

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

**10 MARCH 2023**

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

**SUBJECT:** Waste Policy Update

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### **1. PURPOSE OF REPORT**

- 1.1. To advise the Joint Executive Committee on the latest Waste Policy developments, since the passing of the new Environment Act 2021 and in particular following the publication of the Extended Producer Responsibility (EPR) and Deposit Return Scheme (DRS) consultation findings and the publication of the Environmental Improvement Plan 2023.

### **2. BACKGROUND**

- 2.1. In January 2018, Government published its 25 Year Environment Plan (25YEP) 'A Green Future: Our 25 Year Plan to Improve the Environment' setting out a number of goals for improving the environment; one of these being 'Minimising waste'. The overarching aim however was to 'leave the environment in a better state than we found it.' Initiatives as a result of this plan include the banning of plastic straws, stirrers and cotton buds and the plastic carrier bag charges.
- 2.2. Later that year, December 2018, Government published the Resource and Waste Strategy (RaWS) outlining in more detail their plans to help achieve the goal of waste minimisation, increase levels of recycling across England and prevent waste from being disposed of by landfill. Specifically, within this strategy were three key legislative changes which Government sought views on through two rounds of consultations (in 2019 and 2021). These being:
  - Extended Producer Responsibility for Packaging (pEPR)
  - A Deposit Return Scheme (DRS) on single use drinks containers and
  - Consistency in household and business collections
- 2.3. The above are now often referred to as the Collection and Packaging Reforms (CPR). The South Tyne and Wear Waste Management Partnership (STWWMP) submitted a joint response to each of the consultation exercises.
- 2.4. In 2019, the Government set out a new Environmental Bill. The Bill would provide the legislative framework needed to deliver on many of the commitments in the

RaWS, by introducing new powers and amending existing legislation such as the Environment Act 1995 and Environmental Protection Act 1990.

- 2.5. The bill was passed in Parliament in November 2021, creating the Environment Act 2021 giving the Secretary of State the powers to enable these legislative changes set out in the 25YEP and the subsequent RaWS.
- 2.6. A new Office for Environmental Protection (OEP) has been set up which will hold government and public bodies to account on their environmental obligations. This is an independent body, operating since November 2021 and replaces the European Commission and the Court of Justice of the European Union following the UK's exit from the European Union.
- 2.7. One aspect of the Environment Act 2021 is the power to set long-term, legally-binding environmental targets. In this regard, Government published in January 2023, the Environmental Improvement Plan (EIP). The plan represents the first review of the 25YEP. It reinforces the intent of the 25YEP: where the 25YEP set out the framework and vision, the EIP sets out the plan to deliver and in particular details interim targets for 2028, as well as more long-term targets over the next 25 years. Further details on this can be found in Section 6 of this report.
- 2.8. This report sets out in more detail progress on the above.

### **3. PROGRESS ON pEPR**

- 3.1. The Department for Environment, Food & Rural Affairs (Defra) consider pEPR to be a crucial tool in moving waste up the hierarchy by incentivising producers to reduce their packaging overall and to design products that are easier to recycle. Currently, local authorities pick up the cost of managing and disposing of this material so by applying the 'Producer pays Principle' the costs are shifted from taxpayers to the packaging producers.
- 3.2. Having carried out two rounds of consultation on their plans for pEPR, Defra published the findings from the second consultation in March 2022. These confirmed that local authorities would start receiving payments for managing the costs of household packaging waste and packaging in street bins from April 2024. Payments will be made quarterly in arrears, based on data for the same quarter from the previous year. Producers will therefore be required to start reporting their packaging data from 1 April 2023.
- 3.3. Local authorities will however be judged on delivering an efficient and effective service with deductions made to these payments where deemed appropriate. A Scheme Administrator will be appointed to govern this process; no deductions will be made to payments in the first year of pEPR. Income received will also be net of any income received through the sale of material.
- 3.4. Defra are currently working on a model by which local authorities will be measured against in terms of delivering an efficient and effective service and have suggested a draft model will be available to local authorities in the Spring/Summer of 2023. There is also work currently taking place to amend the MRF regulations in terms of sampling of material. This will be a key part of the process in order to determine how much packaging material each local authority is handling.

