

FAREHAM

BOROUGH COUNCIL

Report to Streetscene Scrutiny Panel

Date 15 July 2021

Report of: Head of Streetscene

Subject: **RESOURCES AND WASTE STRATEGY – DEPOSIT RETURN SCHEME, EXTENDED PRODUCER RESPONSIBILITIES & CONSISTENCY OF COLLECTIONS PHASE 2 CONSULTATIONS**

SUMMARY

The report provides a summary of the phase two DEFRA consultations for the Deposit Return Scheme, Extended Producer Responsibilities, and Consistency of Collections consultations, including an overview of the Fareham Borough Council perspective.

RECOMMENDATION

It is recommended that the Streetscene Scrutiny Panel scrutinise the contents of the report and consider the implications for the refuse and recycling collection service in Fareham as a result of the changes proposed in the three consultations.

INTRODUCTION

1. The Government published its Resources and Waste Strategy for England on 18 December 2018. The Strategy sets out how the country will preserve material resources by minimising waste and promoting resource efficiency. A key strategic aim is the government's commitment to the EU Circular Economy package, which it signed up to in March 2018. This includes targets for recycling 65% of municipal waste by 2035.
2. Four consultations relating to the strategy were released by DEFRA on 18 February 2019 with a 12-week consultation period. They covered the Deposit Return Scheme (DRS); Extended Producer Responsibility (EPR); Consistency in Collections; and the proposed tax on plastic packaging.
3. The responses to the consultations were debated by the Streetscene Scrutiny Panel at the meeting on 14 March 2019. The final responses for all four consultations were then approved by the Executive at the meeting on 1 April 2019, before being submitted to DEFRA.
4. The long awaited and much anticipated phase two consultations for the Deposit Return Scheme (DRS) and Extended Producer Responsibilities (EPR) were published on Wednesday 24 March 2021. However, the 'Consistency of Collections' consultation was deferred until after the local elections and was eventually published on 7 May.
5. The consultation period for EPR and DRS was shortened to just over 10 weeks, with the deadline for submissions on 4 June 2021. The Consistency of Collections consultation was shortened to 8 weeks with a deadline for submission on Sunday 4 July 2021.
6. These deadlines provided a really challenging timescale to prepare responses and then report to Streetscene Panel and onto Executive, particularly as it coincided with the local elections. Therefore, the decision was taken for officers to prepare and submit responses in consultation with the Executive Member for Streetscene and Chairman of the Streetscene Panel.
7. Officers worked with colleagues in the Project Integra (PI) partnership and attended webinars on the different consultations presented by the Local Authority Recycling Advisory Committee (LARAC) to assist in preparing responses to the consultations.
8. This report provides a summary of the DRS, EPR and Consistency of Collections consultations, with a focus on the elements that are relevant to local authorities.

DEPOSIT RETURN SCHEME CONSULTATION

9. Following the first consultation in 2019, the Government indicated they intended to introduce a DRS for drinks containers in England, Wales, and Northern Ireland from 2023. This would be subject to receiving additional evidence and carrying out further analysis on the costs and benefits of such a scheme.
10. The Government says it remains committed to delivering on its commitments to introduce a DRS, but it also recognises that the Covid-19 pandemic has disrupted the economy and society in unimaginable ways. On this basis, the second consultation builds on the first consultation, offering a chance to explore further what the continued appetite is for a DRS in a 'post-Covid' context. They now anticipate that the

introduction of a DRS in England, Wales and Northern Ireland would be in late 2024 at the earliest.

11. The consultation contained 78 questions and had 98 pages. There was also an impact assessment document to support the consultation.
12. The following provides a summary of the chapters in the consultation that are most relevant to local authority waste management activities.

Scope

13. The scheme participants who will take on obligations under the DRS include producers, retailers, and the Scheme Administrator (Deposit Management Organisation or DMO). These obligations include requiring producers to sign up to the DMO and carry out reporting obligations, paying a producer registration fee to the DMO to fund the DRS, and placing a redeemable deposit on in-scope drinks containers they place on the market.
14. Retailers will be required to accept all DRS containers returned to their store and ensure the deposit price is added to the purchase price of an in-scope drink at the point of purchase.
15. The DRS will be based on materials and not the type of product and it is proposed that the scheme will include:
 - polyethylene terephthalate (PET) bottles,
 - glass bottles and steel
 - aluminium cans.
16. These will either be drinks containers up to 3 litres for the “all in” scheme or drinks containers under 750ml for the “on the go” scheme. Four options are proposed:
 - Do Nothing
 - All in (drinks containers up to 3 litres)
 - On the go (drinks containers under 750ml)
 - All in without glass
17. The Welsh Government have stated a preference for an “all in” system and England and Northern Ireland Governments remain neutral on which system they prefer. Cartons and pouches are not proposed for inclusion.

