicles to be used in the business.
- (f) Companies House information including every trading name that they plan to use and the SIC codes for each that have been registered.

Knowing that a carrier meets HMRC business registration requirements is a link that has already been raised in respect of permits for site operations and should be equally applicable here. The above data requirements would make the registration process more time consuming, but carriers only have to register once every three years – and a lot of the data would not change at renewal. The additional costs of checking data could be reflected in increased registration fees. This would help ensure that only professional actors were being registered. Not only would the above provide assurance that the person is who they say they are, but the data could

be used operationally. For example, enforcement bodies would not have to pull a vehicle over if they could see they were part of a registered waste carrier system. A waste transfer station could prevent a vehicle entering if they could see that the business was dissolved or did not have the appropriate SIC codes. Or, if the EA finds a certain number of adverts linked to a business this could give an indication of the turnover of the entity and cross referencing with other data could provide a trigger for HMRC to undertake further enquiries.

(f) Better rules on the names being registered

Challenges

Many businesses are registering in generic names like 'waste' or 'scrap metal.' Even if these businesses do have to provide better data in the registration system, as suggested above, if they are not registered companies and still use a generic name in registration this makes it really hard for non-experts to check who they are hiring. This is compounded by the fact that significant numbers of businesses with generic names are being entered on the register in the same name as other businesses.

Opportunities

The registration process should be much clearer, so that applicants cannot just call themselves any generic name. The name given has to capture a legal personality, linked to other legal registrations. This might be their full name or a VAT registered company (depending upon which legal personality is receiving payment). The register could also be set up so that it can differentiate names. Other formal legal registration databases do not tolerate something that is not unique and cannot be checked. Registrations that do not provide a 'legal personality' could also be refused.

(g) Examining the roles of waste brokers and how these operate and perform

Challenges

The current practice of skip brokers registering in one name but trading in multiple other names is not compatible with a CBD system where non-experts are checking registration. The existence of brokerage systems also raises the question as to whether the waste is always ultimately going to registered operators, who is checking this, and whether the duty of care is being adequately discharged. There are also two market problems. Firstly, some of these businesses do not identify themselves as brokers in the adverts, which are usually made to seem like they have a local presence and will be collecting the waste themselves. Secondly, creating networks of businesses with different names is adversely impacting on competition if a person believes they are getting five quotes from five different companies, but are actually only dealing with one company.

Opportunities

There could be a sanction against anyone who is registered but does not disclose all their trading names. This may already fall under the provision of knowingly providing false or misleading information. The EA needs to monitor and enforce the rule that a business has to have a separate registration for each name they advertise under.

The EA could investigate whether there are robust systems in place so that only registered carriers are being used by these brokerages.

The EA could also make it compulsory that brokers have to identify themselves within the advert as brokers/dealers rather than carriers. It also does not seem appropriate that they be allowed to present themselves as having a local office if that is not the case in practice.

The Government could also ask the Competition and Markets Authority to investigate whether the trading models of some of the national brokerages are affecting competition to the detriment of consumers.

(h) Stop the lower tier system being open to exploitation

Challenges

Many carriers are registered as lower tier who should be upper tier. Such misuse is not being detected because those on the lower tier do not pay a registration fee and are not subject to scrutiny.

Opportunities

The main usefulness of the lower tier system is to enable the EA to maintain a record of anyone who is handling various types of waste in scope. There should be increased scrutiny of lower tier applications as part of the registration process (to ensure people register in the correct tier), as well as those business already holding (lifetime) registration. Those found registering in this category, when they should clearly be in the upper tier category, could be subject to serious sanctions. A specific offence could be created if the Government did not think that existing rules were sufficient. This activity in turn may require the introduction of lower tier registration fees to cover the regulator's costs.

Because a charging system for lower tier registration could be seen as politically unacceptable, an alternative option is that Government might consider reviewing the abolition of the lower tier registration system. The lower tier system is of EU origin (see para 2.2), but we did not think it was serving any useful purpose, especially if those registering are not subject to any checks. The regulators are clearly not interested in regulating the local greengrocer carrying his own waste. It was our view that if people are transporting waste that is not derived from their business (subject to existing guidance) and need regulating, they can apply for upper tier registration. If they are not doing that then there did not appear to be a need for registration.

