

FACING TODAY'S FOOD WASTE CRISIS



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FOREWORD FROM GRANT KEENAN

Managing Director, Keenan Recycling Limited

Food waste sent to landfill is harmful to the environment. As it breaks down, it releases methane, with a global warming potential 23 times greater than CO2.

According to the Waste and Regulations Action Programme (WRAP), we produce around 9.5 million tonnes of food waste in the UK, which generates more than 25 million tonnes of greenhouse gas emissions. A staggering 6.5 million tonnes of this could have been eaten. That equates to over 15 billion meals.

So, what are we doing in the UK to address the problem of food waste?

In 2014, food waste recycling became mandatory in Scotland for businesses producing more than 50kg of waste, reduced to 5kg per week in 2016. In addition, the Welsh Government's Business, Public, and Third Sector Recycling Regulation is set to come into force as early as October 2023 and it is expected that the amendments to England's Environment Act 2021 will follow soon after. However, at the moment, businesses don't have a firm date or any guidance on how to meet the new requirements due to come into force across England and Wales.

But that doesn't mean that companies can't start to address the problem of food waste. We may not know precisely what the new regulations will cover, but companies in England and Wales can look to Scotland's experience for guidance and take their regulations and strategies as best practice to provide a starting point for their approaches.

Keenan Recycling has been providing commercial food waste recycling services since 2009. It has helped Scottish businesses comply with the Scottish regulations by collecting food waste and treating it through anaerobic digestion plants. This creates renewable gas and power and enables us to extract additional economic and environmental value from food waste; instead of it being sent to landfill.

This report, "Facing today's food waste crisis," is based on the findings of a roundtable event we held where people representing businesses from a number of sectors, the waste industry, campaigners, and local government discussed their experiences and views. It is also supported by findings from some cross-sector research we conducted on 200 organisations operating in the retail, hospitality and care sectors.

Our aim is to help businesses in England and Wales formulate their waste strategies so they can be ahead of the curve and move towards more sustainable methods of managing waste.



We also hope this report will encourage DEFRA and the Welsh Government's Climate Change Group to provide more concrete deadlines and details on what will be included in the new legislation.

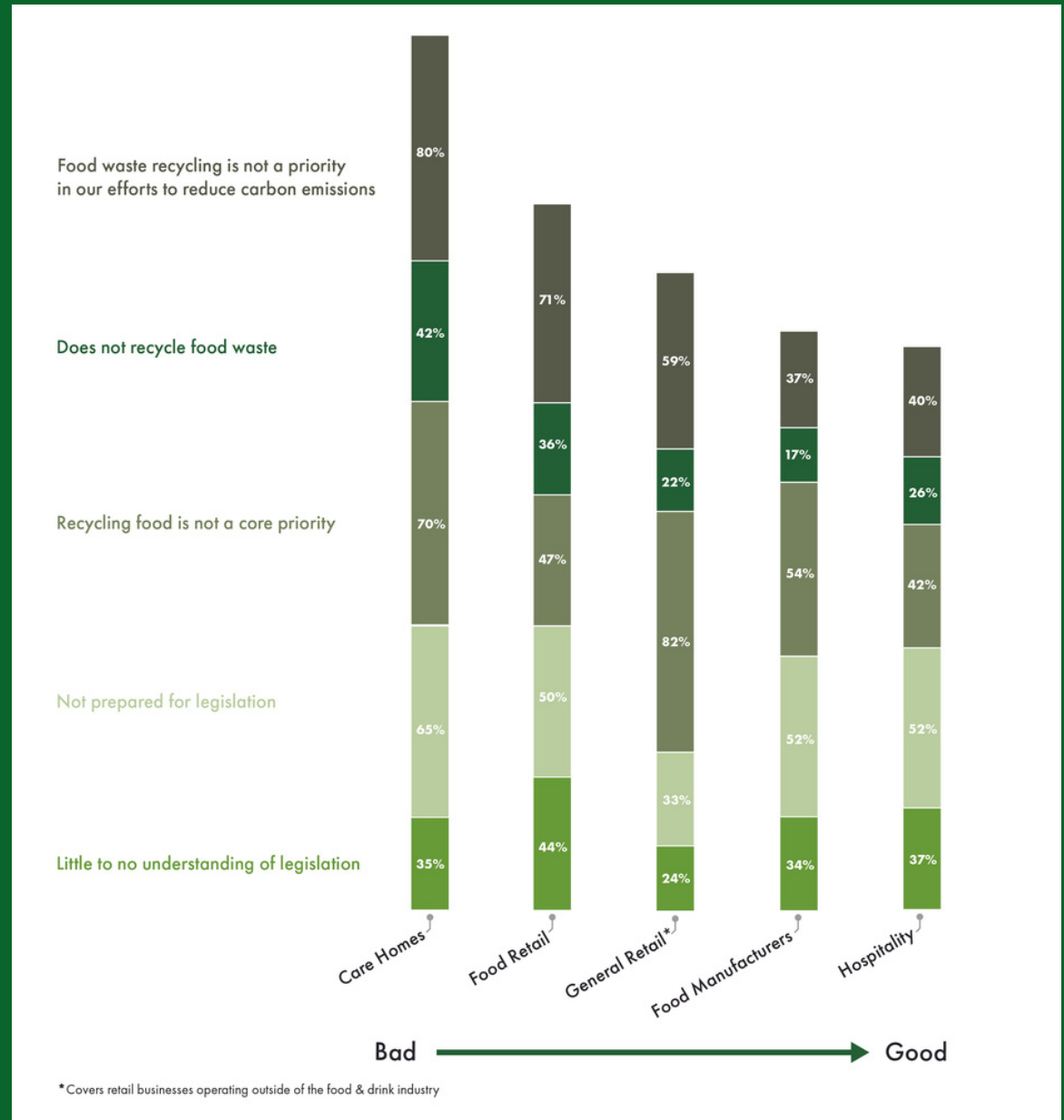
THIS REPORT, "FACING TODAY'S FOOD WASTE CRISIS," IS BASED ON THE FINDINGS OF A ROUNDTABLE EVENT WE HELD WHERE PEOPLE REPRESENTING BUSINESSES FROM A NUMBER OF SECTORS, THE WASTE INDUSTRY, CAMPAIGNERS, AND LOCAL GOVERNMENT DISCUSSED THEIR EXPERIENCES AND VIEWS. IT IS ALSO SUPPORTED BY FINDINGS FROM SOME CROSS-SECTOR RESEARCH WE CONDUCTED ON 200 ORGANISATIONS OPERATING IN THE RETAIL, HOSPITALITY AND CARE SECTORS.

