

Introduction of Single Use Carrier Bag Charge, Wales 2011: The Retailer Experience: Phase II Report

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Acronyms

BRASS	ESRC Centre for Business Relationships, Accountability, Sustainability and Society
DEFRA	Department of the Environment, Food and Regional Affairs
EC	European Commission
EU	European Union
FTE	Full Time Equivalent
GHG	Green House Gases
NAW	National Assembly fo Wales
NHS	National Health Service
UK	United Kingdom
VAT	Value Added Tax
WG	Welsh Government

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Executive Summary

On the 1st October 2011, the Welsh Government (WG) introduced the first mandatory charge for single use carrier bags in the UK through the implementation of the Single Use Carrier Bag Charge (Wales) Regulation 2010¹(the Regulations). The new charge was introduced into Wales under powers conferred by sections 77 and 90 of, and Schedule 6 to, the Climate Change Act 2008 (the Act) an Act which extends to both England and Wales.

Under the Regulations, retailers are required to charge a minimum of five pence for all single use carrier bags, which meet the definitional requirements laid down in the Regulations. This definition includes plastic, paper, biodegradable and recyclable carrier bags. All retailers, not only those retailers that sell food and groceries, are affected by the Regulations, which apply equally to sales in store and on-line. The Regulations extend to goods purchased in Wales and goods delivered in a single use carrier bag to someone in Wales.

A group of researchers from the ESRC Centre for Business Relations, Accountability, Sustainability and Society at Cardiff University undertook a survey of how retailers have introduced the charge, the impact the charge has had on the distribution of carrier bags distributed and also an assessment of the level of understanding of the obligation imposed upon them by the legislation. This survey followed on from a previous survey, which measured the acceptance and awareness of the public to the new carrier bag charge (Phase I).

In phase II, 90 retail companies were surveyed in Cardiff in mid October 2011. The data was collected by surveyors using a standard questionnaire (see Annex III), which was based on collecting information, which would reflect the key elements of the obligation placed on the companies by the introduction of the charge. This included data on:

- Charging practices;
- Identification and use of exempt bags;
- Administration of the charge;
- Level of information received and used;
- Destination of proceeds; and
- Customer reactions to the charge.

The research placed the Wales charge into the context of current views on carrier bag charges or bans within the remainder of the UK and in Europe and what this may mean for retailers in the future. With the four UK administrations now having either passed legislation to introduce a mandatory charge on plastic and paper carrier bags (Wales), or consulting on a

¹ 2010 No. 2880 (W. 238) as amended by Single Use Carrier Bags Charge (Wales) (Amendment) Regulations 2011

charge on plastic carrier bags (Northern Ireland) or considering a charge on plastic carrier bags (Scotland and Northern Ireland), retail companies may have to respond to four different carrier bag schemes across the UK. As many retailers operate across the UK, they may have to introduce different systems for their shops in Wales, Scotland, Northern Ireland and England.

As the European Commission has now consulted on whether to introduce a EU wide measure on plastic bags, in the future there may be more requirements on Welsh retailers to introduce further policies and strategies to deal with carrier bags, if the European Commission proposes further legislation, for example a ban on plastic carrier bags, arising out of their consultation.

Key Findings

Awareness

- 48% of companies found out about the charge between August and September 2011.
- 18% of retailers had been informed about the charge by the Welsh Government either in the form of a letter or from the website. This percentage is likely to be higher as a further 16% were informed by their Head Office, who had obtained the information either from the Welsh Government, a trade association or the media.
- 31% of respondents had heard about the charge from the media or news outlets.

Level of the Charge

- Only 7% of retailers were charging for carrier bags prior to the 1st October 2011.
- 94% of retailers are charging the minimum charge of 5 pence. Some retailers did state that this did not cover the purchase cost of the bag to the company.
- 3% of retailers are charging more than 5 pence (between 6 and 10 pence) and 3% said they were not charging. The reasons provided by this latter 3% were because the standard bag was of the same quality and description as a Bag for Life and therefore no charge was required under the legislation, the retailer no longer provided any kind of carrier bag or customers were asked to make a donation to a charity.

Exemptions

- Whilst 45% of the sample stated that they did not have any exempt bags, 35% of these were retailers whom one might expect to have some form of exempt bag either because they may sell loose food products (grocers), items that fit into small flat bags (card shops) and those that may reuse bags (charities). This therefore raised questions about the level of understanding amongst the companies about what was an exempt bag. Some did state that they charged because they did not want to be prosecuted.
- Of the 54% of companies who stated that they distributed exempt bags, 32% reported that customers were confused about how the exemption operated, in particular in relation to food items.

Record Keeping and Administration of the Charge

- There was some confusion over what information had to be recorded particularly in relation to what were 'reasonable costs' that could be deducted from the gross amount collected from the charge. Some retailers thought that they could deduct the cost of the bag, which under the regulations is not permitted.
- Some were merely operating a 'put coin in box' system, which was then handed over to a charity. However, if these companies were VAT registered they may be in breach of their obligations to pay VAT on the carrier bag charge. In fact 54% of the companies were not aware of their VAT obligation, although for many this was administered centrally and therefore was not something they had to consider.

Destination of Proceeds

- Only 7% of companies stated that they would send the proceeds to environmental causes. The Welsh Government had stated that they hoped that the proceeds would be passed on to good causes in Wales, in particularly environmental projects. However, whilst the majority of retailers are passing on the proceeds to charity, environmental causes are not the main recipients.

Information and Advice on the Charge

- 51% of respondents commented that they had received no information or guidance on the charge, consequently many of them found out either via the media or from other retailers.

Reduction in Single Use Carrier Bags and Increase in sales of Bags for Life

- Of those retailers who sold Bags for Life or other non-single use carrier bags (canvas, hessian or cotton), a minority of stores reported a 500 and 1200% increase in their sale since the 1st October 2011, whilst the majority of the other stores either stated that there was no change or that sales had increased between 20 and 50%.
- Of the retailers who provided an estimate of how many customers were bringing their own bag, the estimate varied between 20 and 95% of customers coming prepared with their own bag. Those companies that reported significant increases between 60 and 95% were mainly supermarkets and department stores. Whilst those who reported an increase of under 60% were charities, book and clothing shops.
- 66% of companies did report a reduction in carrier bags. The reduction varied from a slight reduction up to approximately 95%. From the recorded quantities, an average reduction of 65% had been achieved. Those reporting a reduction of 80% and above were in the main large national stores. Those recording a reduction between 50 and less than 80% were predominantly charities. Companies reporting a reduction of less than 50% were a mixture of charities and clothes shops. Greengrocers reported only a slight decrease in carrier bags, as did pharmacies and electrical stores. Takeaways, however, did not record any reduction.

1. Introduction

1. This report follows on from a previous Phase I report on the introduction of the single use carrier bag charge in Wales on 1st October 2011, which looked at the awareness of and acceptance to the new mandatory charge by shoppers in Cardiff (Phase I Report). This phase II report, in contrast, looks at the retailers' experience of introducing the charge, how it is being implemented and how it has been received, in their opinion, by their customers.
2. The charge was introduced into Wales through the implementation of the Single Use Carrier Bag Charge (Wales) Regulation 2010²(the Regulations). The Welsh Government utilised powers conferred by sections 77 and 90 of, and Schedule 6 to, the Climate Change Act 2008³ (the Act); an Act which extends to both England and Wales.
3. The Regulations place an obligation on to retailers to charge a minimum of five pence for all single use carrier bags, which meet the definitional requirements laid down in the Regulations. This definition includes plastic, paper, biodegradable and recyclable carrier bags. All retailers, not only those retailers that sell food and groceries, are affected by the Regulations, which apply equally to sales in store and on-line. The Regulations extend to goods purchased in Wales and goods delivered in a single use carrier bag to someone in Wales (*BRASS, 2011*).
4. The Act is a long term legally binding framework to tackle the dangers of climate change. The central pillars of the legislation are legally-binding targets for reducing emissions of greenhouse gases (GHG) by 2020 and 2050 (*Client Earth, 2009*). The core philosophy of the Act is to have a built-in series of duties, actions and reports, which create the transparency, accountability and political pressure necessary to achieve the purpose of the legislation.
5. Implementing powers to introduce a carrier bag charge are contained within Part 5 of the Act, which includes various provisions aimed at reporting on, measuring and reducing carbon emissions in different sectors of the economy and society.
6. Schedule 6 of the Act enabled the Welsh Government to introduce a minimum charge for carrier bags but not a maximum charge (Sch. 6(4)). Schedule 6 further contains no enabling powers on where the proceeds of the charge should be sent. However, Paragraph 1 of the Waste (Wales) Measure 2010 (the Measure) amends Schedule 6 in relation to the destination of proceeds from the charge in Wales by inserting a new Paragraph 4A. This paragraph allows the Welsh Ministers to provide for the application of the net proceeds of the charge to specified purposes.