(i) Raising the bar of the advertising platforms

Challenges

Advertising and social media platforms seem to have some responsibility for the waste crime problems that are happening because they are enabling non-professional operators / criminals in the waste sector to connect with the public at scale. There are pockets of good practice, but there appears to be evidence that the non-professional sector is simply moving across to use other platforms that don't undertake background checks.

Opportunities

The platforms are best placed to stop non-professional actors advertising. Government could engage with them and explain the impacts of what they are allowing, see how willing they are to up their game, and help prevent non-professional actors advertising on their platform. There are three things that platforms could do to help. The first is that they could make changes to their operating conditions to show what they tolerate or not, which might make it harder or

against the rules for non-professional actors to advertise on their platforms. They may also need to reach agreement with the EA about how their platforms will be policed, so any policy changes cannot be by-passed. Secondly, they could check if people were CBD registered before allowing them to advertise. A further possibility is that they might be able to take down adverts on request if the EA has identified the people behind them to be unregistered and/or persistent offenders.

A good solution for both Government and these platforms might look at having API links¹²¹ within the individual adverts. This would allow platforms to know that those advertising are CBD registered without having to design systems to police it themselves. Their systems could easily be designed to stop adverts going up if they do not go through the CBD authentication system, i.e. they have to put in a registration number with the right login, which the EA system would then automatically approve or decline. This could also provide assurance in the marketplace as the public could also see that the advert had been authenticated by the API link. A logo could be introduced which could be used on sites by those reputable companies that agree to be part of an API checking scheme.

If the advertising and social platforms are not willing to do any of the above to help remove the non-professional actors from their platforms, then Government could respond in a number of other ways.

- They could evaluate the role of these platforms in relation to their duty of care, and whether an offence might be committed if they are aiding criminal activity.
- They could ask the Advertising Standards Authority if there had been any breach.
- They could consider a new law to make it mandatory that anyone advertising a CBD service has to include their unique CBD registration number in the advert itself. Lots of businesses are falsely claiming they are registered when they are not. A specific offence could additionally be created to counter this.
- They could introduce a new offence of advertising waste collection services without CBD registration (or advertising under another's registration). This would enable them to easily detect and punish individuals for each advert without the expense of ground-based investigations.
- Consider publicly naming and shaming platforms that consistently allow large numbers of operators to use them. They might advise waste holders not to use Gumtree, Facebook, and others for procuring waste services.

(j) Better regulation of those that are CBD registered

Challenges

The apparently light touch regulatory approach adopted by the EA appears to be getting in the way of proper prevention, detection and deterrence of waste crime. Most specifically: (a) they seem to not be noticing that large numbers of persons are not updating the data on the register (name/address/company status); (b) there are apparently very few physical checks of individuals carrying waste, or online investigative checks of those that are registered to see if

¹²¹ In computing, an application programming interface (API) is an interface that defines interactions between multiple software applications or mixed hardware-software intermediaries. It defines the kinds of calls or requests that can be made, how to make them, the data formats that should be used, and the conventions to follow. It can also provide extension mechanisms so that users can extend existing functionality in various ways and to varying degrees. An API can be entirely custom, specific to a component, or designer based to ensure operability. Through information hiding, APIs enable modular programming, allowing users to use the interface independently of the implementation.

they are obeying the rules; and (c) persons that are being subject to enforcement action seem to be getting straight back into the system if they commit any offence.

Opportunities

Government might consider undertaking a review to examine where the EA should be performing better checks to keep the bad operators out of the market, and what these checks should look like (e.g. desk-based / site visits). Any checks should be justifiable, fair and proportionate.

Once there is a plan to make the EA more effective in how they regulate CBDs, they may then need to be equipped with the necessary financial resources to do this. An increase in the (currently very low) registration fees would be beneficial, as well as fees to allow for appropriate inspection. Any rise in fees should be seen alongside credible change in service delivery, reflecting the regulatory effort required to properly scrutinise and regulate those registered and remove rogue operators. There would appear to be good financial returns in the waste sector for many so it would seem appropriate to introduce a nuanced fee-based system, based on company size and turnover.

The EA would also benefit from receiving better data from local authorities about enforcement action so they can prevent bad actors (with convictions) from being on the register (permanently or temporarily). Government could look at whether WasteDataFlow could incorporate a reporting function that would enable this information to be passed to the EA, or create a new reporting database.