Targets

18. The new legislation will set out targets for a proportion of drinks containers placed on the market to be collected for recycling. It is proposed that there should be an obligation placed on the DMO to achieve a 90% collection rate after three years from introduction.

19. To ensure that all material collected through a DRS will be recycled, the government propose that there should be a legal obligation on the DMO to ensure that the material that is collected via a DRS is passed on to a reprocessor and evidence is provided of this.

Scheme Governance

20. The role of the DMO is to manage the operation of the DRS. The DMO will own the material returned by the consumers and be responsible for meeting the high collection targets set out in legislation and will be appointed via a competitive tender process. The DMO will have to ensure that financial provisions are made available to make payments to local authorities and/or the Extended Producer Responsibility scheme administrator to fund the collection of DRS containers that are collected through local authority waste streams.

Financial Flows

21. There are proposals for the DMO to be funded via three revenue streams:

- material revenue
- producer registration fees
- and unredeemed deposits

22. The approach to setting the deposit level (i.e., a maximum and minimum deposit level is set in secondary legislation. The DMO having flexibility to set the level within this threshold and may lead to variable deposit levels depending on the product), proposing that a fixed deposit level is not set in legislation but rather set out a minimum, and possibly maximum, deposit within the secondary legislation. This in theory will allow the DMO flexibility to set or change the deposit level in a way that influences behaviour change and increased recycling by consumers.

Return Points

23. The retailer options in the DRS, proposes that all retailers who sell in-scope drinks containers will be obligated to accept returns of in-scope material by hosting a return point. This will likely be via reverse vending machine (RVM) or manual return points, but the regulations will be broad in nature to ensure alternative methods of return are not ruled out. Requiring online retailers to be included in the scheme is discussed.

24. The potential for innovation in technology to be deployed in a DRS system is discussed and provides further detail on how this might support the return points provisions using smart phone applications allowing the electronic redemption of a deposit. This could mean that residents could continue to use their kerbside collection systems and reclaim their deposit and so cut out the need to take containers back to the shops with them. Trials on this technology are being undertaken in Wales and Northern Ireland now. They are obviously of great interest to local authorities.

Labelling

25. This proposes there is mandatory labelling be legislated for as part of a DRS.

Local Authorities and Local Councils

26. This chapter explored the impact a DRS will have on local authorities and the way in which containers in scope of the scheme will be treated when these containers still end up in local authority waste streams. It seeks views on three options for financially reimbursing local authorities for any DRS items they must deal with, in recycling, residual or litter. The consultation proposes three options:

- I. a 'do nothing' approach and allowing local authorities to redeem the deposits of DRS containers collected in their waste streams.
- II. allow the DMO to make payments to local authorities for these materials via the EPR Scheme Administrator. The funding formula developed for these payments under EPR would include the costs of deposit return scheme containers.
- III. a hybrid option, whereby the DMO pays a deposit value on containers that are returned and any additional scheme material in local authority waste streams is covered by a funding formula in Option 2.

27. In the consultation, the governments state a preference for Option 2 being taken forwards for the final scheme design. An initial view would suggest this is the most practical for local authorities, although this does rely on local authorities being able to separate out the DRS material and for it to be of sufficient quality to be returned to the DMO.

Compliance, Monitoring and Enforcement

28. This provides an overview of how the deposit return scheme will be monitored and enforced. Whilst some functions will fall to the environmental regulators in England, Wales and Northern Ireland, the government consider there is a role for local authorities/Trading Standards to regulate the consumer-facing obligations that are placed on retailers. This is likened to functions undertaken in relation to the carrier bag tax.

Implementation timetable

29. The government currently anticipate that a DRS could launch in late 2024, subject to the outcome of this consultation and parliamentary passage of the Environment Bill.