RESEARCH HIGHLIGHTS

EXPLORING THE CHALLENGES, AWARENESS AND UPTAKE OF FOOD WASTE RECYCLING.

To find out how businesses from a variety of sectors are performing when it comes to recycling food waste, we conducted some market research to ask them a series of questions around the upcoming legislation, business priorities, and how food waste fits into their net zero plans.

HERE'S WHAT THEY SAID:

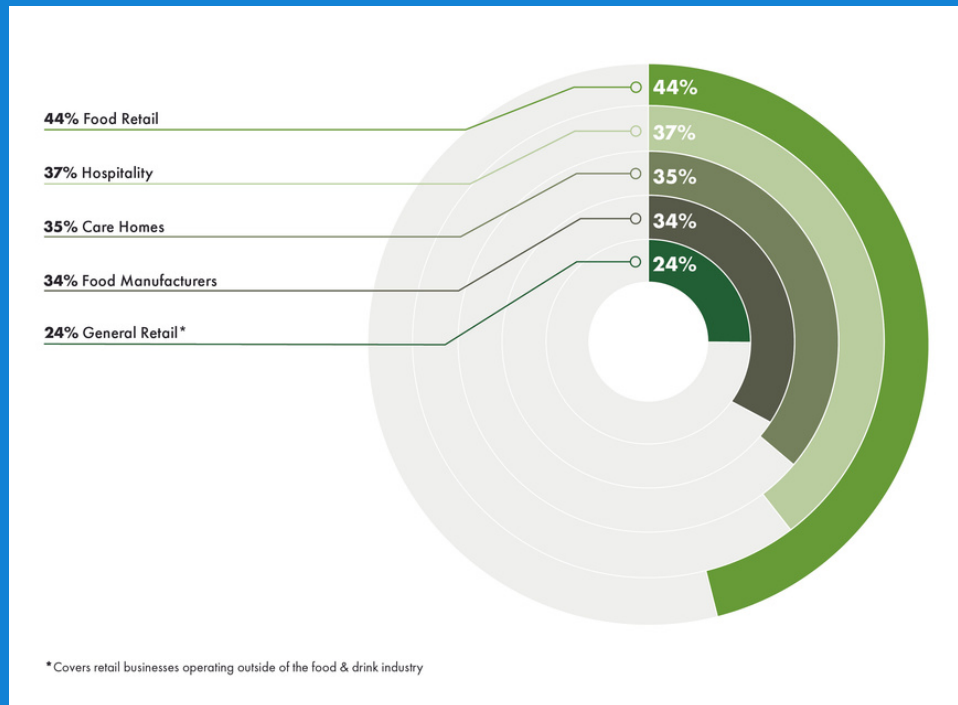


RESEARCH HIGHLIGHTS

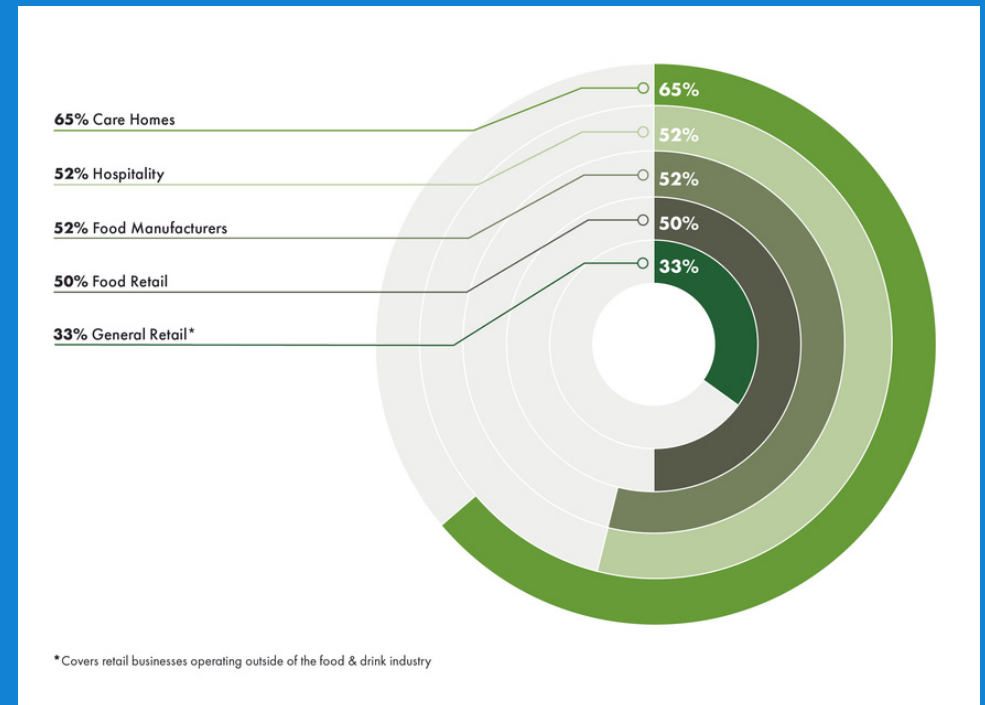
ARE BUSINESS PREPARED FOR THE UPCOMING LEGISLATION?

While 55% of businesses in the UK said that they are preparing for the changes to legislation, nearly half (48%) said that they have no understanding of the legislation and therefore are not preparing for it. This is hardly surprising as there is a lack of clarity from both the English and Welsh government when it comes to the legislation including information on the basics such as when it will come into effect and which businesses will be affected. On top of this, the legislation will mean some changes to operations, the onboarding of new suppliers, and training for the 'people on the ground' who will be responsible for the disposal of the food waste produced, which can seem daunting.