Government might also consider introducing some level of ‘operator’ or ‘technical’ competence requirements, similar to the system required for site operators under environmental permitting.

(k) Better intelligence, risk profiling and targeted disruption

Challenges

The waste carrier sector (both unregistered and non-professional) is extremely large and a lot of criminality occurs within it. This study has highlighted that there were suspicious networks in the man and van sector that did not seem to have been identified by law enforcement agencies. The regulatory authorities operate under strict budgets influencing how many people they can investigate and prosecute in practice.

Opportunities

The EA already has a national intelligence team. Is there currently enough resource to consider: (i) adverts by waste carriers across the country (ii) incidents of enforcement action across the country? They could well benefit from having the tools and data forensic experience to identify carrier cross-country networks and form a better view about any potential threat (if not already present within the organisation). If there are organised networks that can be identified and closed down, this might affect a significant proportion of illegality quite quickly and have the wider societal benefit of cutting off a channel that is likely to be cross-subsidising other organised criminal activity.

A forensic examination of advertising data could identify a lot of criminality. To have the biggest impact the EA could focus on networks first, but after that they cannot focus on all of

these people who might be breaking rules, so they could have a prioritisation system. We would suggest that they target those that meet the criteria of being the most problematic, for example repeat offenders, cross country operations, those appearing to be making the most money from advertising spent and online activity.

The EA might consider a rolling programme of targeted disruption, where those responsible for intelligence and enforcement keep going after the repeat offenders again and again. The information from the adverts and enforcement data can be used to keep setting targeted traps. Any bank or credit card payments to the unregistered operative could then be traced to see who gets paid and how much money they are making.

The EA might also consider working with local authorities to look at strategies that prioritise their efforts towards having a bigger impact on targeted individuals. Instead of taking action against someone for one offence, over a period of time they might compile evidence of cumulative offences. In some circumstances they might find that disclosing the large potential charge sheet (attracting a more severe sanction than an individual offence) to the offender might be enough to make them change their behaviour, thus saving the costs of going to court.

(l) Multi-agency targeting

Challenges

At the moment there appear to be significant links between fly-tipping/dumping and tax evasion. Some actors involved in waste crime are probably also involved in other crimes. In practice, enforcement agencies can often seem focussed on their own enforcement remit rather than working with different agencies to target the offender. From the evidence gathered, multi-agency involvement appears to be piecemeal at best.

Opportunities.

The Government might consider reviewing the sharing of data and investigate cooperation between different enforcement bodies in tackling fly-tipping/dumping (both nationally and regionally). Waste crime should not be seen as a micro issue. This study has highlighted that a number of agencies could potentially play a more enhanced role in targeting waste criminals, particularly HMRC, as money flows can be a key indicator of wrongdoing and financial enforcement actions can often hurt wrongdoers the most. There are also opportunities for others to collaborate, including: DVLA, Companies House, Police, Trading Standards, Department of Work and Pensions, and the Advertising Standards Authority. Such agencies could unite to focus on selected problematic offenders and there could be a strategy for repeated and concerted action using a variety of enforcement bodies. If it became known that people involved in waste crime could receive the attention of lots of agencies, then such integrated attention might have an impact, taking some people out of the frame.

(m) Undertake a review of current legal powers available and their use

Challenge

It appears that the best enforcement options are not always taken. It is unclear to what extent existing enforcement methods are utilised, whether choices are appropriate, or whether it is a question of resources and judicial delays guiding decisions.

Opportunities

The Government could undertake a review as to whether current legal powers are sufficient, whether local authorities and the EA are correctly utilising the powers available and what extra-legal powers might be appropriate.

There should not be an over-focus on introducing new laws/sentencing guidelines, but instead using the ones they already have more appropriately and intelligently. As part of the above review, Government could also look at different ways of addressing enforcement through the existing legal framework, by examining what offences might be being committed by those fly-tipping/dumping that have been overlooked, but which might lead to better enforcement outcomes. For example, offences of theft (tax evasion), or obtaining a pecuniary advantage by deception (by falsely claiming in an advert that they are CBD registered) might be appropriate.

The Government could also look to issue national enforcement guidance to help guide the most appropriate enforcement outcome.

