

**REPORT TO THE SOUTH TYNE AND WEAR WASTE MANAGEMENT
PARTNERSHIP JOINT EXECUTIVE COMMITTEE**

11 DECEMBER 2020

REPORT OF: Colin Huntington, Project Director, South Tyne and Wear Waste Management Partnership

SUBJECT: Environment Bill Parliamentary Progress - Update

1. PURPOSE OF REPORT

- 1.1 To provide the Joint Executive Committee with an update on the progress of the Environment Bill through Parliament following the delay caused by the COVID-19 coronavirus pandemic.

2. BACKGROUND

- 2.1 The Environment Bill aims to ensure that England maintains and improves its environmental protections when the UK leaves the EU. It supports the delivery of the government's 25-year Environment Plan through:

- Provisions regarding targets, plans, and policies for improving the natural environment;
- The establishment of the Office for Environmental Protection (OEP);
- Provisions about waste and resource efficiency;
- Provisions concerning air quality;
- Provisions for the recall of products that fail to meet environmental standards;
- Provisions regarding water;
- Provisions concerning nature and biodiversity;
- Provisions for conservation covenants; and
- Provisions about the regulation of chemicals; and for connected purposes.

- 2.2 The Bill was first introduced to Parliament in October 2019 and passed its second reading unopposed by MPs on 28 October. It subsequently progressed to the committee stage for further scrutiny and the next stages of the Parliamentary process for becoming law.

- 2.3 The Environment Bill Committee was due to reconvene to 'scrutinise the bill line by line' and table amendments with the aim of reporting back to Parliament on 1 December, but this process was paused following the dissolution of Parliament on 5 November for the General Election on 12 December 2019.
- 2.4 The Bill was subsequently reintroduced at the end of January 2020 but, once again, its progress was paused on 19 March due to the COVID-19 coronavirus pandemic.
- 2.5 Committee discussions recommenced on 3 November 2020. Following the Bill's completion of Committee Stage, it will be further scrutinised by the whole House of Commons at Report Stage and Third Reading, after which it will then move to the House of Lords for further debate and scrutiny.

3. **ENVIRONMENT BILL: WASTE AND RESOURCE EFFICIENCY**

- 3.1 In terms of the waste and resource efficiency provisions, the Bill provides a legal framework to deliver many of the proposals identified in the national Resources and Waste Strategy (*'Our Waste, Our Resources: A Strategy for England'*), should government choose to do so. The introduction of new powers and amendments to existing legislation will have a number of implications for the resources and waste sector, especially local authority waste services.

Extended Producer Responsibility (EPR)

- 3.2 The Resources and Waste Strategy (RaWS) includes proposals to reform the UK packaging producer responsibility system, which is also known as Extended Producer Responsibility (EPR). This proposal will require packaging producers to pay for the full cost of managing materials at their end-of-life, i.e. the cost of collecting and sorting waste for disposal. The 'full net cost recovery' requirement of the Bill is aimed at incentivising packaging producers to eco-design products with sustainability or recycling in mind.

- 3.3 Under the current system, local authorities mostly meet the cost of the collection and disposal of packaging. However, recycling disposal costs fluctuate as market values fall or when material is not wanted by reprocessors on economic or market grounds. Although the Bill covers a range of topics - including packaging targets and labelling - the key aspects of EPR governance will consider how financial contributions to the system will be redistributed towards collection services, which will likely significantly change the way that local authority waste services are funded.

Collection Consistency

- 3.4 Government consider that consistency in local authority recycling collections is also vital to ensuring that a new EPR system operates effectively and eliminates confusion by making the recycling process easier.
- 3.5 Therefore, the Bill confirms the RaWS proposal that stipulates that a consistent set of recyclable materials will be collected at the kerbside by all local authorities across England - namely glass, metal, plastic, and paper and card. All of these materials are already collected at the kerbside as recycling by the STWWMP partner authorities.

3.6 However, feedback from across the waste sector has expressed some concern that this initial core set of materials could be further extended through the inclusion of additional, problem materials, such as plastic film. Traditionally considered as a difficult-to-recycle material, plastic film is not currently recycled by the STWWMP partner authorities but is expected to be featured in the second round of RaWS consultation exercises in 2021.

3.7 Furthermore, other collection consistency proposals will come at a cost to STWWMP. For example, the proposed mandatory introduction of separate food waste collections will require significant financial investment from the partner authorities and the potential reintroduction of free-of-charge garden waste kerbside collection services will remove a valuable income stream. However, the RaWS states that government will fund the net costs of any new burdens on local authorities resulting from the implementation of its proposals.

Deposit Return Scheme (DRS)

3.8 The Bill also allows for the introduction of a deposit return scheme where consumers will pay an up-front deposit when they purchase a drinks bottle or can, which is then redeemed on return of the used item. Depending on the DRS model selected ('all-in' or 'on-the-go'), whilst this will likely impact on littering, it will also have a significant impact on the recyclable materials currently disposed in most local authority kerbside recycling services.

3.9 In responding to the earlier RaWS consultation exercises, STWWMP highlighted that the UK local authority recycling collection system does well in terms of harvesting plastic bottles at the kerbside and that an 'all-in' model will redirect valuable materials that are already collected by the partner authorities and will impact on our recycling rates. Furthermore, the remaining 'blue bin' materials may be considered as low value recycling that are less attractive to the market, which may impact on future procurement exercises and associated recycling reprocessing gate fees.

3.10 However, the continued media coverage regarding issues such as plastics in the sea or natural environment is likely to result in the implementation of DRS in England, although the unknown financial implications arising from the ongoing coronavirus pandemic may yet impact on the timeline associated with its introduction.

4. **NEXT STEPS**

4.1 The Department for Environment, Food and Rural Affairs (Defra) has already consulted on the three key areas of the RaWS proposals highlighted above and this has informed the publication of the Environment Bill. The pandemic has delayed a second round of RaWS consultations, which are now expected in spring 2021. It is anticipated that this will provide more detail on the specifics of these reforms and what the measures outlined in the Bill could mean for local authorities.

4.2 Therefore, at the current time, a number of key questions regarding the implementation of RaWS proposals still remain unanswered. However, as the consultation programme progresses, STWWMP will continue to work closely with the partner authorities and directly engage with government to ensure that STWWMP is best prepared for the impact of significant legislative and funding changes as recycling services and producer responsibility requirements are overhauled in the years to come.

5. **RECOMMENDATIONS**

5.1 The Joint Executive Committee is requested to:

- (i) Note the contents of this report; and
- (ii) Agree to receive further updates on the progress of the Environment Bill through Parliament, as appropriate.

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