² 2010 No. 2880 (W. 238)

³ 2008 (C.27)

7. In the same year that the Climate Change Act came into force (2008), six major retailers, the British Retail Consortium, the Department of the Environment, Food and Regional Affairs (DEFRA), the Scottish, Welsh and Northern Irish governments entered into a voluntary agreement to cut the number of carrier bags distributed by the end of May 2009 by 50% (against 2006 levels) and to achieve a 70% cut “in the longer term” (*ENDS Report, 2010*).
8. By May 2009, this agreement had resulted in a 48% reduction across the UK, with a 49% reduction in Wales on the number of single use carrier bags given out (*WG, Consultation, 2010, 4*). In Wales, it was felt that this was insufficient and that further action was required in order to adapt shopping habits to a level of improved sustainable consumption.
9. To date, the Westminster government has not sought to use the powers conferred under this Act to introduce a carrier bag charge in England. However, in September 2011, the Prime Minister, David Cameron warned retailers that they had to reduce the number of plastic bags they distributed or in the future a statutory ban on plastic bags or a mandatory charge may be introduced (*Guardian, 2011*).
10. Scotland consulted on a mandatory plastic bag charge of ten pence in 2005 and had proposed to introduce the Environmental Levy on Plastic Bags (Scotland) Bill but ultimately decided not to proceed to legislate for such a levy as it is claimed to have failed to win support (*Lets Recycle, 2011*)⁴. In recent months, the Scottish Government has indicated that it will again revisit whether or not it should introduce a levy on plastic carrier bags (*Scottish Government, 2011*). Like England and Wales, the Scottish Government has powers under Section 88 of the Climate Change (Scotland) Act 2009⁵ to make regulations requiring retailers to charge for carrier bags. This section provides specific enabling powers to allow the Scottish Ministers to require that the proceeds from the charge are to the advancement of environmental protection or improvement.
11. In Northern Ireland the consultation process closed in October 2011. Similar to the Wales consultation process, they are consulting on the types of retailers to be covered by the charge, what type of bag should be included, the level of the charge/levy and enforcement and sanction provisions. The consultation proposes that the funds raised from the charge will be forwarded to the government (*NI, Consultation, 2011, 7*). This is in contrast to Wales, where the WG has recommended that the funds raised by the charge are distributed to charities. If passed, the charge is expected to be introduced in Northern Ireland by April 2013 (*NI, Consultation, 2011, 8*).
12. Consequently, the four UK administrations have either passed legislation to introduce a mandatory charge on plastic and paper carrier bags (Wales), consulting on a charge on

⁴ The Bill under consultation in 2005 was a private member’s Bill

⁵ 2009 (asp 12)

plastic carrier bags (Northern Ireland) or considering a charge or a ban on plastic carrier bags (Scotland and England). The result could be four different carrier bag schemes across the UK. As many retailers operate across the UK, they may have to introduce different systems for their shops in Wales, Scotland, Northern Ireland and England. One national retailer interviewed during the survey commented:

“Not going to change our bags, we are a massive organisation with only a couple of stores in Wales so not going to change just for Wales” Company 1113


2. Carrier Bags and Europe

13. From May until August 2011, the European Commission held a consultation on whether to tax or altogether ban plastic carrier bags. The consultation sought to ask the public how best to reduce the use of plastic carrier bags. The consultation open to the public, organisations and public authorities, asked if charging and taxation would be effective, or if other options such as an EU-level ban on plastic carrier bags would be better. (*European Commission (EC), 2011*)

14. The consultation also aimed to gather views on the adequacy of current requirements on compostability and biodegradability of plastic carrier bags as provided in the EU Packaging Directive⁶. That Directive does not allow for a clear distinction between biodegradable products that should biodegrade in natural conditions in the environment, and compostable products that only biodegrade in industrial composting facilities. Therefore, the consultation proposed that plastic bags should carry a label clearly defining whether it is 'biodegradable', meaning that plastic bags will biodegrade in natural conditions in the environment; or 'compostable', meaning that they will break down only in industrial composting facilities (*E.C., 2011*).

15. The European Commission acknowledged that some Member States had already taken action to reduce the use of plastic carrier bags through pricing measures (Republic of Ireland, Germany), agreements with the retail sector (U.K.) and bans on certain types of bags (Italy, France), but no specific measures exist at the EU level. In March 2011 EU environment ministers discussed the environmental impact of plastic carrier bags and the concerns they raised indicated that effective EU action is needed.

16. Consequently, in the future there may be more requirements on Welsh retailers to introduce further policies and strategies to deal with carrier bags, if the European



“Fifty years ago, the single-use plastic bag was almost unheard of – now we use them for a few minutes and they pollute our environment for decades. But social attitudes are evolving and there is a widespread desire for change.” Janez Potocnik, European Commissioner for Environment (*E.C.2011*)

⁶ European Parliament and Council Directive 94/62/EC of 20 December 1994 on packaging and packaging waste

Commission proposes further legislation, for example a ban on plastic carrier bags, arising out of their consultation.

3. The Carrier Bag Charge in Wales

17. On the 1st October 2011, retailers located in Wales or delivering goods to someone in Wales by single use carrier bags are required to charge a minimum of five pence for all single use carrier bags (Reg. 6) for all in store and online sales (Reg. 4). The charge applies to a wide range of retailers from high street to local shops, from market stalls to charities, from takeaway restaurants to opticians (See Annex I for full list).
18. In September 2011, the Welsh Government passed the Single Use Carrier Bags Charge (Wales) (Amendment) Regulations 2011 ([2011 Regulations](#)), which either inserts or substitutes new regulations into the 2010 Regulations.
19. Under the Regulations, a single use carrier bag is defined as one made from paper, plant-based material or natural starch and is not manufactured for multiple use (reg.3(2)) or is made from plastic, not intended for multiple use and is not classified as a 'Bag for Life' (reg.(3)(3)).

"A single-use carrier bag is a bag that is not designed for substantial reuse and is often given out with the aim of transporting your goods home for just one trip." (Welsh Government website for the Carrier Bag Charge)

20. Under regulation 7 and Schedule 1, specific bags are exempt from the charge (See Annex II for full list) which includes bags for unwrapped food items for example fruit and vegetables, bags for uncooked raw meat and fish or small flat paper bags for greeting cards.

One particular exemption is items provided on a free prescription or as part of another NHS services are not included in the charge. Bags used only for pharmacy medicines (i.e. restricted over the counter medicines from a qualified pharmacist or 'P medicines'), or items sold on prescription are also exempt from the charge (Sched. 1(1)(2)).

21. Under the Regulations, an exempt bag may lose its exempt status if goods, which do not qualify under Schedule 1, are also put into the exempt bag. This has raised some confusion as to when the exemption is affected. The Regulations are aimed at the retailer who distributes a single use carrier bag and therefore, the exemption is lost when in a single transaction, goods which do not fall under Schedule 1 are put into a bag with the Schedule 1 goods. Therefore, in a pharmacy for example, if prescription goods (identified under Schedule 1) are put into a bag, the bag is exempt and no charge applies. However, if the customer is also buying other items for example shampoo, moisturiser or

Excluded Bags

- ✓ Cloth;
- ✓ Jute;
- ✓ Cotton;
- ✓ Hessian;
- ✓ Hemp;
- ✓ Wicker;
- ✓ Heavy duty plastic; and
- ✓ Thick Plastic Bags

similar (not included under Schedule 1) and these items are also put into the bag, the bag is no longer exempt and a charge applies.