(n) When taking enforcement action, make the blows count more

Challenges

At the current time, enforcement action, and then sentencing, probably does not reflect the true extent of the illegal activities of the person breaking the law. The penalties being handed out seem insufficient to deter re-offending and address the gains they might have made (and might continue to make) through non-compliance.

Opportunities

There could be a greater focus on bringing cases with cumulative offences, which could be heard in court, which would take into account their combined severity and persistence.

There are also different ways of addressing the above problem through the existing framework that could be better utilised. Aggravating factors for this type of offence might include showing (i) a deliberate organised element, (ii) extent and spend on advertising and (iii) number of years active (not complying with the law). To aid the above we would suggest the body bringing the action liaise with the EA intelligence team to build a case. Adverts can also contain historical customer reviews, numbers of business followers, visible online booking diaries, information on how long the person has been posting, and the platforms will have information on platform messaging with customers and advertising spend. These all provide evidence of criminal gain and would paint a more complete picture to the court that what they were caught doing was not an isolated act but involved a more organised and persistent element.

We would also suggest that in any future sentencing review the Government might undertake in this area, to look at what other interventions might be applied apart from fines. There is already the ability to confiscate vans.¹²² Other things that might disrupt an unregistered operator could also be examined. These could include placing court restrictions on a person driving in commercial vans that might be used for waste removal; being in the possession of an unregistered burner phone; or advertising waste collection services. Government could get advice on how far they might be able to go to disrupt activities for repeat offenders in court.

¹²² See – Department for Environment, Food and Rural Affairs, Guidance, Local authorities: seizing vehicles for suspected waste crime, 29 March 2015. <<https://www.gov.uk/guidance/local-authorities-seizing-vehicles-for-suspected-waste-crime>>

(o) Give responsibility to a group that anticipates changing crime patterns

Challenge

Social and technological change constantly creates new opportunities for offending – new targets, environments, business models, tools and information sources.¹²³ Even successful crime control methods eventually weaken as offenders learn to circumvent them. Legislative solutions tend to lag behind changing crime patterns.

Opportunity

Create a national group that is able to respond swiftly and effectively, that watches out for new developments that can circumvent the positive changes in tackling fly-tipping/dumping that are made. This might not need to be a new body; it could become part of the remit of the Joint Unit for Waste Crime.

12.3 Strategic Challenges

Government will probably not be able to make fly-tipping/dumping go away by only fixing the CBD registration system or even throwing a lot of new interventions into the mix. This study brought to light some of the underlying reasons why problems were occurring, including some unintended consequences relating to national and local government policies and funding models. Reframing the problem will also be vitally important and in this section, we try and capture some of these strategic issues that are occurring.

Understanding why so many people are reaching out to the non-professional carrier sector.

A key question that Government might consider is why do such large quantities of waste end up in the hands of non-professional operators? Why is waste not going into the local authority system? Something is clearly happening. Our research identified four problems.

- a) Bin collections. Local authority bin collections are now much less frequent: often fortnightly, or in some local authorities can be 3-weekly or 4-weekly. Some people have difficulty storing waste that long (especially food waste), particularly as bin sizes have also been reduced.
- b) Household Waste & Recycling Centre (HWRC) infrastructure. Some centres have closed down, meaning some people have to go further to take their waste. Some centres can be hard to access at short notice (made worse during the Covid-19 pandemic). They also now often exclude vans from accessing them and some will not allow particular types of waste.
- c) The opening hours of Waste Transfer Stations. Vans are usually emptied last thing in the day as businesses need these empty for the next day, but transfer stations often close at 4pm.
- d) Local authority bulky waste collections. There is limited awareness of these services. Waiting lists for booking can be many weeks and some people want to get rid of items quickly and do not want to wait. Some local authorities charge up to £114 to collect

¹²³ P. Ekblom (2003) 'Organised crime and the conjunction of criminal opportunity framework', in A. Edwards and P. Gill (Eds) *Transnational Organised Crime: Perspectives on global security*. London: Routledge, pp. 241 - 263.

items, which is significantly more than the private sector. Collections are also limited to kerbsides (and therefore may not be available to flats), and elderly or disabled people often cannot carry bulky waste out of the house to the kerbside on their own.