### 3.5. Other aspects to pEPR include:

- Funding to local authorities will also include costs to cover communications on littering of packaging material;
- payments to cover commercially collected packaging waste will not be included initially. A cross-sector task force will be established to develop evidence, undertake analysis, and identify options.
- Fibre-based composite cups (disposable coffee cups) – a mandatory takeback scheme will be introduced by 2024 for larger businesses (those who employ 10 or more FTEs) and 2026 for smaller businesses for the collection and recycling of these items.
- Labelling – there will be mandatory labelling of packaging for recyclability, with a single labelling format. All packaging types (except for plastic films and flexibles) will be required to be labelled as ‘recycle’ or ‘do not recycle’ by 31 March 2026. Plastic films and flexibles will need to be labelled as ‘recycle’ or ‘do not recycle’ by 31 March 2027.
- Compostable and biodegradable packaging will be required to have a ‘do not recycle’ label allowing time to build the evidence that it can be safely collected and composted separately.
- Annual targets for recovering packaging waste and sending for recycling will be set to 2030.

## 4. PROGRESS ON DRS

- 4.1. A DRS is a system where consumers are charged a deposit up-front when they buy a drink in a container that is “in scope” of the scheme. The deposit can be redeemed when the empty container is returned to a designated return point.
- 4.2. Government expects by introducing a DRS for single use drinks containers littering of in-scope containers will substantially decrease which will in turn boost recycling levels, with increased quality of recycling and promote a circular economy.
- 4.3. Within the 25YEP, Defra committed to develop and consult on a DRS for drinks containers. Two consultations were carried out on DRS; in 2019 and 2021; the latter closing on 4 June 2021, receiving 2,590 responses from a broad range of stakeholders. Defra published the findings from the latest consultation exercise in January 2023.
- 4.4. The overall findings were in support of an ‘all-in’ DRS and therefore Defra have now committed to work with industry, Welsh Government, and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland, to now set up the scheme.
- 4.5. The main findings are as follows:
  - DRS in England, Wales and Northern Ireland will be rolled out by 1 October 2025 (at the earliest). Plans to roll out at DRS in Scotland in August 2023 are already underway.
  - Materials in-scope will be:
    - Single-use drinks containers from 50ml to 3 litre containers
    - Plastic (PET) bottles, steel cans and aluminium cans in England and NI

- Glass bottles will be included in addition to the above for Wales (as in Scotland)
- 4.6. Retailers selling in scope containers will be obligated to host a return point for consumers to take their drinks containers back to and redeem their deposit. This could be through a reverse vending machine or through a manual takeback service.
- 4.7. A Deposit Management Organisation (DMO) will be appointed to run the DRS. This will be the central body of the scheme whose role is to administer the operation of the DRS. It will be an independent, not for profit, private organisation made up of membership of individual companies or trade associations which represents producers and retailers.
- 4.8. Defra recognise that labelling of the drinks container is important to ensure the DRS operates effectively and improve consumer engagement. Consumers need to know if a drinks container has been subject to a deposit or not and an identification marker such as a barcode on containers would be necessary for return points to read in order to return a deposit to the consumer. The specific details and design of these markings will be for the DMO(s) to decide.
- 4.9. Defra plans to set a collection target of 90% of all in-scope materials sold. This will be phased in over a three-year period; 70% in year one, 80% in year two and 90% in year three and thereafter.
- 4.10. As previously mentioned, STWWMP submitted a joint response to the consultations, including those on DRS. As all three partner authorities offer the facility for residents to recycle all of the in-scope single use drinks containers through their kerbside recycling scheme, we felt an on-the-go DRS model would be preferable. Removing high value materials from the recycling waste stream would reduce the overall basket value of the recycled materials collected from the kerbside. This could in turn impact on current and future contract arrangements the partner authorities may engage into with Material Recovery Facility (MRF) operators.
- 4.11. Government acknowledged in the consultation response a digital DRS could enable the use of existing kerbside recycling schemes through the use of smartphone technology. The carbon saving benefits of this were also recognised compared to solely relying on consumers returning their products directly to the retailer.
- 4.12. However, at this current time, Defra have concerns on how a digital scheme could be introduced and run cost effectively. Namely these were in relation to the increased risk of fraud and the changes which would be required to the labelling of containers to facilitate the implementation of a digital DRS. The Welsh Government is currently funding further research on, and evaluation of, this topic including a town scale pilot in Welshpool this Spring.
- 4.13. The STWWMP looks forward to further updates on this and will be monitoring progress on the Scottish DRS which is planned to go live in August this year.