22. In addition, the Welsh Government guidance document identifies situation where the charge does not apply:
 - 22.1. Service: when a shop provides a service, for example shoe repair then the service will not be subject to the charge, but if the business also sells goods such as shoe polish they will need to charge for the bag (WG Guidance, 2011, para 21).
 - 22.2. Promotional Items: The charge will not apply to single use carrier bags used for promotional items and free items such as catalogues, samples and leaflets where no sale of goods takes place (WG Guidance, 2011, para 78).
 - 22.3. Charities: The Regulations only allow for a bag to be charged for once. Consequently, where charities give out bags that have already been used, the shoppers would not need to pay the charge on those bags.
23. Under Regulation 8 (as amended by the 2011 Regulations), all sellers (with 10 or more staff, Regulation 7A) must keep a record of:
 - a) The number of single use carrier bags supplied, which meet the requirements of the charge;
 - b) The gross amount collected from the charge;
 - c) The net proceeds, minus VAT liability and any other reasonable costs; and
 - d) How the net proceeds have been distributed.
24. The newly inserted Regulation 7A, exempts retailers with less than 10 employees from the requirement to keep records but they are still required to charge the minimum amount. Smaller shops will not have to keep detailed records of the charge collected, however if they are VAT registered they are still required to pay all VAT liabilities arising from the charge and consequently keep records for this purpose.
25. Records have to be available for inspection (Regulation 9) and retailers must publish records for an identified recording year (Regulation 10).
26. Any retailer who does not charge for a single use carrier bag, which does not meet any of the exemptions, or fails to keep, retain, supply and publish records (where required) is in breach of the Regulation (Regulation 11) and could face civil sanctions of a fixed penalty of up to £200 (Schedule 2) or a discretionary penalty up to £5,000 or up to £20,000 if they provide false or misleading information (Schedule 3).
27. Local Authorities are responsible for administering and enforcing the charge (Regulation 5). They are permitted to make test purchases of goods for the purposes of ascertaining whether the retailer is complying with the Regulations (Regulation 14(2)(a)).

28. The Regulations do not provide any requirement on the final destination of the charge, however, the Welsh Government has recommended that the proceeds are passed on to good causes in Wales (*Welsh Government Retailer Information Pack, 2011*)

29. The Regulations do oblige retailers to disclose the decisions they make about how they use the additional money generated by the obligation to charge (Regulation 8).

“The Regulations do not impose any obligations on sellers to use the net proceeds in a particular way; those proceeds belong to sellers and the decision about how to use the additional money remains theirs.”(Welsh Government Guidance, 2011, 36)

30. Following on from the previous survey on the awareness of the charge and attitudes towards it by the public, researchers from the ESRC BRASS Centre at Cardiff University also wanted to analyse the business response to the new mandatory charge and to assess how and if they were implementing the obligation placed upon them by the legislation.

4. The Research Project

4.1 Phase I and Phase II

31. A team of researchers from BRASS analysed the introduction of the new charge in Wales in two distinct but inter-related phases. Phase I was an analysis of the attitudes, awareness and acceptance of the charge by the public, whilst phase II is an analysis of how retail companies have introduced the charge, the impact the charge has had on the distribution of carrier bags distributed and also an assessment of the level of understanding of the obligation imposed upon them by the legislation.

32. This report represents the findings from Phase II of the project on how retailers in Wales have introduced and implemented the mandatory charge.

4.2 Phase II Methodology

33. The business survey (Phase II) was conducted one month after the public survey (Phase I) in mid October 2011 and was spread across a two week period. A database of over 300 companies located in Cardiff was developed with a target of 50 companies to be interviewed. This provided surveyors with a number of replacement companies to enable them to meet their individual targets. Companies were selected randomly, although a small sub-sample was also identified due to their size.

34. To ensure a sample that represented as wide a possible spectrum of the different types of retailers covered by the charge, the following types of retail shops were included:

- i. Card/Book shops;
- ii. Charity;
- iii. Children;
- iv. Cosmetic;
- v. Department Store;
- vi. Food & Drink (including bakers, butchers, fruit & vegetable, greengrocers, health food, off licences);
- vii. Hairdressers;
- viii. Heath (including Opticians, Pharmacy and Veterinary Surgeries)
- ix. Jewellers;
- x. Miscellaneous (including gift, accessory and speciality shops)
- xi. Shoe Shops;
- xii. Supermarkets;
- xiii. Takeaway; and
- xiv. Technology (including audio visual and telephones).

Statistical Note

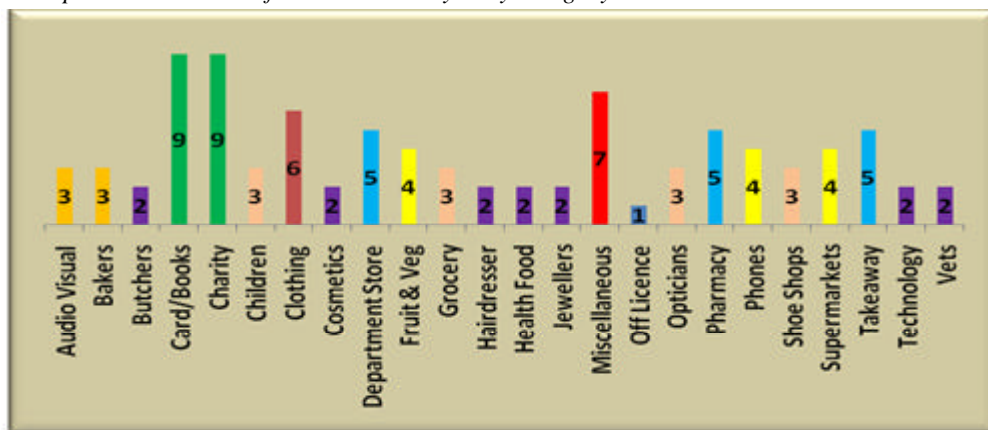
The survey sample is not a proportional representation of the population of retail stores in either Wales or Cardiff. It is a random selection of retail stores located in Cardiff based on type of store and size of store.

The data has not been grossed up to represent the findings of retail stores in general and therefore only is an indication of the 90 stores surveyed.

59% of the retailers surveyed belonged to a chain of stores, with 52% being small scale chains based solely within Wales.

35. *Graph 1* provides a breakdown of the number of retail shops interviewed according to their classification. Whilst there are a number more companies surveyed under card and books this was a more general grouping of retailers who sold stationary, cards and or books. There were a number of charity shops surveyed to enquire how this particular type of organisation was dealing with the new charge, which whilst an obligation was also a potential benefit, if they received the proceeds from other retailers.

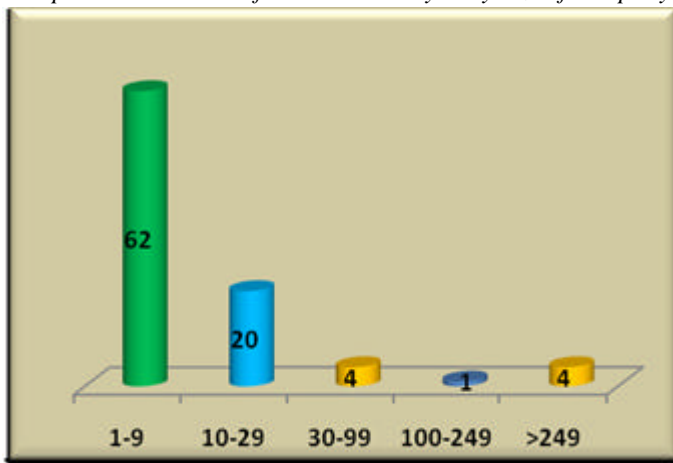
Graph 1: Breakdown of Retailers surveyed by category



36. The sample also included a broad spectrum of company sizes but did pay particular attention to small to micro sized organisations as they represent the largest percentage of companies in Wales⁷ (see *Graph 2*). The size of company provided in graph 2 is based on the Full Time Equivalent (FTE) for each site, however 59% of the retailers interviewed did belong to a group of shops, some may have had only 1 or 2 other small shops in other locations in Wales, whilst others including the charities belonged to larger organisations that spread across the UK.

37. Overall companies were willing to participate and the target of 50 companies was surpassed with survey data being collected from 90 retailers across Cardiff. The interviews were conducted either face to face or where more convenient for the company by telephone. Using a mixed approach allowed more retail companies to participate in the survey and for the surveyors ultimately to gain a better understanding not only of how the charge had been introduced by each company but in their opinion how the public were responding to the charge.

Graph 2: Breakdown of retailers surveyed by size of company



38. The data was collected by surveyors using a standard questionnaire (see Annex III), which was based on collecting information, which would reflect the key elements of the obligation placed on the companies by the introduction of the charge. This included data on:

- Charging practices;
- Identification and use of exempt bags;
- Administration of the charge;
- Level of information received and used;
- Destination of proceeds; and
- Customer reactions to the charge.