FBC Perspective

30. In the Council's response to the first DRS consultation in 2019, we suggested that DRS is put on hold until after the effects of both the EPR and plastic tax have come into play and then it can be considered whether a DRS is still needed. Now considering the implications of the Covid-19 pandemic, this view has strengthened.

31. Covid-19 has changed people's habits substantially with the increase of online delivery and home grocery deliveries. It is unclear at this time how behaviours will change post pandemic. Should habits have changed for the long-term, the use of a Reverse Vending Machines (RVM) whilst out shopping, or commuting is less applicable and more inconvenient. This also calls into question the modelling contained in the impact assessment as it is based on pre-pandemic data. This puts doubt over the need for a DRS system, or at least introducing one in the proposed timescales.

32. The consultation mentions the introduction of a digital solution for DRS, which would involve residents still using their kerbside collections to dispose of in-scope containers whilst redeeming their deposit through an app. This point negates the DRS scheme, if residents can use their kerbside recycling to dispose of the items, then is a DRS necessary? Residents being incentivised with a 20p deposit to recycle in-scope DRS containers will start to question why they aren't being incentivised to recycle other items in the kerbside too.
33. The money it would take to implement a DRS scheme could be better spent expanding the EPR scheme and helping Local Authorities provide a good service to residents, with the money and resources to provide the engagement and communications necessary to promote resident behaviour change.
34. Throughout the Covid-19 pandemic, local authorities were able to operate their dry recycling services with minimal disruption. A DRS based on RVMs would have not been able to continue to operate meaning either residents would have had to forego their deposit or there would have been pressure to withdraw the deposit from containers during that time. It would have also led to DRS containers being placed back in a kerbside system that would no longer have been optimised to take them, leading to greater pressure being placed on the kerbside system and the likelihood of much greater service withdrawals than there were.
35. Therefore, a DRS based on kerbside collection has proven to be the most resilient form of collection and the one best placed for any future scenarios like the one we have witnessed in the past 18 months.
36. The increased tonnages of recycling seen throughout the Covid-19 pandemic as a result of people working from home is likely to continue on a permanent basis as working patterns change and home working, even if part time, becomes the new normal. This then fundamentally alters the assumptions and models that DRS in the UK up to this point have been based on. It is therefore appropriate to revisit these models and expected performance considering the way the world now operates.

EXTENDED PRODUCER RESPONSIBILITY FOR PACKAGING CONSULTATION

37. The proposals covered in this consultation are concerned with reforms to the packaging waste regulations. The current system of producer responsibility for packaging has been in place since 1997 but needs reform. Initial reforms were outlined in the first consultation, where governments signalled their intent to introduce Extended Producer Responsibility (EPR) for packaging so that producers pay the full costs of dealing with the waste they produce.
38. The government estimate that producers' costs will be in the region of £2.7bn in the first full year of implementation. £1bn of this related to packaging waste collected from households, £1.5bn for packaging waste collected from businesses, and £200m for the management of bin and ground packaging litter.
39. One of the key governing principles for packaging EPR is for payments to local authorities to be fair and transparent and should include the cost of collecting packaging waste in the residual waste stream.
40. There were 104 questions in this consultation, and it had 213 pages, including several annexes.

41. There is also a seven page “Extended Producer Responsibility (EPR) Modulated Fees Research & Development Project” document that accompanied the consultation. This relates to how much producers pay into the EPR system based on their products, how recyclable they are etc.

42. The following provides a summary of the chapters in the consultation that are most relevant to local authority waste management activities.

Targets

43. Under the Packaging Waste Regulations 2007, obligated producers are required to meet annual recycling targets, with UK packaging waste recycling rates reported annually by Defra. Government will separately report overall packaging waste recycling rates for England, Northern Ireland, Scotland, and Wales.

44. The consultation proposes minimum recycling targets for six packaging materials. These equate to an overall recycling rate for EPR packaging of 73% by 2030. It also proposes the introduction of a recycling target for fibre-based composite packaging such as food and drink cartons and single use paper cups.

