“The COVID-19 outbreak has delayed progress of the government’s waste and recycling reforms, which are seen as a much needed framework to reboot recycling and support the shift towards a more circular economy.”
– Claudia Preedy, Senior B2B Analyst

This report looks at the following areas:

- The impact of COVID-19 on the UK waste management sector
- Financial performance of key industry players
- How the government plans to achieve its circular economy ambitions and the implications for the waste management industry
- Market drivers for investment in UK reprocessing and recycling industry

The impact of COVID-19 has seen household waste volumes rise by an estimated 8% in 2020. With more people working and studying from home, more meals and drinks consumed at home, more home deliveries and increased activities such as DIY, this has exerted an upward effect on household waste generation.

While household waste volumes rose, commercial and industrial (C&I) and construction and demolition waste volumes dropped as a result of COVID-19 in 2020. The rise in household waste has placed considerable pressure on municipal collection services, which was compounded by the closure of HWRCs during the first lockdown, as well as social distancing measures and a rise in staff absences due to COVID-19.

Local authorities have seen waste management costs increase as a result of COVID-19. The higher volumes of household waste led to higher service costs, alongside having to implement additional cleaning of vehicles and dealing with staff shortages and disruptions on collection routes. While the government has provided additional expenditure funding for local authorities during the COVID-19 crisis, councils still face a funding shortfall. This means councils may be forced to cut services, which could also affect waste and recycling services.

Defra’s Resources and Waste Strategy for England, published in December 2018, is seen as a much-needed framework to reboot recycling and support the shift towards a more circular economy. While the implementation of proposed measures has been delayed by the COVID-19 crisis, the waste industry is well-placed to benefit from the strategy in the next few years as demand for recycling services from local authorities increases.
Table of Contents

Overview

Key issues covered in this Report
COVID-19: market context
Economic and other assumptions
Covered in this Report

Executive Summary

Impact of COVID-19 on the waste management and recycling sector
Figure 1: Short-, medium- and long-term impact of COVID-19 on waste management and recycling, 6 April 2021

The market
COVID-19 disruption leads to a decline in total waste generation in 2020
Figure 2: Waste arisings in the UK, by sector, 2016-20
Local authorities experience higher waste management costs due to COVID-19
Figure 3: England budget revenue expenditure on waste management, net current expenditure, 2020/21

Shift from landfill disposal towards recycling and incineration with EfW
Figure 4: Local authority collected waste treatment, England, '000 tonnes, 2015/16-2019/20
Significant investment in UK recycling infrastructure vital to creating a circular economy
Companies and brands
UK waste management services industry dominated by the “Big Five”
Appetite for M&A activity remains

Issues and Insights

Move towards circular economy drives significant investment in UK reprocessing and recycling infrastructure
Sustainability becoming a key measure of business performance

The Market – Key Takeaways

Total waste volumes fall in 2020 due to COVID-19 impact
England’s household recycling rates see little growth
Local authorities see waste management costs rise due to COVID-19
Just over half of English councils run a food waste collection service
significant investment in UK recycling infrastructure vital to creating a circular economy

Waste Arisings

COVID-19 disruption leads to a decline in total waste generation in 2020
Commercial and industrial waste volumes fall in 2020 as a result of COVID-19 restrictions
Household waste arisings rose by an estimated 8% last year
Households throw away less food during COVID-19 crisis
Figure 5: Waste arisings in the UK, by sector, 2016-20

Construction output
Figure 6: UK construction output, 2016-20
Household waste
Figure 7: UK household waste arisings, by nation, 2015-19
Figure 8: Composition of waste from England households, 2019/20, (000 tonnes)

Composition of dry recycling from English households
Figure 9: Composition of dry recycling from English households, % of total, 20110 and 2020

Waste Collection
Local authority waste management expenditure
Figure 10: England budget revenue expenditure on waste management, net current expenditure, 2017/18-2020/21

Local authority waste collection
Figure 11: UK household residual waste collection, by frequency, 2019/20
Figure 12: Percentage of local authorities collecting each dry material, by material, 2019/20
Figure 13: Percentage of local authorities collecting each dry material, by material, 2019/20
Figure 14: UK household food waste collections, by nation, 2019/20

Waste Treatment
Figure 15: Local authority collected waste treatment, England, '000 tonnes, 2015/16-2019/20