⁷ In the 2010 Size Analysis of Welsh Businesses, 60% were identified as micro, small and medium sized enterprises, SDR, 180/2010, released 20 October 2010. In Cardiff, the size breakdown identified that 96.7% of all businesses were identified as micro, small and medium. These figures apply to all business types and not just retail companies.

39. All data collected from the retail stores was in confidence and anonymised to ensure appropriate protection of the data and identity of the companies who agreed to participate in the survey. The data was amalgamated to provide an overall percentage response from the 90 retailers based in Cardiff.

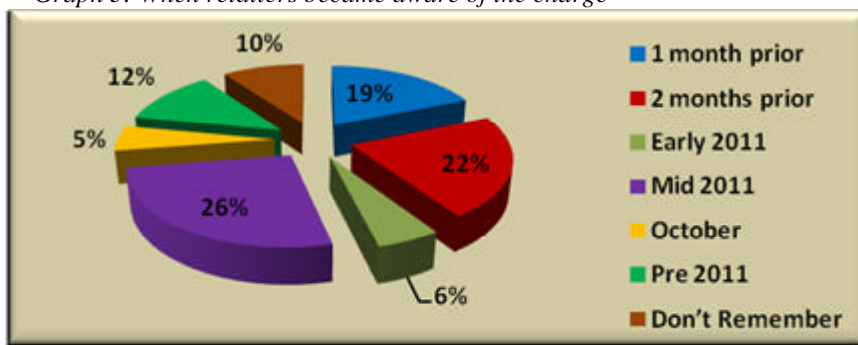
5. The Findings

5.1 When retailers became aware of the charge

40. In the Phase I survey, 85% of the public were aware of the charge prior to the introduction date (*BRASS, 2011*). As retailers were responsible for introducing the charge, the research team sought to discover when these companies became aware of the charge and therefore the lead in time they had to introduce the charge into their organisation.

41. Of the sample surveyed, 48% became aware of the charge between August and October 2011, 26% between April and July 2011 and 18% between the end of 2010 and March 2011, with 10% responding that they could not remember. (*Graph 3*).

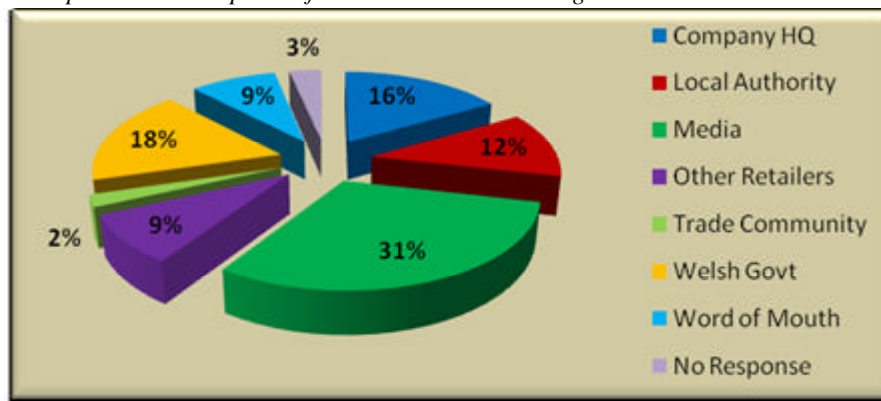
Graph 3: When retailers became aware of the charge



42. Analysis of the data did not suggest that there was any one particular type of retailer aware of the charge earlier than other categories of retailer bar those that would be categorised as large scale organisations, for example supermarkets and department stores. The date provided by many of the respondents was the date when their own Head Office informed them about the charge. However, of the 48% of companies only finding out about the charge between August and September 2011, 47% belonged to a chain of stores across the UK. The largest percentage of those companies only being aware from August 2011 were small scale clothing shops (19%), technology companies (15%) of which most were national companies, small scale independent food shops (20%) and takeaways (10%). The remaining retailers were: card/book (5%), charity (5%), miscellaneous (7%), pharmacies (5%), opticians (5%), jewellers (5%), cosmetics (2%) and hairdressers (2%).

43. Despite 48% only finding out about the charge 1 or 2 months prior to its introduction, the majority had introduced recording mechanisms (automated records via till register). One possible reason for this is likely to be that for many of these companies, their Head Office had already introduced procedures centrally. However, 10% of the companies were only collecting the charge in a tin/box at the side of the register.
44. The companies were further asked to identify how they learnt about the charge. Graph 4 provides a breakdown of the responses. The main source of information for the respondents was the media or news with 31% after which it was information from the Welsh Government (18%) either in the form of a letter or from the website. A further 16% were informed by their Head Office, who had obtained the information either from the Welsh Government, a trade association or the media. Nine percent of respondents stated that they had heard about the charge from other retailers, with a further nine percent saying it was by word of mouth.

Graph 4: How companies found out about the charge



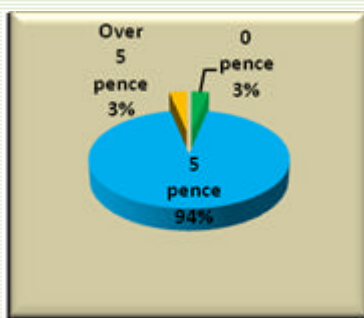
5.2 The Level of the Charge

45. To gain an understanding of how many companies would be required to introduce a charge, the surveyors asked whether or not companies had previously charged for a single use carrier bag. Of the respondents, 93% had not previously charged with only 7% having already established a cost for single use carrier bags.
46. When asked if they sold Bags for Life, 76% of respondents did not, with 24% saying that they did and a further 16% stated that they also sold cotton, hessian or canvas bags. Of those who sold Bags for Life or other non-singe use carrier bags (canvas, hessian or cotton), two stores reported a 500 and 1200% increase in their sale since the 1st October 2011, whilst the majority of the other stores either stated that there was no change or that sales had increased between 20 and 50%.

"Fewer people taking bags bringing their own" Company 1143

"Not going to change bags massive organisation and only a couple of stores in Wales so not going to change just for Wales" Company 1113

"Fabric bags only introduced for the charge" Company 1290



Graph 5: Minimum charge set by retailers

47. As the regulations only provide a mandatory minimum charge, the companies were asked how much they were charging as no maximum level had been defined.

Graph 5 illustrates that 94% of retailers are charging the minimum of 5 pence, 3% of retailers are charging more than 5 pence (between 6 and 10 pence) and 3% said they were not charging. The reasons provided by this latter 3% were because the standard bag was of the same quality and description as a Bag for Life and therefore no charge was required under the legislation, the retailer no longer provided any kind of carrier bag or customers were asked to make a donation to a charity.

48. Some companies did acknowledge that the 5 pence charge did not cover the purchase cost of the bag, which they were still underwriting.

5.3 Exemptions

49. As stated at paragraph 18, the Regulations identify a number of different types of bag that are exempt either because of their size (e.g. small flat paper bags or small plastic bags that do not have a handle), thickness (e.g.

is greater than 49 microns in thickness (Regulation 3(4)(c)) or their use (e.g. prescription medications, for loose raw products like meat or fruit and vegetables). As part of the survey, retailers were asked to identify whether or not they believed they distributed any exempt bags. 45% stated that they did not distribute any exempt bags, 54% said they did and 1% did not respond.

50. Of the 45% of retailers who stated that they did not have any exempt bags, 35% of these were retailers whom one might expect to have some form of exempt bag either because they may sell loose food products (grocers), items that fit into small flat bags (card shops) and those that may reuse bags (charities). Some charities did comment that they were no longer reusing carrier bags to ensure that their volunteers, who they described as elderly, were not confused by the different types of bags and which ones had to be charged for and which ones did not.

51. Those that did say they distributed exempt bags did raise some interesting examples including: tissue paper; cotton bags (which are excluded from the legislation); paper wrap; 5 micron bag (which perhaps they meant 50 micron bag); biodegradable bags, tubes and pizza boxes. Whilst in general most of these are not covered by the legislation, it did reveal that perhaps there was a lack of in-depth knowledge of what was or was not an exempt bag.