Full Net Costs

45. Following strong support in the 2019 consultation, subsequent evidence development and stakeholder engagement, Government intends to progress with the broad scope of full net costs of managing packaging waste as set out in the response to the first consultation. This includes:

- The collecting, sorting, and recycling of packaging waste from households and businesses
- The collecting and disposing of packaging in the residual waste stream from households only
- Litter and refuse management costs, including bin and ground litter

Obligated Producers

46. Government proposes the introduction of a single point of obligation (i.e., a single producer is responsible for the cost of managing a piece of packaging). This will focus the obligations onto those who are best placed to reduce and/or increase the recyclability of the packaging they use. The consultation details the proposed obligations for reporting and payment of costs for the different types of obligated producer. In the current system, the obligation for a single item of packaging is shared across multiple businesses.

47. The consultation proposes lowering current “de-minimis” levels so that more producers are obligated and also obligating online retailers for any imported packaging.

Disposable Cups

48. The consultation sought views on whether a mandatory cup takeback and recycling requirement should be placed on businesses selling filled disposable paper cups to provide for the separate collection of used cups (either generated in-store or

consumed 'on-the-go'). Currently there are some voluntary schemes being operated by retailers in relation to disposable cups.

Modulated Fees

49. The consultation proposed that the fees producers will pay to cover the disposal costs of their packaging should be varied to reflect criteria such as recyclability. For instance, producers whose packaging contributes positively to scheme outcomes (e.g., easily recyclable) will pay lower fee rates, while fee rates for packaging which does not contribute positively to scheme outcomes will be increased (e.g., unrecyclable).

Labelling

50. The consultation proposes that mandatory recyclability labelling should be introduced on packaging as soon as is feasible and by end of 2026/27 at the latest. The expectation is that labelling is introduced on different packaging types in line with requirements for their separate collection by local authorities (so along the lines that the On-Pack Recycling Label (OPRL) is designed). It is proposed that the broad requirements for labelling are set out in legislation, including a requirement to use a label approved by Government (or the Regulator).

Plastic Film and Flexible Packaging

51. It is proposed that plastic films and flexibles should be required to be collected for recycling as soon as is practical, and the costs of achieving this are paid by producers. It is assumed this will be possible by end of financial year 2026/27.

52. The consistency consultation asks for views on when film and flexibles should form part of the core set of materials collected by local authorities in England.

Bio-degradable Packaging

53. This type of packaging will fall under EPR proposals. The consultation suggests that until such time as the state of evidence, collections and infrastructure for this packaging can be improved on this type of packaging, it is unlikely to be considered recyclable under packaging EPR and will therefore attract higher fee rates than packaging that contributes positively to scheme outcomes.

Payments to for Household Waste to Local Authorities

54. The consultation set broad principles underpinning the implementation of payment mechanisms. These include the scope of "necessary costs" and that costs paid by producers should be for the delivery of 'efficient and effective' services.

55. It proposes that payments should be based on both the tonnages and quality of packaging waste collected and recycled, with these requirements being phased in and a Scheme Administrator encouraged to support local authorities to improve and meet performance benchmarks, to obtain their full payments.

56. Only local authorities which operate efficient and effective systems will have their full net costs recovered via a modelled approach based on the tonnage collected.

Payments for Business Waste

57. The consultation seeks views on three different approaches to facilitate payments from packaging producers to businesses generating packaging wastes. Two of these approaches foresee a clear role for compliance schemes, whilst one foresees full responsibility for payment, and therefore achievement of targets, placed on a Scheme Administrator.

Data and reporting required

58. To support the payment mechanisms proposed, local authorities will need to report data to the Scheme Administrator. This will include data on their collection and disposal services and facilities, the types of households and businesses they service, the tonnages collected through their systems and local communications activities.

59. It is proposed that producers pay according to the tonnage of packaging they place on the market in the previous calendar year as they currently do, and that local authorities are paid on a financial year basis, based on previous years tonnage data, quarterly in arrears. In effect this means that local authorities will receive payments a year in arrears.

Payments for Littered Waste

60. The consultation proposes that producers of commonly littered packaging items be made responsible for the costs that are directly attributable to their management, both as bin and ground litter. This includes costs incurred by local authorities, other duty bodies, litter authorities and statutory undertakers.

61. It is also proposed that this extends costs incurred by charities, not-for-profit organisations and representative bodies for prevention and educational activities, litter picks, and provision of bins on land that is accessible to the public free of charge.