SECTORS THAT HAVE LITTLE OR NO UNDERSTANDING OF THE UPCOMING FOOD WASTE LEGISLATION



SECTORS THAT FEEL UNPREPARED FOR THE UPCOMING FOOD WASTE LEGISLATION

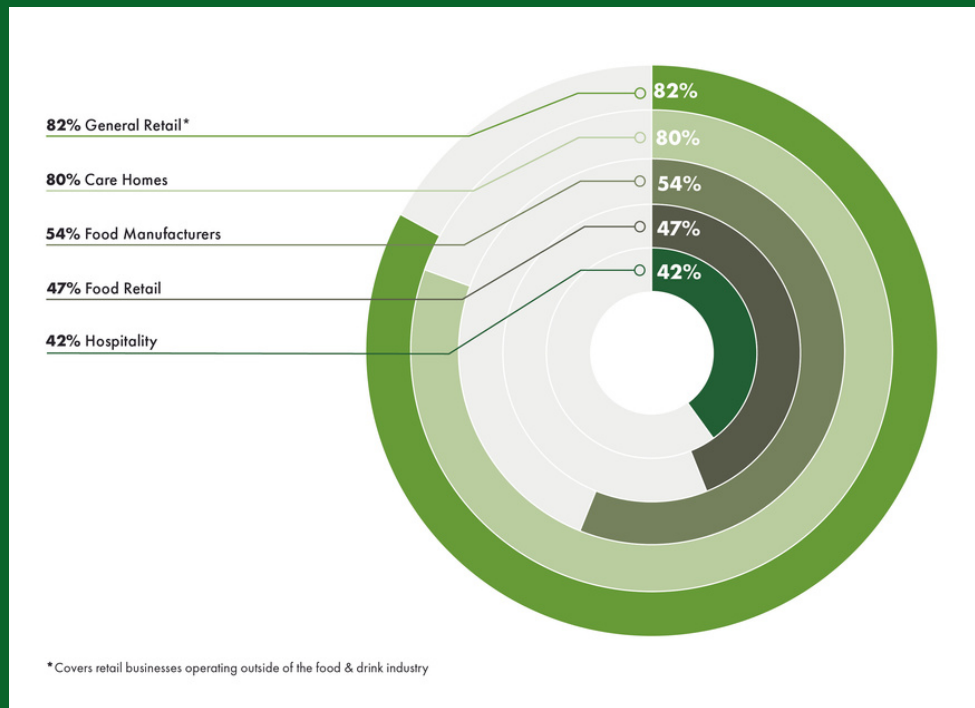


RESEARCH HIGHLIGHTS

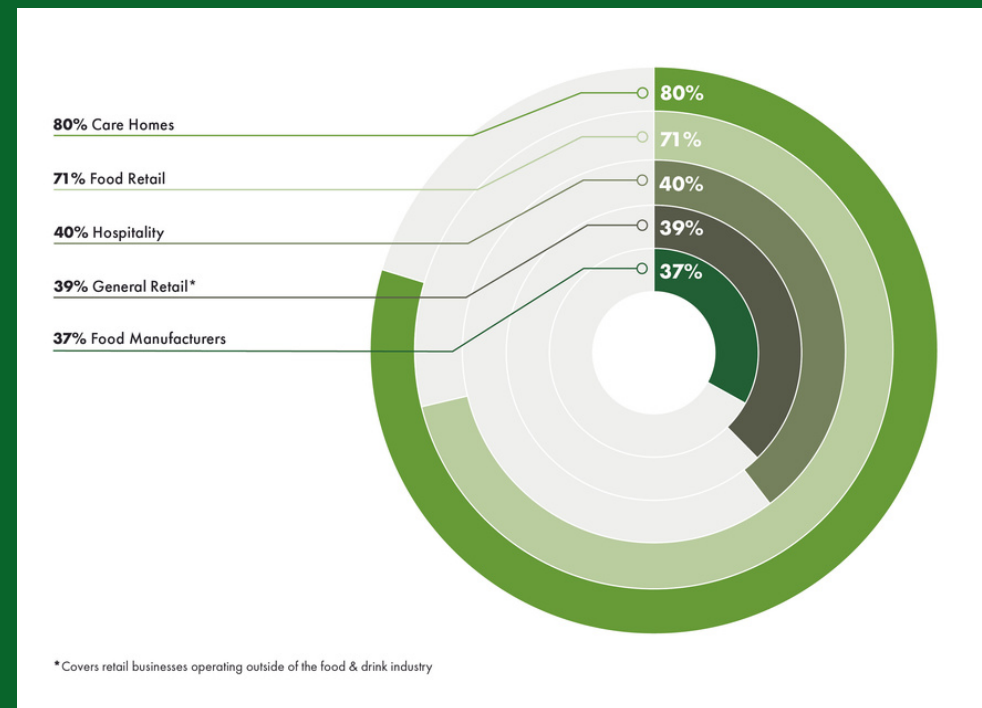
IS FOOD WASTE A PRIORITY FOR UK BUSINESSES?

With economic uncertainty, staff shortages spanning every sector in the UK, and the surging cost of energy, businesses have a lot on their plates. In addition, most businesses within the UK have had to implement net zero strategies over the past few years, which is a positive step in the right direction when it comes to meeting the government's ambitious targets. However, with food waste being one of the largest contributors to carbon emissions in the UK, we wanted to know whether recycling food waste is currently one of the top priorities for businesses and whether they know how much impact sending waste to landfill can have on their carbon footprint.

SECTORS IN WHICH BUSINESSES DO NOT SEE RECYCLING FOOD WASTE AS A CORE PRIORITY



SECTORS THAT DON'T SEE CARBON EMISSIONS AS THE MAIN REASON TO RECYCLE FOOD WASTE



WHAT ARE OUR NATIONS CURRENTLY DOING ABOUT FOOD WASTE?

Waste is a devolved matter, so food waste recycling regulations vary across the UK. The Waste (Scotland) Regulations which came into force in 2014, followed by a tightening in 2016, require businesses that produce more than 5kg of food waste per week to have it collected separately from other waste streams by a registered waste carrier service and sent for recycling or recovery.

In Wales, the new regulations are expected to build on the nation's already successful household recycling rate, which grew to 65% in 2021/22, saving an estimated 400,000 tonnes of carbon per annum, and lead to similar high recycling rates across all sectors.

The new Welsh regulations will require all businesses and public sector bodies to separate specified materials for collection and recycle food waste if they produce more than 5kg a week. There is also a ban on the disposal of separately collected recycling from incineration or landfill and from food waste being disposed of to the public sewer.

England is lagging behind both of these nations and still has yet to set a date for when changes to the Environment Act 2021 and waste disposal rules will come into force.

Some households in England already separate their food waste, and the Department for Environment, Food & Rural Affairs (DEFRA) wants businesses to do the same. But the critical questions of dates and who will need to follow these regulations remain unanswered.