52. A few of the companies (approximately 7%) stated that they were considering altering the current bags that they used and stated that they may introduce bags for life. Bags for Life are not necessarily a panacea to the problems caused by single use carrier bags. A report by the Environment Agency assessed the environmental impact of carrier bags and found that:

- Whatever kind of carrier bag is utilised, the key to reducing the impact of any carrier bag is to take it back and refill the same bag as many times as practicable whether for shopping, lining the kitchen bin or other purposes in the home, garden or office.
- The plastic ‘bag for life’ favoured by many (low-density polyethylene) only needs to be used 4 times to be certain that it has got a lower carbon emissions footprint than single-use, lightweight (high-density polyethylene) carrier bags.
- Lightweight single-use carrier bags have the lowest carbon footprint per bag when consider primarily for their resource use and production. Paper, heavyweight plastic and cotton bags all use more resources and energy in their production.
- Lightweight single-use carrier bags are not particularly negative, especially if they are re-used once or twice. It all depends on the number of times a bag is reused (Environment Agency, 2011).

53. Whilst only a small percentage of surveyed retailers did state that they may introduce Bags for Life or Bag for Life quality type carriers, there was insufficient evidence from the survey to suggest that these bags would be used as single use carrier bags.

54. Much media coverage focused on what were exempt bags and when the exemption no longer applied (BBC, 30/9/11, Daily Post, 29/9/11, Chepstow Free Press, 8/9/11). The research team sought to enquire from the business’ viewpoint whether their customers were in fact confused about these exemptions.

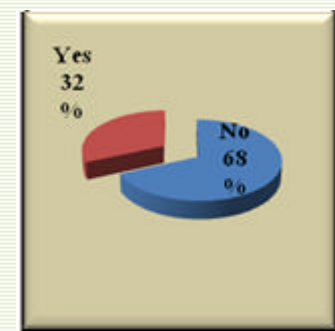
55. Of the 54% of companies who stated that they distributed exempt bags, 32% reported that customers were confused about how the exemption operated (Graph 6). The majority of the stores reporting this confusion did sell food, for which many of the exemption apply.

“Stopped using reused bags to avoid confusion for older volunteers” Company 1217

“Not sure about plastic bag” Company 1312

“A sturdy carrier bag, which will be better than the previous bag” Company 1083

“200% before charge now 1000%” Company 1083 on the increase of Bag 4 Life sales



Graph 6: Customers confused about exempt bags

5.4 Record Keeping and Administration

56. Companies with 10 or more employees are required to keep records of the proceeds of the charge (minus reasonable costs like VAT) and the destination of the proceeds. 68% of the companies surveyed stated that they were aware that they had to keep records. 32% stated they were not aware about any requirement to keep records.

Table 1: Breakdown on awareness by company size

<i>Size of Company</i>	<i>% of Companies Aware</i>	<i>% of Companies not aware</i>
<i>Under 10 employees</i>	<i>18%</i>	<i>15%</i>
<i>Under 10 employees at site but member of a chain of stores</i>	<i>49%</i>	<i>16%</i>
<i>Over 10 employees and not a member of a chain of stores</i>	<i>1%</i>	<i>1%</i>

57. Companies with less than 10 employees were in the main aware that there was no requirement on them to keep records as they had less than 10 employees. Those shops that belonged to a chain of stores were not aware, mainly because all records were centralised and administered by their head office. A small minority stated that they had not been informed that they had to keep any records.
58. For the majority of shops (56%), the charge would be administered automatically via their till register. However, a small percentage of the shops (10%) were merely keeping a tin/box by the cash register and handing the tin/box over to a charity, who counted the proceeds.
59. Some companies incorrectly stated that they would deduct the cost of the bag before the proceeds were handed over to charity. The Regulations allow retailers to deduct ‘reasonable costs’ from the proceeds. In the guidance document, reasonable costs are described as those costs borne by the retailer in order to comply with the regulations, for example the cost of communicating the charge. The cost of buying bags is not classed as a ‘reasonable cost’ because “...the Regulations do not require sellers to supply bags.” (Welsh Government, 2011, 34)
60. The guidance identifies the following as examples of ‘reasonable costs’:
- On-going maintenance, updates and renewal of IT systems to administer the charge, including accounting, recording, checkout, self-service and barcode systems;
 - Systems for ensuring compliance with recording and reporting the charge, including website activity;

- Costs in connection with supplying records on request to members of the public or the Welsh Ministers;
- Costs in connection with responding to enquiries made by administrators;
- Staff time for administering the charge;
- On-going monitoring to ensure compliance across multiple stores;
- On-going training and communications to staff; and
- Specialist advice.

61. The research team also wanted to know whether or not the stores had provided any training for their staff. 52% of retailers stated that they provided no training for their staff. Of the 48% that did provide training, this sometimes included merely informing the staff about the new 'charge' button on the register.

5.5 VAT

62. If the shops mentioned in paragraph 57 are VAT registered they are required to pay VAT on the mandatory carrier bag charge, which means that records will need to be kept for HM Customs and Revenue. By merely collecting the charge in a tin and presenting the total sum to a charity, they may be in breach of their VAT requirement.

63. Awareness that VAT is payable on the mandatory charge was not high with 54% not aware of their VAT liability. 43% of these companies had less than 10 employees and were not a member of a chain of companies, 28% had less than 10 employees and were a member of a chain of companies and the remaining 29% had over 10 employees. For the larger organisations, many did not know as all of the VAT liabilities were administered centrally.

64. However, in general, companies were not fully aware of their VAT liabilities in relation to carrier bag charge and this is important as those required to keep records are required to show any reasonable costs (like VAT) which can be deducted from the gross charge prior to the proceeds being provided to charities.

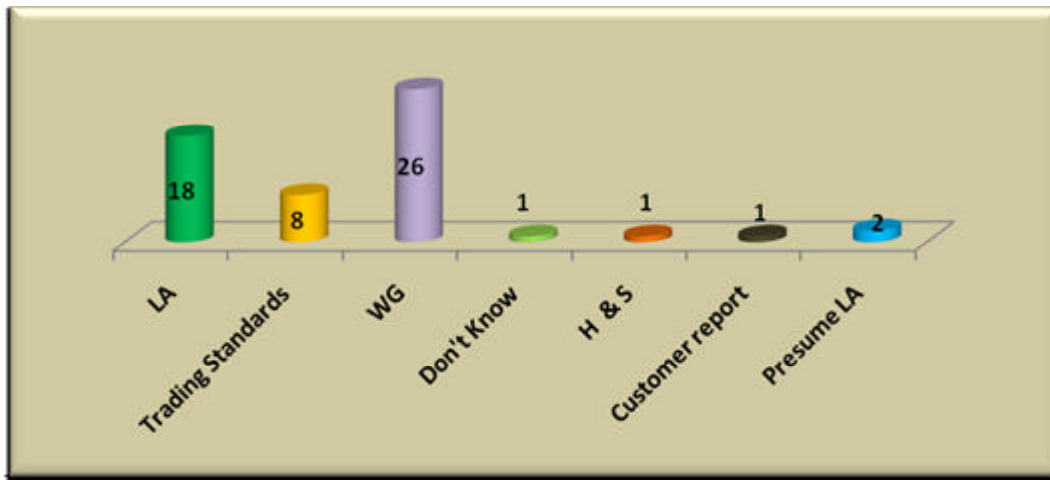
5.6 Breaches and Enforcement

65. Companies, which do not charge the mandatory 5 pence, keep records or make their records available on demand from the enforcing authority can be subject to either a fixed penalty notice or a discretionary penalty. 78% of the companies surveyed were aware that they would be committing an offence of which 72% knew that they would be fined, whilst 20% unsure about what would happen.

66. Their awareness of who was responsible for enforcing the charge was not as high although 63% said they knew who the designated enforcement authority was but only 26 companies (46%) identified trading standards/local authority as the correct authority, with

an equal percentage identifying the Welsh Government. Graph 7 illustrates their responses.

Graph 7: Who Companies identified as the enforcers of the charge (total number)



5.7 Destination of Proceeds

67. As stated at paragraph 27, whilst there is no statutory requirement on the destination of the proceeds collected from the charge, the Welsh Government has recommended that the proceeds are sent to good causes. However, one of the recommendations from the National Assembly for Wales' Sustainability Committee Inquiry in response to Petition P-03-63 Banning Plastic Bags was that any monies raised by the charge should be used by an 'arms length' body in an open and transparent way to fund environmental projects within Wales (NAW, 2008). This has not happened and now the Welsh Government has framed where the proceeds should go as a recommendation.

68. The Waste (Wales) Measure 2010 does insert into the Climate Change Act 2008 a new provision, paragraph 4A about the destination of the proceeds, which provides the Welsh Ministers with enabling powers to include in regulations to provide for the application of the net proceeds of the charge to specified purposes and require the receiver of the proceeds to be applied to specific purposes. The purposes may include: preventing or reducing waste; protecting or improving the environment in relation to pollution or nuisances or educational or recreational activities for children or young people which relate to any of these purposes (Paragraph 4A(4)).