Scheme Administrator and Governance

62. The first consultation contains four different options for how EPR would be administered and governed. This consultation seeks views on two broad approaches:

- A single administrator / management organisation: responsible for administering and managing delivery of the packaging waste management cost requirements and producer compliance with packaging waste recycling targets.
- Multiple compliance schemes with certain functions undertaken by a Scheme Administrator: A Scheme Administrator would take on functions that are better delivered UK-wide such as developing the approach to determining packaging waste management costs for household waste, setting the fee modulation mechanism, and administering payments to local authorities; with compliance schemes primarily responsible for managing compliance with obligations in respect of non-household packaging waste.

63. Government is of the view that those aspects of the scheme that interface with local authorities are best managed by a single organisation or Scheme Administrator and both the above options allow for this.

Monitoring and Enforcement

64. It proposes that the environmental regulators in England, Northern Ireland, Scotland, and Wales will be the primary regulators and have the powers to monitor, audit, and use civil and criminal penalties to drive compliance and address non-compliance. There are no proposals for local authority involvement in aspects of regulation relating to the EPR system.

Implementation Timetable

65. The governments intend to have the first phase of EPR established in 2023 which would enable payments to local authorities to be made from October 2023. This is dependent on several factors. It is not proposed that the full costs of managing household packaging waste would be recovered from producers in 2023 and hence local authorities would not receive full cost payments. It is proposed payments in 2023 should support those local authorities who do not collect the core set of packaging materials to start collecting additional materials separately for recycling (such as plastic film). Full cost recovery is anticipated to be achievable in Phase 2 from April 2024.

FBC Perspective

66. There is support for most of the proposed framework for setting packaging targets and concept of closed loop recycling for which there are benefits to materials being recycled in this manner. However, in the past the costs of collecting material for closed loop recycling has often outweighed any additional income that closed loop recycling might attract. If material is to be diverted to closed loop recycling end markets, the costs of collection to enable this will need to be paid to local authorities and be part of an effective system.

67. Including packaging waste produced by businesses is appropriate under EPR and the concept of the polluter pays principle. It would also help to achieve national recycling targets as well as delivering wider environmental and carbon benefits.

68. Increased home working because of the Covid pandemic has diverted some waste packaging from businesses to domestic disposal systems. Including packaging waste produced by businesses would allow local authorities to provide efficient and effective collections to businesses utilising the infrastructure provided for household packaging waste management helping to reduce the collection cost for producers, the associated carbon impacts and helping drive the change to packaging that is easily recycled.

CONSISTENT COLLECTIONS CONSULTATION

69. This consultation is concerned with having consistent recycling collections to improve the quantity and quality of municipal waste recycled in England and achieve a national recycling rate of 65% by 2035.

70. The consultation is split into two parts. The first part covers measures to improve the quality and quantity of household recycling. The second part covers measures to improve the recycling of non-household municipal waste from businesses and non-domestic premises.

71. The consultation ran for eight weeks with a closing date of Sunday 4 July. There are

79 questions in this consultation, and it has 108 pages.

72. It directly impacts on local authority waste services and is looking at proposals for all waste collection authorities to:

- a) collect the same core set of dry recyclable materials from households.
- b) have separate weekly food waste collections from households.
- c) have separate minimum fortnightly collection of green waste (possible free).

Collection of dry recyclable materials from households

73. This section seeks views on the materials to be included in each of the dry recyclable waste streams; timelines for when the requirements must be implemented by and possible exemptions to collect a particular recyclable waste stream separately from other recyclable waste streams. This section also discusses the interaction of recycling consistency reforms with recently launched consultations on Extended Producer Responsibility (EPR) for packaging and the introduction of a Deposit Return Scheme (DRS) for drinks containers.

The proposed core set of materials required to be collected for recycling are:

- glass bottles and containers – including drinks bottles, condiment bottles, jars.
- paper and card – including newspaper, cardboard packaging, writing paper.
- plastic bottles – including clear drinks containers, HDPE milk containers, detergent, shampoo and cleaning product containers.
- plastic pots, tubs and trays.
- steel and aluminium tins and cans.

In addition to the above items, Defra propose that the recyclable waste streams will also include the following items:

- Aluminium foil.
- Aluminium food trays.
- Steel and aluminium aerosols.
- Aluminium tubes, e.g. tomato puree tubes.
- Metal jar/bottle lids.
- Food and drink cartons, e.g. TetraPak.
- Plastic films, e.g. bread bags, carrier bags.