The above problems show that some services offered by the public sector can be inflexible and inconvenient. Cutting back bin bag collections, bulky waste collections or HWRC opening hours can influence people to pay a premium for waste to be moved more conveniently by the private sector. Many of these would probably rely on public sector services if they better suited their needs.

We were also told anecdotally that when local authorities put out free skips in some areas these were filled very quickly. Where was this waste going to before?

Instead of focussing on changes to regulation or legislation Government might consider examining the whole infrastructure of waste collection. Where could they better cater for householder and businesses' demand, or provide more convenience, which will then push people into making better choices? Without looking at the complex problems of the current system as a starting point they could be asking: what makes it easier for the public and businesses to dispose of waste through legitimate public sector facilities? If more waste is diverted to local authorities directly, then this should lead to a reduction in that which is fly-tipped, and the expense that is involved.

The key issue with providing better services is funding. The danger with this is that the Government and EA might think that things like bin bag collection, bulky waste collections and the operating hours of Household Waste and Recycling Centres are a local issue and that these should be determined and funded locally. This would be a mistake. Not just because there are significant funding gaps at the moment in local government, but because it does not recognise that waste crime is part of a system of interconnected problems (often working across local authority borders) which ultimately lead back to the country as a whole losing a lot of money.

Government could review waste service and infrastructure gaps to see where these are not meeting the needs of the population and assess where public sector waste services could be improved to meet demand. This would then enable them to be informed about what a better national waste collection system would look like and how it would be paid for.

Increased Prioritisation of Investigating Tax Evasion in the CBD sector

Those that are responsible for fly-tipping/dumping are not really seeking to directly avoid the CBD rules, they are focussed on making money with minimal risk. It therefore seems unfortunate that these breaches are most commonly seen as an 'environmental crime', rather than an 'economic crime'.

This report has highlighted the vast sums that can be made through evasion, especially for those more organised networks. Having a secure tax base, with low levels of evasion, is what allows the government to pay for public services. This is why the income tax gap estimate for England is relatively low (4.7%).¹²⁴ But nearly two thirds of CBDs (63%) are potentially operating in the grey sector and it is assumed that many will be working off-book. This could be the sector

¹²⁴ HM Revenue & Customs. Press Release. 'Tax gap falls to lowest recorded rate'. 9 July 2020.

with one of the highest proportions of tax evasion: perhaps this provides HMRC/Government an opportunity to invest resources and generate a return. By tackling waste crime as an economic crime there could be significant gains to be made.

The absence of a proper strategy to focus on tax evasion from waste carriers is a lost opportunity and should be reviewed. Government could look at tax gaps for other areas of HMRC focus and the resource allocations for these. They could also take into account wider impacts when prioritising resources: for example, counterfeiting might not have such significant impacts on the public as fly-tipping/dumping does. We would suggest HMRC start by investigating those people that are posting significant numbers of adverts each month. If tackled correctly these investigations and tax recovery could become self-funding, therefore producing a good return on investment.

Having a Better Understanding Why Certain Wastes Fall Outside the System

A key objective of Government could be to make it easier for materials to flow to the right channels. We would suggest that the Government undertake regular reviews of what types of waste are most often falling outside legitimate systems and why. This would then help them develop a plan for ensuring certain materials remain inside the system.

For example, if certain materials are excluded from Household Waste and Recycling Centres (e.g. tyres) they could make plans as to how to prevent them falling outside the system (e.g. opening temporary facilities where people could leave tyres). Some strategies will cost money, others will not. For example, textiles and scrap metal can have a significant economic value, so it makes sense to have policies as to how to keep them in the system.

Ensuring that Local Authorities and the Environment Agency are Adequately Funded

The key theme running through this report is that it seems that fly-tipping and dumping is too big a problem for the EA and local authorities to tackle with the budgets they have. The apparent issues inherent within the current system are likely to be directly attributed to a lack of funding.

The low CBD registration fee was flagged as an issue. There could be a review of how much the CBD fee needs to be raised so that it more accurately reflects the regulation required in the sector and results in improved outcomes.

A second issue flagged was that that local authorities did all the heavy lifting in tackling fly-tipping, but the EA received all the CBD registration money. At first sight, this clearly looks problematic, but this report also concluded that the effectiveness of the system was being impacted by both of these groups having resourcing difficulties in investigating and taking enforcement action. Clearly for the system to function properly there must be adequate resources devoted to both the EA and local authorities for it to work.