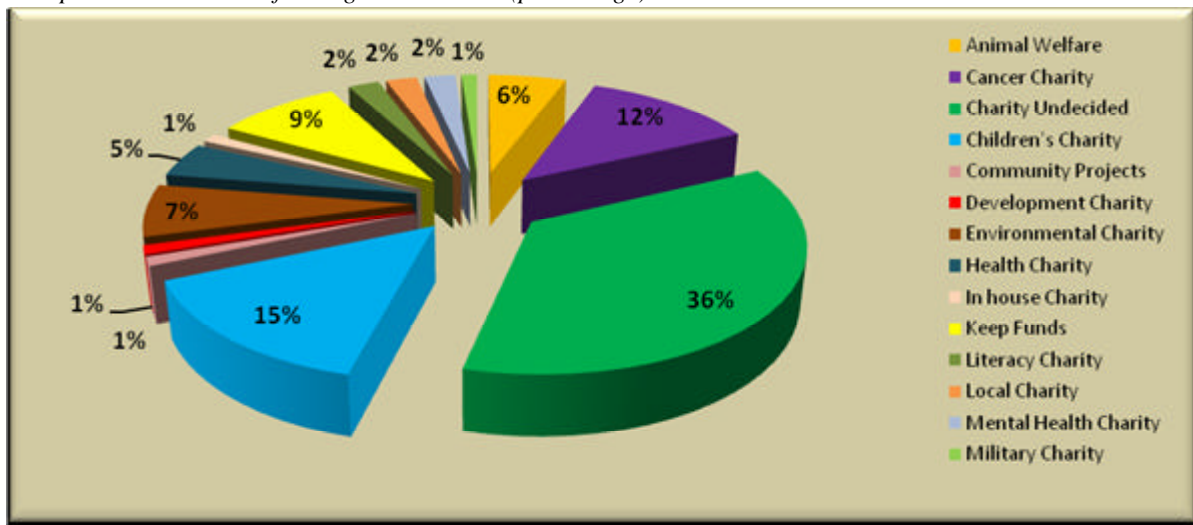
69. On the Welsh Government website for the public, it states that the Welsh Government hopes that the proceeds will be passed on to good causes in Wales, particularly environmental projects. However, in the retailers pack, '[key points](#)' document, they are advised that the Welsh Government hopes that they will pass on the proceeds to good causes in Wales and there is no mention of environmental projects (Welsh Government, 2011, Info. Pack).

70. Only 9% of the companies surveyed stated that they would keep the funds and not pass onto charities. However, 36% of companies did state that they had still not decided what

charity they would send the carrier bag proceeds. Children’s charities scored the highest with 15%, followed by cancer charities at 12%, environmental charities only measured 7% (Graph 8).

71. Stores did report that people’s attitudes changed towards the charge when they were informed that the proceeds were going to charity. However, some members of the public did raise concerns that they did not have a choice about what charity and felt that this was a personal decision for them and were therefore not happy that they would effectively be making donations to random charities.

Graph 8: Distribution of Charge to Charities (percentage)



72. There is, however, no guarantee that the proceeds of the charge will remain in Wales, whilst many of the shops have long term partnerships with specific local charities and as such plan to continue to support these, for many the decision as to which charity the shop will support is made centrally at their national head office. For many of the companies, they only have a small percentage of outlets in Wales and as such as the proceeds are administered centrally, there is a likelihood that the carrier bag proceeds may be used by charities located elsewhere in the UK.

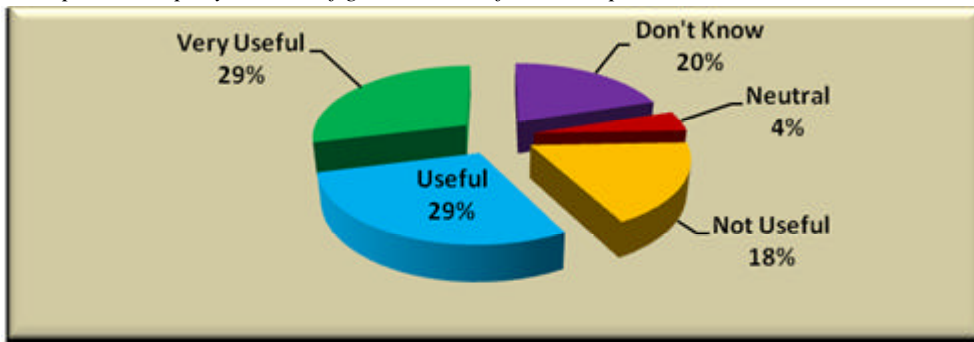
5.8 Welsh Government Information and Guidance

73. The Welsh Government stated that it spent £400,000 in communicating the charge to retailers in Wales and that 40,000 information packs were sent out to these retailers. Of the companies surveyed 51% had not received any information from the Welsh Government (Welsh Government, Record of Proceedings, 2011).

74. Of the 49% that had received a letter or some information about the carrier bag charge, graph 9 illustrates their views on the usefulness of the information. Some respondents, however did state that they had to ask for an information pack or called to obtain clarification on some aspects of the charge as the details were not clear, this included:

confusion over paper bags; extent of the exemptions; measurement of bags; difficult to obtain clear information; and what charities were excluded.

Graph 9: Company's views of government information pack

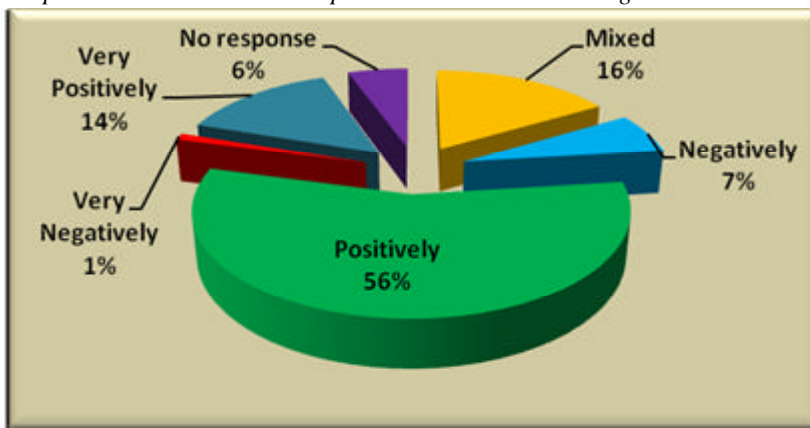


5.9 Public Response

75. In the Phase I report, the majority of the public (70%) had stated that they were in agreement with the charge. It was therefore important to assess the retailer's perception of how the public were responding to the charge now that it had been introduced.

76. Graph 10 illustrates the responses from retailers on their views about the public response. In their opinion, 70% of the public had responded very positively (14%) or positively (56%). 8% had responded very negatively (1%) or negatively (7%), although they did state that a number of the negative views came from people not resident in Wales. Retailers did state that 16% of customers had mixed views about the charge, mainly a lack of understanding why the charge applied to paper bags.

Graph 10: Retailers' views on public attitudes to the charge



77. This does support the responses from the public in Phase I where a number of the respondents in that survey did feel that rather than introduce a charge, retailers should be compelled to use paper bags, which they felt were a more environmentally friendly alternative to plastic bags.

78. This is a misconception and perhaps a missed opportunity to inform the public that paper bags are not necessarily a better alternative from an environmental perspective. Much of the pulp used for paper shopping bags is virgin pulp because it is considered stronger and

may come from parts of the world, which do not practice sustainable forestry. Paper bags use between four and six times more energy to produce, are six times heavier and take up to ten times more space, which for example means that they require more transport carriers and this means significantly higher carbon emissions during their transportation and production (*Which, 2011*).

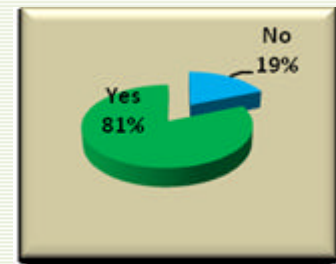
79. In the Phase I report, the public responded that after the introduction of the charge, 67% of them would begin to take their own bags with when they went shopping. The next question for the research team was whether this was borne out in practice. Graph 11 represents the number of retailers who noticed shoppers bringing their own bag. Of those retailers who provided an estimate of how many customers were bringing their own bag, the estimate varied between 20 and 95% of customers coming prepared. Those companies that reported significant increases between 60 and 95% were mainly supermarkets and department stores. Whilst those who reported an increase of under 60% were charities, book and clothing shops.