Defra expect all local authorities to be able to collect the core materials from October 2023 to align with the date that they anticipate EPR for packaging will commence. The exception is for plastic films, where they have proposed this should be phased in with a defined 'end date' of the financial year 2026/27.

Collection of food waste from households

74. Defra intend to take powers in the Environment Bill to require all Waste Collection Authorities (WCAs) in England to arrange for the collection of food waste, separately and at least once a week for recycling or composting. This section seeks views on the

timelines for the requirements to be implemented, considerations regarding collection with garden waste, provision of caddy liners and collection of biodegradable and compostable packaging materials.

75. Defra intend to introduce the requirement for separate food collections in 2023/24 and want all local authorities to have collections in place by 2024/25 at the latest.

Collection of garden waste from households

76. The Environment Bill requires all Waste Collection Authorities in England to arrange for the separate collection of garden waste for recycling or composting. However, there was mixed support in response to the first consultation in relation to introducing a free, minimum collection service for householders producing garden waste. Support was lowest amongst local authority respondents.

77. This section seeks views on the costs and benefits of updated proposal on garden waste collections. The proposal is for a limited free collection service, with local authorities retaining the provision to charge beyond this (e.g. increased collection frequency or increased capacity).

78. Defra are also seeking views on alternatives to a having to provide a free minimum collection service. These are:

- Produce updated guidance on reasonable charges.
- Clear communications to non-participating households.
- Increasing home composting.

Statutory and non-statutory guidance

79. Defra plan to publish statutory guidance alongside the publishing of the secondary legislation that will enact consistent collections. This section seeks views on the areas that could be included in statutory guidance and also details the intention to publish non-statutory guidance.

Defra intend to consider the following areas in statutory guidance:

- Conditions where an exception to the condition that recyclable waste in each recyclable waste stream must be collected separately may apply and where, as a consequence, two or more recyclable waste streams may be collected together.
- Compliance and enforcement.
- Minimum service standards for the separate collection of dry recyclable materials from households and non-domestic premises and premises producing commercial or industrial waste.
- Minimum service standards for the collection of residual waste from households.
- Minimum service standards for the separate collection of food and garden

waste from households.

The above could include the following details:

- Collecting paper/fibres separate from all other materials.
- Food and drinks cartons required to be collected with other containers.
- Collection of plastic film.
- At least a fortnightly collection of residual waste.

Collection of non-household municipal waste

80. Following support in response to the first consultation, the Environment Bill requires all businesses and non-domestic premises to arrange for the collection of glass, metal, plastic, paper and card and food waste for recycling or composting.

81. This section seeks views on the materials to be included in each of the recyclable waste streams, possible timelines for when the requirements must be introduced by and possible exemptions from the requirement to collect recyclable waste streams separately.

82. This section also includes proposals on options to reduce the costs that businesses, particularly small and micro-firms, face to recycle. This includes exemptions for micro-firms, phasing micro-firms into the requirement later than larger businesses and other cost reduction options, such as waste franchising and collaborative procurement.

83. Other proposals include addressing barriers to recycling for non-household municipal waste producers and on-site food waste treatment technologies.

Other areas for consultation

84. In addition to the above areas Defra are also seeking views on:

- The future role of recycling credits, taking account of the forthcoming introduction of EPR for packaging.
- Possible changes to sampling requirements for Materials Facilities.
- Implementation arrangements, including transitional arrangements for collection of different material types.

New burdens

85. In the previous consultation and in the Resources and Waste Strategy, Defra committed to fund the net additional cost to local authorities of the new statutory duties placed on them. This would be done in line with Government guidance on new burdens.

86. New burdens are defined as any change in a central Government policy or initiative that imposes a net cost on local government and could lead to an increase in council tax. As part of the new duties imposed on local authorities in the Environment Bill,

Defra have stated they will fund net additional capital costs (for example containers, vehicles), and transitional costs such as communications and re-routing vehicles, to implement the new consistent collection measures.