The final issue found in the report was that there was an enormous grey economy of potentially hundreds of thousands of unregistered waste collectors in England. If many of these are not being detected under existing budgets, how will the EA and local authorities make a difference unless the budgets are increased and current ways of working are improved?

In Autumn 2017, it was announced that between 2018 and 2022 Government funding on waste crime would receive an additional £30 million allocation from the Treasury.¹²⁵ The Government clearly recognises that this is a serious problem. However, significant amounts of money have been given to the EA in other years to tackle waste crime, yet as this report has shown waste crime does not seem to have reduced. The evidence gathered in this report indicates that there is still an ineffective registration system, minimal scrutiny and reductions in enforcement.

We suggest that the Government should consult both the EA and local authorities to carefully review what resources for tackling fly-tipping/dumping might be needed.

When reviewing spend, Government might look closely at three things. Firstly, the role of the landfill tax system, which has been transformational in commoditising waste as a resource and providing the tax evasion opportunities to organised crime. Waste crime is costing the economy significantly more than the Treasury is making in landfill tax. Whilst a £30 million extra allocation is a large sum, this would only be about 1% of the landfill tax collected over the same period. We are not suggesting hypothecation of landfill tax money, just that when making spending decisions this should be factored in.

Secondly, waste crime is one means for organised crime to support itself/cross-subsidise more generally. The Treasury should take on board the wider costs of fly-tipping, including fostering organised crime, which could grow to Mafia-like services; hence paying to reduce it is justifiable on wider grounds.

Finally, UK research has repeatedly shown that there is a strong economic case for the Treasury to release more funds towards tackling waste crime. One study found that for each £1 invested in tackling waste crime there would be a return of between £3.72 and £9.57.¹²⁶ Another found that every £1 invested in tackling waste crime would benefit the UK by between £4.40 and £5.60.¹²⁷ A third found that there could be significantly higher benefit-cost ratios of 16:1 and 31:1 in respect of spend on waste crime.¹²⁸ The Government, as part of a review, could look at the returns on investment of bringing significantly more people into compliance if there was sufficient funding provided.

¹²⁵ Noel (n23).

¹²⁶ Environment Agency (n8).

¹²⁷ Eunomia, 'Waste Crime: Tackling Britain's Dirty Secret' (Environmental Services Education Trust, 2014).

¹²⁸ K. Simpson & F. de Vries, 'An economic assessment of waste crime in Scotland' (SEPA LIFE Smart Waste project, 2014).

Annex 1 – Project Team

Report Authors

Ray Purdy (Director, Air & Space Evidence Ltd). Ray has spent 26 years' working in academia and has held senior positions at Imperial College, University College London, and the University of Oxford (where he now works part time as a Senior Research Fellow in the Faculty of Law). His expertise lies in environmental law and policy, particularly in regard to enforcement and regulatory strategies. He has undertaken research for the European Commission, European Committee of the Regions, World Bank, International Energy Agency, International Emissions Trading Association, Intergovernmental Panel on Climate Change, blue-chip companies, and numerous Research Councils and Governments. Ray co-founded Air & Space Evidence Ltd, an award-winning academic spin-out company, in 2014, to combine and utilize the skills of academics and former defence intelligence analysts to provide an investigatory and detection service using satellite Earth observation to successfully monitor and enforce environmental laws.

Mat Crocker (Director, Environment Policy and Regulation Ltd) is an experienced leader and thinker in waste and environmental regulation. He has a track record of working with Defra and Government to secure resources and influence and implement policy. He has directed multi-million pound budgets, successfully managed large projects and programmes. He has held multiple senior roles for the Environment Agency (EA) leading both policy and operations. His last role for the EA was Deputy Director for Waste and Illegals, where he led the reorganisation of how the EA tackled serious environmental crime. Whilst at the EA he was responsible for the delivery of a number of EU Life Projects including EDOC, EPOW and EQual. He now primarily works with industry, advising them on achieving better compliance with waste legislation.