80. Some retailers amusingly retold how many female shoppers are now ‘stuffing’ items into their handbags or some even commented that handbags now seem to be getting bigger; of course this may be more a fashion trend than a desire to avoid a 5 pence charge.

81. Other retailers did report that shoppers, when they do purchase a carrier bag, are now asking for the largest possible bag available, in order for them to use this for all of their daily shopping. Others by contrast report that some shoppers are walking out of the store with the items in their hand. During Phase I this was raised by some police officers, who stated whilst being interviewed that the charge may raise problems for enforcement, particularly in relation to shop lifting.

82. A minority of shops stated that they had experienced an increase in the theft of shopping trolleys and shopping baskets. Whilst some shop assistants commented that it was now becoming very political on the till as they had to explain that it was not their shop who had introduced the charge but it was something they were required to do legally. Whilst on-line delivery personnel complained that their deliveries now took substantially longer as people manually carried items from the delivery tray to their kitchen.

5.10 Reduction in Carrier Bags



Graph11: Shops that have seen more customers bring own or reuse a bag

“Used to size bag for product now people asking for bigger bags” Company 1097

“People stop asking for paper bags now straight into own bag” Company 1302

“Increase in people bringing own bags or walking out with clothes in hand” Company 1174

83. The Welsh Government's primary aim for the mandatory charge, which they identified in their June 2010 Consultation paper, is to reduce the consumption of single use carrier bags in Wales (*Welsh Government, 2010*).
84. With an increase of shoppers bringing their own bag, the final question to ask retailers was whether they now distributed fewer carrier bags and where possible if they could quantify this reduction.
85. 66% of companies did report a reduction in carrier bags. The reduction varied from a slight reduction up to approximately 95%. From the recorded quantities, an average reduction of 65% had been achieved. Those reporting a reduction of 80% and above were in the main large national stores. Those recording a reduction between 50 and less than 80% were predominantly charities. Companies reporting a reduction of less than 50% were a mixture of charities and clothes shops. Greengrocers reported only a slight decrease in carrier bags, as did pharmacies and electrical stores. Takeaways, however, did not record any reduction.
86. Linking these findings into the Phase I report, may provide some explanation to these results. In the Phase I report, the public believed that the charge applied to plastic bags (60% of the public respondents) and to mainly large retailers, in particular supermarkets (27% of the public respondents). As such it is likely that they were prepared to take their own bags along to these types of stores. Alternatively, where people may buy last minute goods, for example local grocers, they may not be so prepared and therefore still require a carrier bag.

6. Conclusions

87. In the first month of the mandatory carrier bag charge, there has been a reduction in the number of carrier bags distributed by retailers. However, the level of reduction is not the same across all retailers, with some reporting only a slight reduction. People attitudes to shopping are not identical across all types of shops and there still remain occasions when the public will not always bring their own bag.
88. Complimentary to the decrease in bags, is the increase in sale of bags for life, reported by stores who sell this product (24% of the sample said they sold bags for life). For many this was a 50% increase but for a number of the larger stores it was a 500 to 1200% increase.
89. The above responses were reiterated in the positive response to the charge by the public, which the companies had observed. However, there was still confusion as to why paper bags were included in the charge and consequently some retailers did report that in these instances the public's response was mixed. This does raise the question about how the charge has been communicated. Once the public are aware of the impact as they are with

plastic bags, their acceptance of the charge is high, when they do not, as in the case of paper bags, their acceptance declines. It does seem that more needs to be communicated on the negative impacts of paper bags.

90. The vast majority of retailers were merely charging the minimum 5 pence for a carrier bag although many did state that this charge did not cover their purchase cost and some did believe that they could deduct the cost of the bag from the proceeds before the remainder was sent on to a charity.
91. There was also some confusion amongst some retailers about what was an exempt bag and a number of them were charging for bags that were classified as exempt under the Regulations. For many it was because they did not want to run the risk of prosecution and a fine, so it was better just to charge. Some charity stores were no longer reusing carrier bags as they felt that this provided too much confusion for their older volunteers, while others had informed their volunteers that they would be personally liable for distributing bags without charging.
92. A high percentage of companies were unaware of the VAT implications attached to the bag charge with a few merely operating the charge by asking their shoppers to put the 5 pence into the tin. As they handed the tin with all contents over to a charity, there is a risk that if they are VAT registered they are in breach of their Revenue and Customs obligations. Even although companies with less than 10 employees are now no longer required to keep records under the bag charge regulations, if they are VAT registered they are required to keep records of their sales and purchase tax.
93. With many companies being national companies with a head office based outside of Wales, they were reliant on information coming to them from their head office. Discussions with non-Wales based companies did raise some interesting comments particularly that they were unwilling to change their practices because they only had a very small percentage of their outlets located in Wales. For many their head office would also determine to which charities the proceeds would be sent and consequently, they did not know.
94. Where the proceeds go to was of particular concern for the public in the Phase I report and in this survey a number of the retailers did comment that the public's acceptance was raised when they knew that the funds were going to charity, however they also wanted to know which charity.
95. Only 7% of the companies surveyed sited environmental charities as the beneficiary of the proceeds from the charge.
96. The charge has had some successes, in particular the number of people taking their own bags rather than taking carrier bags from the shops but there is still some confusion amongst many of the shops as to the full extent of the charge and many are charging for

bags that are technically exempt under the Regulations. Part of the reason for this is that the majority of retailers had no official information about the charge and were reliant on the media or other retailers for the information.

ANNEX I: SHOPS REQUIRED TO CHARGE FOR BAGS:

- a) High street stores;
- b) Local shops;
- c) Take-away restaurants;
- d) Other restaurants which sell goods in addition to offering restaurant services (such as those which sell alcohol or food to consume off the premises);
- e) Hotels which sell goods in addition to offering hospitality services (such as where goods are sold in hotel gift shops for example);
- f) Market traders;
- g) Charity shops;
- h) Cinema undertakings which sell goods in addition to showing films;
- i) Cobblers which sell goods in addition to offering shoe repair services (such as those selling shoe polish, security products or gifts);
- j) Hairdressers which sell goods in addition to offering hairdressing services (shampoos and other hairstyling products for example);
- k) Opticians selling glasses and other ocular-related products;
- l) Individuals who sell goods at car boot sales as part of a trade or business (but not individuals who sell their own possessions occasionally);
- m) Direct selling companies and agents;
- n) Dental practices or associates which sell goods in addition to offering dental services (such as those selling dental hygiene products);
- o) Vet practitioners which sell goods in addition to offering veterinary services (such as those selling pet food or home hygiene products for example);
- p) Unincorporated associations of individuals which sell goods as part of a trade or business; such as members' golf clubs which sell goods to non-members;
- q) Wholesalers;
- r) Public authorities or subsidiaries of public authorities which sell goods (such as leisure centres, schools or colleges);
- s) Public bodies or subsidiaries of public bodies (such as Cadw gift shops)
- t) University and student union shops;
- u) Religious shops at or adjoining places of worship (such as Christian book shops on church premises); and
- v) Museum shops.

ANNEX II: EXEMPT BAGS

Bags, which are for:

- a) Food items that are unwrapped – loose fruit and vegetables, bread, pick and mix sweets etc. This includes food items that are partly unwrapped – food placed in a sleeve or other part open wrapper. This includes small bags found on a roll in the fruit and vegetable aisle.
- b) Loose seeds, bulbs, corms or rhizomes – loose grass seed, flower bulbs, seed potatoes etc.
- c) Unpackaged blades - axe, knife blade or razor blade.
- d) Unpackaged plants or flowers that could have been contaminated by soil.
- e) Packaged uncooked:
 - i. fish or fish products – a pouch of raw fish fillets or raw minced fish meat.
 - ii. meat or meat products – pre-packed raw steak or packet of raw beef burgers or sausages etc.
 - iii. poultry or poultry products – a pack of raw chicken fillets or raw turkey mince etc.
- f) Live aquatic creatures in water – fish, coral, crabs etc.
- g) Bags that are sealed before the point of sale – this would be for items placed in bags and sealed before they are offered to the customer. These are not subject to the charge as the customer has no choice but to accept the bag as part of the packaging.
- h) On board ships, trains, aircraft, coaches or buses.
- i) In airports after you pass through security.
- j) Bags used for mail order.
- k) Small flat paper bags that do not have handles and are no more than 175mm (width) x 260mm (height) or about the size of a greetings card.
- l) Very small plastic bags that do not have handles and are no more than 125mm (width) x 125mm (height). These could be used for very small items such as buttons or small screws.
- m) Small three dimensional paper bags that do not have a handle and are no more than 80mm (width) x 50mm (gusset width) x 155mm (height). These are about the size of bottle of cough mixture.
- n) Gusseted box liners – these are sometimes used to line reusable boxes or cover reusable boxes that are used for deliveries.

