

PlasRecycle kicks off production at Woolwich bag plant after levy move

SUPPORT SERVICES

By Michael Kavanagh

PlasRecycle's bag recycling plant has begun production in Woolwich in southeast London.

The launch comes after the announcement by deputy prime minister Nick Clegg of a 5p levy on plastic bags used by the customers of leading supermarket chains in England from 2015.

PlasRecycle, the company behind the plant, plans to

tackle the environmental impact created by the manufacturing and disposal of carrier bags by converting them back into plastic pellets for reuse.

Duncan Grierson, founder of PlasRecycle, said a decision by China to restrict the importation of lower grade plastic film from UK recycling centres had created a need for a reprocessing plant in Britain.

The company has raised £10.7m from private investors and public bodies to back its first plant. The

facility is capable of handling 20,000 tonnes a year of used carriers and plastic films. The waste is converted into granules that can displace virgin material used in the making of black rubbish sacks and new plastic bags.

Mr Grierson said that increases in the UK's landfill tax, expected to rise by £8 to £80 a tonne next April, was putting further pressure on councils and waste management contractors to find alternatives to burying abandoned plastic bags and

other consumer wrapping.

The venture is backed by specialist private equity investor Foresight Group. PlasRecycle plans to open another plant in the north of England once the fortunes of its first facility are clear.

Mr Clegg said the imposition of levies in Ireland, Wales and Switzerland had led to an 80 per cent reduction in the number of carrier bags issued.

"Plastic carrier bags blight our towns and countryside," the deputy prime

minister said on September 14. He argued that too many plastic bags were ending up in landfill "or scattered around streets and rivers, killing wildlife and costing taxpayers millions of pounds to clean-up".

Mr Grierson argued that the plant could be profitable even if the imposition of a 5p levy on plastic shopping bags is successful in encouraging the adoption of more sturdy reusable bags by consumers.

The Woolwich plant employs fewer than 20 staff.



The bags will be converted into plastic pellets for reuse Getty

But an expansion in volumes of waste processed by PlasRecycle should see the job count at the facility rise to 32 when it is at full capacity, said Mr Grierson.

The plant's launch follows the official opening this month of a beverage carton recycling plant near Halifax that is capable of recycling up to 40 per cent, or 25,000 tonnes, of food and drink cartons used in the UK each year. That venture, backed by TetraPak and Elopak, is expected to save local authorities £3.6m.