Expert Steering Group

Dr Hervé Borrión (Associate Professor, UCL Department of Security and Crime Science) is a crime scientist. He joined the UCL Jill Dando Institute as science manager in 2006 before becoming a lecturer in 2010. He is now the director of studies in the Department of Security and Crime Science. His research concerns the assessment and management of criminal risks, computational modelling of crime scripts and analysis of security policies and procedures.

Prof Paul Eklom (Visiting Professor, UCL Department of Security and Crime Science; Professor Emeritus, University of the Arts London) has had a long career researching, practising and developing methodologies and frameworks in the fields of crime science, crime pattern analysis, programme and project evaluation, public policy (within the Home Office) and the design of crime-resistant products, places and services. His particular fields of interest and expertise include situational crime prevention (including crime scripts), 'arms races' between criminals and security, and how to manage them.

John Galvin MBE (Independent Waste Regulation Specialist) is a former regulator and Defra policy Team Leader on waste regulation/crime and Chairman of the National Fly-tipping Prevention Group. Since leaving Defra he has been helping to formulate policy and positions

on waste crime and legislative reform of CBD for the Chartered Institution of Wastes Management.

Prof. Ray Harris (Professor Emeritus UCL) was a Professor of Remote Sensing and was also the Executive Dean of the Faculty of Social and Historical Sciences, UCL between 2004-2008. He was responsible for the leadership, strategy, finances and operations of a Faculty that had an expenditure of £37 million per annum. He was instrumental in developing the UK satellite ERS data centre and the operational data archiving facility of EUMETSAT. He previously worked at the University of Durham and in industry for Software Sciences and then Logica on developing operational computer systems to apply satellite remote sensing data and GIS in real world situations. He is currently a Director of Air & Space Evidence.

Prof. Donald McGillivray (Professor of Environment Law, University of Sussex) has over 25 years' experience teaching and researching environmental law at the University of Kent and at Birkbeck, University of London before joining Sussex in 2013. He is co-author of Bell, McGillivray, Pedersen, Lees and Stokes, *Environmental Law* (9th ed OUP 2017). He is Head of Sussex Law School, having been Deputy Head (2015-2019) with particular responsibilities for teaching and learning. He is also on the Academic Panel of the Barristers Chambers Francis Taylor Buildings, London.

Mark Sayers (Principal Consultant, Anthesis) is an experienced consultant in the Waste and Resource Efficiency Team at Anthesis specialising in maintaining latest information, ideas, and initiatives tailored to industry in providing circular economy consultancy, He focusses on best industry compliance systems and processes, and increasing asset value recovery in WEEE, batteries and packaging compliance towards a circular economy model, as well as the Producer Responsibility Obligations.

Willie Wilson (Vice Chair for INTERPOL Pollution Crime Working Group) is an environmental senior crime manager at the Scottish Environmental Protection Agency with over 40 years' experience in policing, environmental enforcement and compliance. With wide experience on developing novel investigative and intelligence systems nationally and internationally. For the last ten years, he has worked extensively with a number of international environment law enforcement agencies and groups including EUROPOL (EnviCrimeNet and EMPACT Programme) and the Scottish Environmental Crime Taskforce. He has co-led the delivery of joint international projects for EU LIFE and the INTERPOL Pollution Crime Working Group.

William Wilson (Barrister, Wyeside Consulting) has over 25 years in-depth experience of specialist environmental and energy law, in government, private practice and consultancy, in the UK, EU and internationally. He has worked as a Barrister and lawyer in private practice, and spent nine years as a Senior Legal Advisor in Defra (including litigation and development of legislation on waste, air quality, water, nuclear and radioactive substances, environmental protection). Recent work includes evidence to Parliamentary Committees on the Environment Bill and air pollution, water law and chemicals regulation advice, and ongoing work on nuclear law, climate change, protected species and pesticides.

Research Assistants

Oliver Gibb - Felix Hutton - Mieke Martin - Theo Roweth

Annex 2 - Bias and Accuracy of the Research Methodology

The research methodology used in this study, does have some potential limitations, and these are listed below; but we believe that the estimates we have made are unlikely to be changing significantly if similar methodologies are adopted, and these potential biases in our research do not diminish our overall findings.