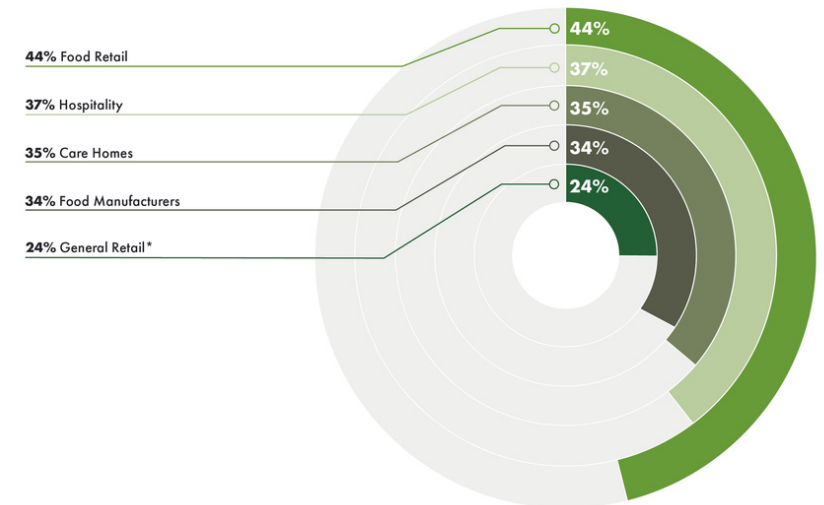
It is also worth noting the EU Framework Directive and the waste hierarchy, which is about prevention, reusing, recycling and disposal. When food waste cannot be redistributed or prevented, the waste is sent to an anaerobic digestion plant where it can be turned into something good such as to generate heat and electricity or to power vehicles. This encourages a more circular approach to food waste management.

THE LACK OF CLARITY AROUND THE LEGISLATION WAS CLEAR IN OUR RESEARCH. IN FACT, WHEN ASKED ABOUT THEIR UNDERSTANDING OF WHAT THE REGULATIONS WILL ENTAIL, HERE'S WHAT THE RESEARCH RESPONDENTS SAID:



"Shamefully, in England 50% of the local authorities still don't offer food collection separately. That's been a thorny issue for me for a long time, and the only way you ever get your recycling rates up to 65 or 70%, as they have done in Wales, is by offering food waste as a separate collection."

- GRANT KEENAN



* Covers retail businesses operating outside of the food & drink industry

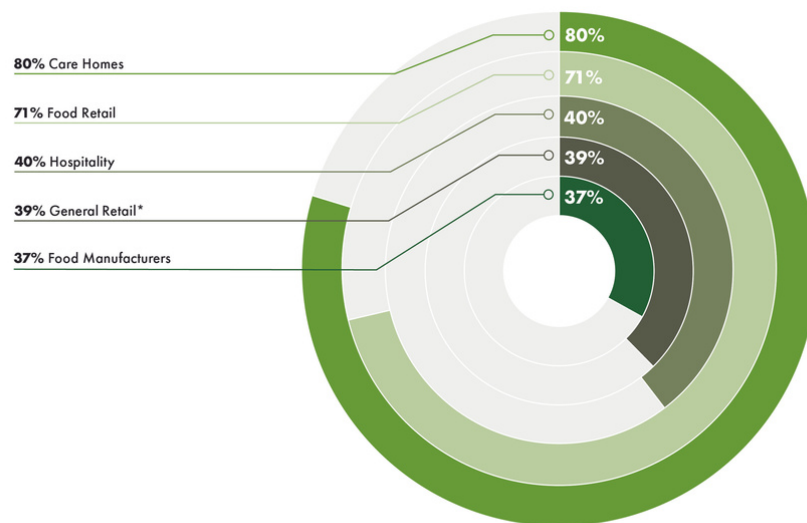
ACHIEVING NET ZERO AND KEEPING CUSTOMERS HAPPY

Many businesses are taking a proactive approach to limit the environmental impact of their activities. Some are doing this because they genuinely believe it's the right thing to do, while others may do it because they think it's what their customers want. Whatever the reason, it is still leading to positive actions.

Reducing food waste should be an essential component of any business's net zero strategy. So, it was positive to see that 46% of our research respondents said that recycling food waste is one of their main priorities when considering how to reduce their carbon footprint. However, despite this, 38% said that recycling food waste is not a core priority. So, there is still work to be done.

Implementing a system to monitor and measure food waste can help businesses track their progress toward their net zero targets. And by achieving targets, they will see the additional benefits of conserving resources, saving costs, and building their reputation as a responsible organisation.

A REDUCTION IN CARBON EMISSIONS IS NOT THE MAIN REASON MY BUSINESS RECYCLES FOOD WASTE



* Covers retail businesses operating outside of the food & drink industry

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“We're looking at a potential gold mine, a huge opportunity of making better use of resources. And one of the things that companies have done so far is include food waste recycling when setting net zero targets. Doing something about food waste is one of the ways any company can be involved in meeting net zero. Whilst adhering to new legislation may be challenging for some businesses, we should all see this as an opportunity.”