Waste infrastructure
Figure 16: Number and capacity of permitted final treatment facilities, UK and England, 2016

Strong expansion of EfW capacity, but uncertainty regarding future capacity additions
Significant investment in UK recycling infrastructure vital to creating a circular economy
Decline of landfill
Figure 17: Landfill capacity trends in England, 2009-19

Recycling rates
Household waste recycling rates
Figure 18: UK household waste recycling rate, by nation, 2014-18

Packaging waste recycling rates
Figure 19: Packaging recycling and recovery targets, 2018-22
Figure 20: UK packaging waste and recycling/recovery, by material, 2019 and 2020, (tonnes)

Issues surrounding plastic waste exports

Market Forecast
Short-, medium- and long-term impact of COVID-19 on the waste management and recycling sector
Figure 21: Short-, medium- and long-term impact of COVID-19 on waste management and recycling, 6 April 2021

Market drivers and assumptions
Figure 22: Key economic drivers affecting MBD’s market forecast, 2019-2025 (prepared on 9 March 2021)

Forecast methodology
Forecast waste arisings
Figure 23: Forecast of waste arisings in the UK, 2021-25
Figure 24: Forecast of household waste arisings in the UK (adjusted for COVID-19), 2021-25

Market Trends

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Technological advancements
Sustainability becoming a key measure of business performance

The Impact of the Economy

UK economy contracts by record 9.9% in 2020
Figure 25: Annual GDP growth rate, historic and forecast, 2015-25, (Annual % change)

Market Drivers

Government proposals and actions to tackle plastic and packaging waste
Key measures set out in Resources and Waste Strategy to be introduced through the Environment Bill
Following years of cuts, Defra receives a funding boost between 2019 and 2022
UK Plastic Pact aims to create circular economy for plastics
WRAP sets out roadmap to recycle flexible plastic
Scrutiny on plastic and packaging waste supports the need for greater domestic recycling and processing capability
Growing issue of food waste
Landfill tax hikes incentivise recycling and alternative ways of managing and disposing waste
Figure 26: Landfill tax rates, £ per tonne, 1st April 2017-21

Companies and Brands – Key Takeaways

UK waste management services industry dominated by the “Big Five”
Appetite for M&A activity remains
Waste management companies explore carbon capture, utilisation and storage solutions for EfW plants

Industry Structure

Industry development
Appetite for M&A activity remains across the waste management industry
Changes in the structure of the industry
Figure 27: Analysis of changes in the structure of the waste management industry, number of outlets and businesses, 2016-20

Structure by turnover
Figure 28: Analysis of the financial structure of the waste management industry, £’000 and number of businesses, 2019 and 2020

Structure by employment
Figure 29: Analysis of the employment structure of the waste management industry, 2019 and 2020

Company Profiles

Biffa
Acquisitional activity
Investment in plastic recycling facilities
Biffa invests in UK EfW infrastructure
Financial performance
Figure 30: Financial analysis of Biffa Plc, 2016-20
Figure 31: Turnover analysis of Biffa, by business segment, 2020, (£ million and %)

Company strategy
European Metal Recycling
CMA orders EMR to sell sites as part of a recent acquisition
EMR cuts hundreds of jobs due to impact of COVID-19

Financial performance
Figure 32: Financial analysis of European Metal Recycling, 2015-19

Company strategy
FCC Environment (UK)
Recent company activity
Financial performance
Figure 33: Financial analysis of FCC Environment (UK), 2015-19

Company strategy
Renewi

Financial performance
Figure 34: Financial analysis of Renewi, 2016-20
Figure 35: Turnover analysis of Renewi, by business segment, 2019-20
Figure 36: Turnover analysis of Renewi, by geographic segment, 2020, (€m and %)

Company strategy
SUEZ Recycling and Recovery UK
Recent company activity in the UK
Financial performance
Figure 37: Financial analysis of SUEZ Recycling and Recovery UK, 2015-19

Company strategy
Veolia Environmental Services (UK)
Recent company activity
Financial performance
Figure 38: Financial analysis of Veolia Environmental Services (UK), 2016-19

Company strategy
Viridor

Financial performance
Figure 39: Financial analysis of Viridor, 2016-20

Company strategy and outlook

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations
Methodology

Further Sources and Contacts

Trade associations
Trade magazines
Trade events