FBC Perspective

87. In Hampshire, none of the additional materials required are currently collected at kerbside (aluminium foil or food trays, aluminium tubes, cartons) and to be able to sort these items will require new infrastructure as the current materials recovery facilities do not have the technology. The 2023/24 deadline to get infrastructure in place to enable both the collection and processing is a very short deadline for the scale of change involved.
88. The past five years has seen a change in the end markets for recyclable materials that are available and the requirements that they place on material imports. There have been times when material markets prices have dropped to the point where is not economic for MRFs to sort material for recycling. This demonstrates the difficulty that local authorities face in having end markets for all the material they collect, and this may be even more challenging with the addition of new materials.
89. Fareham will need to move from the current co-mingled service to a material separated service. This will require an increase in vehicles, staff, depot space etc that will need to be taken account of and make the change much more complex and so likely to take longer to achieve.
90. There is acknowledgement of the potential increase in the recycling rate with the introduction of separate food waste collections, but there is concern that the scale of potential service change for authorities that currently do not collect food waste, such as Fareham, is such that they may struggle to meet an implementation date of 2024/25.
91. For most authorities who do not currently collect food waste, to add food waste in the most cost-effective manner will mean altering the way in dry recycling and refuse is also collected. This in turn can mean a completely new collection fleet, revisions to transfer stations and new levels of staffing. To plan and deliver such a project effectively and successfully can often take three years from planning to delivery. While the consultation is clear in its intent that separate food waste collections will be mandated for local authorities, it would be unreasonable for local authorities to progress at this time without further details on the requirements and the funding that will support it.
92. Currently in Hampshire there are two authorities who are collecting food waste, the remaining eleven authorities will all need to procure vehicles and caddies which, along with other local authorities across England, who will need to introduce food waste collections, this may mean there are delays due to the time it will take to procure and the availability of caddies and vehicles.
93. Food waste collections will require additional vehicles and drivers, there are already issues in the UK with driver shortages, this will be exacerbated when more drivers are required.
94. Currently in Hampshire there is not a reprocessing solution for all authorities, and as authorities introduce food waste interim arrangements are being found which largely

rely on the food waste going out of the County. There is concern that there is not enough infrastructure to support the collection of food waste from all authorities, and this could be an issue if it is not addressed soon as it takes time to get large infrastructure through planning and built.

95. Flats and HMOs have always presented challenges when it comes to implementing recycling collection services. There is often a lack of space for many containers and use of shared facilities can make it difficult to undertaken education and enforcement activities.
96. These types of properties can be very different, and it will be on a case-by-case basis as to how easily and quickly additional materials can be collected from them. There needs to be a recognition and acceptance that some flats and HMOs may either not have the materials collected within the desired timescales or will need to collect them in a co-mingled manner.
97. Great emphasis has been placed on the suggested carbon impacts that a free garden waste service might realise but there does not appear to be the same carbon assessment of the dry recycling collections proposals. If carbon savings are a key driver going forward then the assessments must be done across all material streams and policy proposals to ensure that there are not any unintended consequences in one policy area caused by a proposal in another policy area.
98. There is concern that the consultation proposes that public funds are spent on provision of free garden waste collections. Charged for garden waste collections have become a good example of how local authorities can adapt to reduced levels of public sector funding and still provide services to those that want (rather than need) them. It also makes the provision of the service more equitable as only those who use the service get charged for it (polluter pays principle).
99. There is concern that local authorities will not receive full funding for the new burdens these proposals will incur. Defra themselves have indicated that the proposals are subject to confirmation in the next spending review, which will be one of the most difficult since the financial crash and has many national and international level pressures on it. This may see the spending on waste moved down the overall priorities in the spending review compared to where it might have been pre pandemic and when the first round of consultations was released in 2019.

RISK ASSESSMENT

100. There are no significant risk considerations in relation to this report

CONCLUSION

101. The report summarises the three consultations and the potential impact they will have if they are adopted as part of the forthcoming Environment Bill, which is expected to be approved in Autumn 2021.
102. The contents of the consultations provide a good indication of how local authority waste and recycling collections are likely to change. For Fareham this represents significant change to the existing model for refuse and recycling collection services that the Government is indicating will need to be delivered in a very short timescale.

103. This will involve considerable planning and significant investment which it is hoped will come in the form of new burdens funding to local authorities in addition to the share of EPR payments.

Appendices: None

Background Papers: None

Reference Papers:

Streetscene Panel - 14 March 2019 - Resources & Waste Strategy Government Consultations

Executive – 1 April 2019 – Government Consultation – Resources & Waste Strategy

Enquiries:

For further information on this report please contact. (Mark Bowler Ext 4420)