— TRISTRAM STUART, ROUNDTABLE HOST, AUTHOR, SPEAKER, CAMPAIGNER, FOOD WASTE EXPERT

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“I think it's almost through the back door that many more companies are reporting food waste volumes because they have implemented a net zero strategy. If businesses do carbon accounting year on year and demonstrate they're going to hit the net zero target, they have to know how much food waste they are generating and what they do with that waste.”

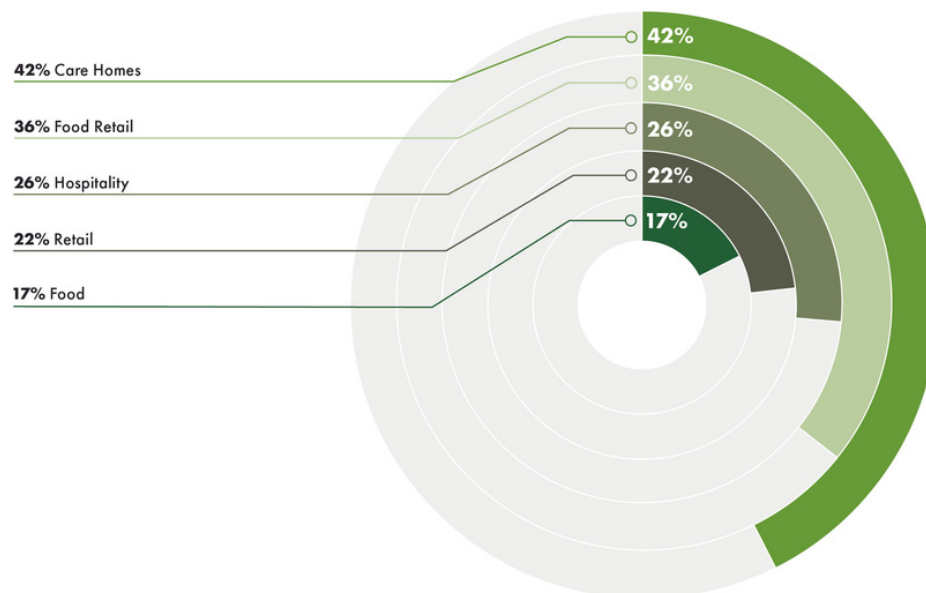
— FERGUS HEALY, HEAD OF STRATEGIC DEVELOPMENT AND NET ZERO, KEENAN RECYCLING

WHAT ARE BUSINESSES REALLY DOING – WHAT'S STOPPING THEM FROM RECYCLING THEIR WASTE?

There appears to be some confusion about what food waste is exactly. Is it leftover on a plate, near/past its sell-by date, damaged, dented tin, or spoiled? The simple answer is it's food waste if it could have been eaten but goes into the bin. The crucial question though is what happens to this waste and whether businesses know where their food waste goes once it leaves their premises.

Some non-domestic waste is still macerated and then discharged to the sewer, which we want to prevent as not only does this contribute to carbon emissions, but it can create fatbergs and other issues downstream. Other waste is incinerated, sent to landfill, processed through aerobic digestion plants, or redistributed either to people through charities or for livestock.

MY BUSINESS DOES NOT CURRENTLY RECYCLE FOOD WASTE



*Covers retail businesses operating outside of the food & drink industry

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“On average, 18% of food waste purchased by the UK Hospitality & Food Service sector is being thrown away.”

■ GUARDIANS OF WASTE

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“When it comes to food waste, it's the hospitality teams - the people on the ground - that we need to train to separate the waste and also find a way of making it easy for them to do.”

■ LOUISA BULLARD, HEAD OF SUSTAINABILITY, MERCATO METROPOLITANO

POTENTIAL BLOCKERS TO BUSINESSES RECYCLING THEIR FOOD WASTE

Whether legitimate excuses or misconceptions, our roundtable panel identified several common reasons why companies do not or are unwilling to, recycle their food waste. These include:

Measurements and reporting:

There are no guidelines so there are inconsistencies about how food is categorised and reported. It is easier for large companies to measure how much food they're wasting; often, they have someone doing it for them. But it's not so easy for SMEs where compliance can be a resource drag at the store level.

Understanding:

Change needs to come from the top down, so buy-in from the board and management is vital. Businesses need to train their staff to separate waste and find a way to make it easy. Often the 'people on the ground' don't understand why they must separate food waste. They see it as making their jobs more difficult.

Food donations:

Some companies say they worry about the potential legal liability if someone becomes ill after consuming expired or spoiled food that they've donated to a charity.