## **5. PROGRESS ON CONSISTENT COLLECTIONS**

- 5.1. The third and final legislative change Government consulted on in 2019 and 2021 as outlined in the Background of this report was in relation to consistency in household and business collections. Government acknowledge local authorities currently collect different materials for recycling, which leads to incorrect messaging about what can or cannot be recycled.
- 5.2. Included in the consultations were proposals to include a core set of recyclable waste streams to households and businesses, these being;
  - a) Glass
  - b) Metal
  - c) Plastic
  - d) Paper and card
  - e) Food waste and
  - f) Garden waste (households only)
- 5.3. Recyclable household waste within streams (a) to (d) may not be collected together with streams (e) or (f). Indeed, collecting materials (a) to (d) together would be subject to completing a TEEP assessment to determine if it is deemed Technically, Environmentally and Economically practicable to do so. Food Waste collections will be required to be offered on a weekly basis. Recyclable plastic film and flexible packaging will be added to the above list after two years.
- 5.4. None of the partner authorities currently offer a weekly, separate food waste collection service. The introduction of such a service could impact on the current Residual Waste Treatment Contract (where food waste is currently captured) and would also require significant capital outlay and revenue expenditure to deliver. For instance, internal food waste caddies and external food waste bins, specialist collection vehicles, additional staff to crew the service, and the procurement of a new food waste treatment contract with associated gate fees.
- 5.5. Government announced in October 2021, £295 million of capital funding would be made available to local authorities to cover any new net burdens arising from implementing this new service. However, Government haven't yet provided any further detail on how this funding will be allocated, nor have they published their findings from the latest consistency in collections consultation exercise. Therefore, the STWWMP is awaiting further detail from Defra in relation to both of these before being able to make informed decisions on how to best proceed in this area.

## 6. ENVIRONMENTAL IMPROVEMENT PLAN 2023

- 6.1. Defra proposed within the 25YEP to update it every five years. As previously reported, the EIP, published in January 2023 is the first review of the 25YEP and sets out how the government will continue to improve our environment here in the UK and around the world. It provides a summary of some of the key policies implemented by Government since the 25YEP was introduced in 2018, including the RaWS, Net Zero Strategy, introduction of the Plastic Packaging Tax, and restricting the use of some single use plastics (SUPs).
- 6.2. The specific targets relating to waste and resources within the EIP are summarised as follows:
  - **Long term target:** By 31 December 2042, the total mass of residual waste excluding major mineral wastes in a calendar year does not exceed 287kg

per capita (this is a legally binding target on the government as set out in the Environment Act 2021).

- **Interim target 1:** By 31 January 2028, the total mass of residual waste excluding major mineral wastes in the most recent full calendar year does not exceed 437kg per capita.
- **Interim target 2:** By 31 January 2028, the total mass of residual waste excluding major mineral waste in the most recent full calendar year does not exceed 25.5 million tonnes.
- **Interim target 3:** By 31 January 2028, the total mass of municipal residual waste in a year does not exceed 333kg per capita.
- **Interim targets 4-8:** By 31 January 2028, the total mass of:
  - Residual municipal food waste in the most recent full calendar year does not exceed 64kg per capita. This is equivalent to a 50% reduction from 2019 levels.
  - Residual municipal plastic waste in the most recent full calendar year does not exceed 42kg per capita. This is equivalent to a 45% reduction from 2019 levels.
  - Residual municipal paper and card waste in the most recent full calendar year does not exceed 74kg per capita. This is equivalent to a 26% reduction from 2019 levels.
  - Residual municipal metal waste in the most recent full calendar year does not exceed 10kg per capita. This is equivalent to a 42% reduction from 2019 levels.
  - Residual municipal glass waste in the most recent full calendar year does not exceed 7kg per capita. This is equivalent to a 48% reduction from 2019 levels.

6.3. The EIP also contains a number of other targets and commitments that stem from the ambitions in the government's RaWS and Net Zero Strategy, including:

- to reduce food waste, including achieving the UN Sustainable Development Goal (SDG)12.3 to halve per capita global food waste at the retail and consumer levels by 2030.
- to achieve a municipal recycling rate of at least 65% by 2035.
- to eliminate waste crime and illegal waste sites by 2042, prioritising those of highest risk.
- to deliver a substantial reduction in litter and littering behaviour.

6.4. While these are challenging targets it is worth noting these are national targets for the purpose of measuring the government's progress against its ambitions within the Environment Act 2021 to which the Office for Environmental Protection, as previously mentioned, is responsible for holding it to account.

6.5. In summary, the STWWMP eagerly awaits more detailed information, including that of funding, from Government on the developments of pEPR and DRS and the publication of the consistency in collections consultation response. Following this, the partner authorities can then give full consideration to any potential service changes and work towards helping to achieve the above targets.

## **7. RECOMMENDATION**

7.1. The Joint Executive Committee is requested to note the contents of this report.

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