ANNEX III: COMPANY SURVEY QUESTIONNAIRE

COMPANY QUESTIONNAIRE	
RETAILER CO. NAME	
LOCATION	
NO. OF EMPLOYEES (FTE) AT SITE	
IS COMPANY PART OF A LARGER GROUP?	YES NO IF YES —STATE NAME OF GROUP
TYPES OF GOODS SOLD	
QUESTION	RESPONSE
GENERAL AWARENESS	
1. WHEN DID YOU FIRST LEARN OF THE SINGLE USE CARRIER BAG CHARGE?	
2. HOW DID YOU LEARN ABOUT THE CHARGE?	
CHARGING PRACTICE	
3. BEFORE 1ST OCT DID YOU ALREADY CHARGE FOR CARRIER BAGS?	YES NO go to Q.3F
I F Y E S	
3(A) WHAT TYPES OF BAGS DID YOU CHARGE FOR?	
HOW MUCH?	

QUESTION	RESPONSE
3(B) WHEN DID YOU INTRODUCE THAT CHARGE?	
3 (C) HAVE YOU ALTERED YOUR BAG CHARGE AS A RESULT OF THE NEW LEGISLATION? IF YES—PLEASE STATE HOW	YES NO
3(D) DID YOUR ORIGINAL CHARGE HAVE ANY IMPACT ON THE NUMBER OF CARRIER BAGS YOU DISTRIBUTED?	YES Go to Q. 3(e) NO Go to Q. 3(f)
3(E) IF NUMBER OF CARRIER BAGS REDUCED BY HOW MUCH?	
I F N O	
3(F) HOW HAVE YOU INTRODUCED THIS NEW CHARGE? (E.G.—PROCEDURES INTRODUCED)	
4. HOW MUCH WILL YOU BE CHARGING FOR SINGLE USE CARRIER BAGS?	
TYPES OF BAGS	
5. WHAT KIND OF BAGS ARE YOU CHARGING FOR? (e.g. paper, plastic, size of bag)	
6. DO YOU DISTRIBUTE BAGS THAT ARE CLASSIFIED AS EXEMPT UNDER THE LEGISLATION?	YES Go to Q. 6B NO Go to Q. 7

QUESTION	RESPONSE
6(b) WHAT BAGS HAVE YOU CLASSIFIED AS EXEMPT AND WHY?	
7. HAVE YOU CHANGED THE TYPES OF CARRIER BAGS THAT YOU USE AS A RESULT OF THE CHARGE—OR ARE YOU GOING TO CHANGE?	YES Go to Q.8 NO Go to Q.9
8. IN WHAT WAY HAVE YOU CHANGED THE CARRIER BAGS OR ARE YOU GOING TO CHANGE CARRIER BAGS?	
9. WILL YOU BE SUPPLYING BAGS FOR LIFE?	YES—Go to Q.10 NO—Go to Q.11
10. HOW MUCH WILL YOU CHARGE FOR A BAG FOR LIFE?	
11. HAVE YOU STARTED TO SELL CLOTH, HESSIAN OR OTHER BAGS AS CARRIER BAGS	YES—Go to Q.12 NO—Go to Q.14
12. HAS THERE BEEN AN INCREASE IN THE SALE OF BAGS 4 LIFE OR CLOTH, HESSIAN, ETC BAGS?	YES—Go to Q.13 NO—Go to Q.14
13. WHAT IS INCREASE IN THE QUANTITY OF BAGS SOLD? (ROUGH ESTIMATE)	
ADMINISTERING THE CHARGE	
14. ARE YOU AWARE THAT YOU MAY BE REQUIRED TO KEEP RECORDS OF HOW MUCH YOU HAVE COLLECTED AND HOW IT IS DISTRIBUTED?	YES—Go to Q.14(a) NO Go to Q.14(c)

QUESTION	RESPONSE
ADMINISTERING THE CHARGE	
14 (a) WHY DO YOU BELIEVE THAT YOU ARE REQUIRED TO KEEP THESE RECORDS?	
14(b) WHAT PROCEDURES HAVE YOU INTRODUCED TO RECORD FUNDS GENERATED BY THE CHARGE?	
14 (c) WHY DO YOU THINK THAT YOU DO NOT HAVE TO KEEP RECORDS?	
15. DO YOU KNOW WHAT WILL HAPPEN IF YOU DO NOT CHARGE FOR CARRIER BAGS IF YES-PLEASE STATE WHAT	YES NO
16 DO YOU KNOW WHO WILL ENFORCE THE NEW CHARGE? IF YES - PLEASE STATE WHO?	YES NO
INFORMATION FROM THE WELSH GOVERNMENT	
17. DID YOU RECEIVE AN INFORMATION PACK FROM THE WELSH GOVERNMENT?	YES—Go to Q.18 NO—Go to Q.19
18. PLEASE RATE THE USEFULNESS OF THE INFORMATION PACK	1. Very Useful 2. Useful 3. Not Useful 4. Don't Know
19. DID YOU RECEIVE ANY KIND OF GUIDANCE FROM THE WELSH GOVERNMENT? IF YES -PLEASE STATE WHAT	YES NO

QUESTION	RESPONSE
ADMINISTERING THE CHARGE	
14 (a) WHY DO YOU BELIEVE THAT YOU ARE REQUIRED TO KEEP THESE RECORDS?	
14(b) WHAT PROCEDURES HAVE YOU INTRODUCED TO RECORD FUNDS GENERATED BY THE CHARGE?	
14 (c) WHY DO YOU THINK THAT YOU DO NOT HAVE TO KEEP RECORDS?	
15. DO YOU KNOW WHAT WILL HAPPEN IF YOU DO NOT CHARGE FOR CARREIR BAGS IF YES-PLEASE STATE WHAT	YES NO
16 DO YOU KNOW WHO WILL ENFORCE THE NEW CHARGE? IF YES - PLEASE STATE WHO?	YES NO
INFORMATION FROM THE WELSH GOVERNMENT	
17. DID YOU RECEIVE AN INFORMATION PACK FROM THE WELSH GOVERNMENT?	YES—Go to Q.18 NO—Go to Q.19
18. PLEASE RATE THE USEFULNESS OF THE INFORMATION PACK	1. Very Useful 2. Useful 3. Not Useful 4. Don't Know
19. DID YOU RECEIVE ANY KIND OF GUIDANCE FROM THE WELSH GOVERNMENT? IF YES -PLEASE STATE WHAT	YES NO

QUESTION	RESPONSE
CUSTOMERS	
29. BEFORE THE 1ST OF OCT HOW DID YOU COMMUNICATE THE CHARGE TO YOUR CUSTOMERS? AND NOW?	
30. HOW HAVE YOUR CUSTOMERS RESPONDED TO THE CHARGE?	1. VERY POSITIVELY 2. POSITIVELY 3. NEGATIVELY 4. VERY NEGATIVE 5. NO RESPONSE
31. HAVE YOU NOTICED AN INCREASE IN CUSTOMERS BRINGING THEIR OWN BAGS? IF YES PLEASE EXPLAIN	YES NO
32. HAVE YOU EXPERIENCED ANY CONFUSION OR PROBLEMS OVER EXEMPT BAGS E.G. ITEMS PUT INTO THEM THAT MAKE THEM NO LONGER EXEMPT? IF YES PLEASE EXPLAIN	YES NO
33. DO YOU OFFER ON LINE SALES? IF YES—HOW HAVE YOU INTRODUCED THE CHARGE IN RELATION TO ON LINE SHOPPING (IF CUSTOMERS WANT A BAG—DO YOU ASK HOW MANY?)	YES NO—Go to Q.34
34. DO YOU OFFER SELF SERVICE TILLS IF? IF YES—HOW HAVE YOU INTRODUCED THE CHARGE IN RELATION TO SELF SERVICE CASH DESKS?	YES NO

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