Public expectations:

People like a lot of food on their plates, generating more money for businesses. Trying to manage portion sizes and customer expectations of what is a healthy amount of food left on plates is a challenge, particularly for food markets.

Financial implications:

Many businesses cite cost as a reason for not separating and recycling food waste. They worry that it will cost a fortune. That can be the case when food waste is mixed with general rubbish; it will be heavier, which means waste management companies will charge more to send it to landfill.

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“A misnomer for me on food waste is that it costs more.”
FERGUS HEALY, HEAD OF STRATEGIC DEVELOPMENT AND NET ZERO, KEENAN RECYCLING”

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“What the industry battles with is the inconsistency in how waste gets categorised by different retailers and, subsequently, the challenge of then being able to draw comparisons and track progress in a meaningful way. We need consistency of what's being reported and how it's being reported so that it's all classed in the same way to create a level playing field .”
– STEVE BUTTERWORTH, CEO NEIGHBOURLY”

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“Under UK law, if you have given food to a charity and it is fit for consumption, you haven't been neglectful; you cannot be sued. You have met all of your food hygiene and safety requirements.”
– TRISTRAM STUART, ROUNDTABLE HOST”

OVERCOMING THESE BLOCKERS - SUCCESS STORIES

Despite these blockers, our roundtable panel identified ways that businesses are already successfully changing perceptions and reporting significant results.

These include introducing KPIs in store, rewarding positive behaviour, and demonstrating why it's essential to address the issue of food waste and recycling. For some businesses, it has been about sustainability and presenting it as a cost saver instead of a cost.

For example, sustainability is important for Bluestone National Park and its customers. The resort tries to be as sustainable as possible and communicates this to its customers. This is starting to pay off by keeping prices at the right rate and occupancy levels are high because the brand is attracting customers who also care about the environment.

On top of this, measuring food waste to understand what the business is doing on the procurement side has helped it to adapt its menus and procure less food in the first place. The resort uses the WRAP Guardians of Grub template (prep, spoilage, plate waste, other) to measure different types of food waste, where it happens; on the plate or from prep.

When it comes to managing people's expectations, Tristram Stuart gave the perfect example of a cruise company that focusses on providing customers with 'a taste of the Italian good life.' People go on these cruises expecting luxury. However, the company has decreased its food waste by reducing portions on the buffets, positioning 'limited' as more exclusive, allowing things to run out, and explaining why this is happening. This has resulted in increased customer satisfaction and massive cost savings.

Once seen as the 'bad boys' regarding food waste, supermarkets have become proactive through innovative partnerships with suppliers, charities, and community projects by donating fresh and surplus food.

Many supermarkets encourage consumers to buy wonky fruit and veg. At the same time, some stores have made it easier for staff to separate food waste through handheld devices which scan an item to identify which coloured waste bag it should go in.

Tesco and Sainsbury's have also become champions of the UNs Sustainable Development Goal (SDG) 12.3 which is helping to drive corporate ESG agendas around the UK. Tesco committed to SDG 12.3 to reduce its food waste by 50% by 2050; for Sainsbury's, the goal is 2030.

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“There is absolutely a business case for more sustainable practices. By tracking, measuring and decreasing our food waste we have been able to both attract new customers and decrease our expenditure when it comes to the procurement of food for our guests. We conducted a questionnaire last year, which was returned by three and a half thousand people, and 89% said they would pay more for a sustainable product provided the quality was there.”

— MARTEN LEWIS, HEAD OF CORPORATE RESPONSIBILITY, BLUESTONE NATIONAL PARK RESORT

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“I think in terms of sustainability generally, if you can sell best practice as a cost saver instead of a cost, that is a way to assist the smaller SMEs. It is true that, operationally, onboarding a registered food waste carrier service can come at a cost. However, it can be cheaper than sending waste to landfill (and is certainly cheaper than potential fines), plus by procuring less food in the first place you can prevent high levels of waste. We need to vocalise the benefits both environmentally and financially to encourage and support small to medium sized businesses.”