1. It is possible that some of the registered carrier, broker and dealers (CBD) advertising in England might be based and registered in other parts of the UK (which have separate registration schemes). We did not undertake any checks of CBD registration in Wales, Scotland and Northern Ireland for those persons or businesses advertising in the 10 English locations that could not be found in the English register.
2. We decided to record only individuals and businesses in this data capture process, and wherever identified, we removed local authorities (offering upper tier CBD services) from the data results.
3. This methodology might be expected to target the smaller end of the scale of waste carriers, and it is logical to assume that they are perhaps operating within the fly-tipping domain of waste crime, rather than being involved with large scale illegal dumping. Nevertheless, despite these limitations, it should be noted that in the 10 test areas, companies that advertise online do seem to represent a wide variation of sizes of companies in the waste sector, so we think it is reasonable to argue that it is a sufficiently representative sample for present purposes.
4. The behaviours and issues detected in the 10 Local Authority areas in England with the highest rates of WEEE fly tipping may not necessarily be characteristic of all English Local Authority (i.e. it may be less serious in other areas).
5. Some waste carriers might either use other advertising platforms to advertise their services or they might only operate through existing customers and networks and might not advertise. Because of this, the advertising sample could be an underestimate of the total number of registered CBD's, and the characteristics of the sampled set might be biased in some way.
6. In reality we identified and examined a lot more than 4,742 adverts because some people or businesses were posting large numbers of adverts. One issue was that on some platforms, such as Facebook and Gumtree, some people or businesses had placed more than 100 adverts. We tried where possible to exclude duplicate data entries, so that one person placing 100 adverts would only be recorded in our data once (although we recorded the numbers of ads they had made in total separately).
7. An issue was that some businesses or individuals did advertise (and by implication operate) in multiple places – sometimes in all 10 of the selected locations. Generally, we tried to record companies at each location as one data entry. The figures presented in this report represent the total number of advert checks conducted, meaning that there

will inevitably be some overlap, with some companies counted multiple times if they advertised in more than one of the 10 areas.

8. Some persons or businesses advertised using the same name. The key variable at stake in terms of a unique data entry for each location was the name that was being used in the advert and whether that matched the name and address in the EA CBD register. It was not unusual, for example, to find that businesses had moved premises, or that there were, for example, five companies in the same location with precisely the same name but based at different addresses. We did attempt a light reality check to determine if these were the same (connected) businesses, or entirely different (unconnected) companies, by looking at information such as: whether the logo's used in the adverts were the same, and connections between website, email addresses or telephone numbers.
9. In some cases there would clearly be a match between the name in the advert and the registration, but the address in the advert was different to the address that was registered with the EA (and vice versa in that the name was somewhat different, but the address was correct). Sometimes this difference came down to the fact that the business was operating nationally at lots of different locations, or the name registered with the EA was slightly different or spelt wrong and so was not being picked up in the register search, or because the business was connected to the registration but was operating using a substantially different trading name to their CBD registration name. In some cases, we could identify the company trading structure or determine that the business had clearly moved premises. Where they appeared to be registered but operating from a different address, or using a different name to that contained in their registration, this was recorded. If a search matched an individual's or an organisation's name but the advert did not contain any other details about the individual or operation, such as an address (or an address that matched), sometimes further detailed investigation had to be conducted as to whether there was a match. Again, this further investigation sometimes encompassed looking at websites, email addresses, Companies House and logos on adverts to try and establish a correct match. In most cases we marked businesses which were using a different name, or address, to that in the registration as being registered, unless we could establish no link whatsoever.
10. The numbers of those registered as upper tier waste CBD won't just be those working directly in the waste industry. The guidance means that a lot of building trades also have to be registered because they are moving building waste. We have not looked at or differentiated these people and organisations.

About us

Material Focus is a new not-for-profit organisation – our vision is of a world where materials are never wasted.

Three I's inform and guide everything we do: inspiration, investment and insight.

Inspiration

We inspire people to change their behaviour. We do this through our Recycle Your Electricals campaign by revealing the hidden value of the materials in our electricals and by making it feel both easy (and normal) to reuse and recycle them.

Investment

We work with partners to expand the number, and type of collection points, making it easier for everyone to reuse and recycle their old electricals.

Insight

We fund technical research to overcome the barriers to reusing and recycling old electricals. Insight from this research galvanises new and innovative approaches to reuse and recycling, and supports enhancements to the UK waste electrical and electronic (WEEE) system.