— KIRSTIN ROBERTS, WASTE LAWYER & CHAIR OF THE MIDLANDS CENTRE COUNCIL OF CIWM

WHICH SECTORS ARE PREPARED FOR LEGISLATION

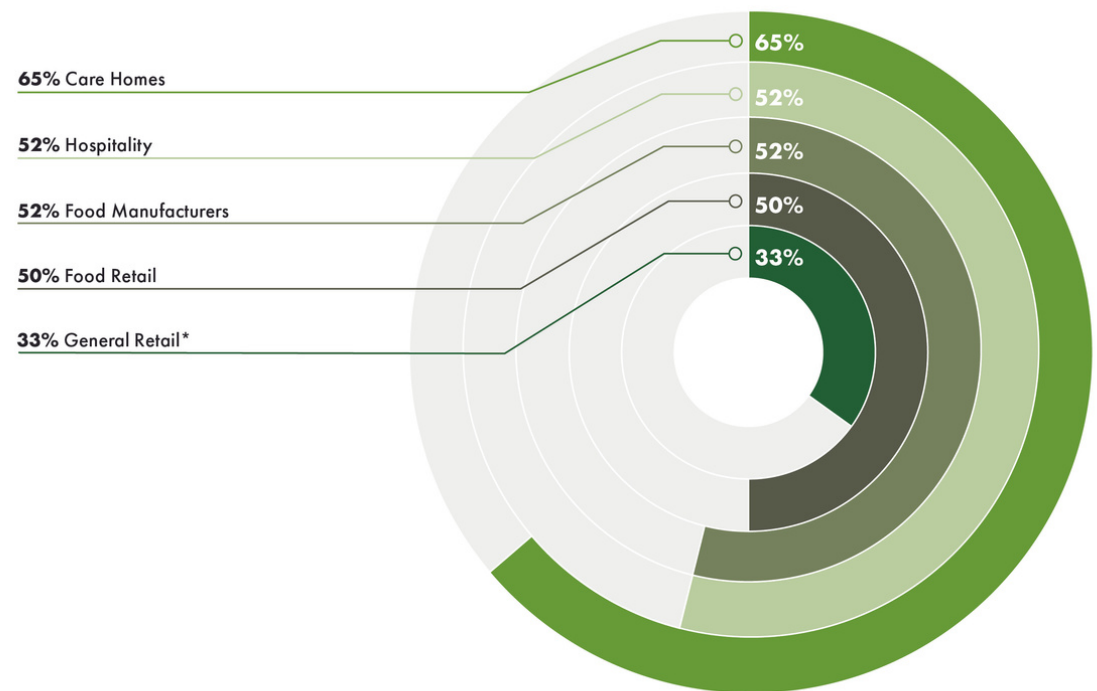
Changing habits and processes is never easy, but through legislation, culture change, best practice examples, and entrepreneurship, it is possible to push businesses and their customers in the right direction.

By committing to sustainability goals, signing up for industry initiatives such as Guardians of Grub, and working with charitable food distributors including FareShare, many of the businesses represented in our roundtable discussion and research are already addressing the issue of food waste in some form.

Where do we stand today? Well, it's encouraging to see that 53% of our research respondents living in England and Wales say their business already has a system for managing waste that exceeds the upcoming legislation requirements, and 56% say they are currently working on innovations to improve this further. 68% of these were from the retail sector.

However, while 58% of respondents said their business has a solid understanding of upcoming legislation and is preparing for it, 41% said they did not know about any upcoming legislation. The care home sector in particular had some contradictions, which could indicate that more compliance work, guidance, and education is needed.

MY BUSINESS FEELS UNPREPARED FOR THE UPCOMING LEGISLATION AROUND FOOD WASTE RECYLING



*Covers retail businesses operating outside of the food & drink industry

WRAPPING UP & KEY TAKEAWAYS

Although many of our experts and research respondents had differing views, it is clear that the sectors represented are trying to make a positive impact and recognise the importance of sustainable food practices and their impact on the environment.

So, what conclusions can we draw then from our roundtable discussion and research? What are the sectors doing to reduce food waste, and what can DEFRA and the Climate Group do to support these businesses further?

Better communication and guidance from DEFRA and the Welsh Government

At the end of the day, people will do what they must do because it is the law. But they need help understanding what to do, how to do it, why, and by when.

Clarification and consistency

Companies report food waste differently, with some using figures to boost their corporate agenda. DEFRA carried out a consultation between June and September last year into different reporting options, but we still do not know the outcome. There needs to be clarity and consistency so that everyone reports food waste in the same way.

Greater communication

This is at both the business and customer levels. Businesses must support their employees when it comes to food waste, separation and recycling. Explain why it needs to be done and the benefits. Similarly, customers want to see businesses act responsibly, to know what happens to your food waste, your initiatives, and how they can help.

Work together

Finally, we need to take a more collaborative approach with everyone working together, from the farmers, supply chain partners, and businesses to the customers, clients, food waste contractors, and charities. This will provide businesses with support, consistency and direction.

REFERENCES

- 1. FIRST MILE: WHY RECYCLING YOUR FOOD WASTE SHOULD BE YOUR NEW ENVIRONMENTAL HABIT.**
- 2. WASTE AND REGULATIONS ACTION PROGRAMME**



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“It is clear that across sectors, we’re all doing great things in reducing food waste, but it’s still being done in silos; we’re not adopting a holistic approach. The options are there. And we all care. But for me, the issue is how we can knit it all together to reach our shared ambition. Hopefully, our discussion and this report have given you food for thought and a better understanding of what you can do to tackle food waste and comply with the forthcoming legislation in England & Wales.”

- GRANT KEENAN