Public Document Pack

Democratic Services Section
Legal and Civic Services Department
Belfast City Council
City Hall
Belfast
BT1 5GS

2nd February, 2023

MEETING OF THE PEOPLE AND COMMUNITIES COMMITTEE

Dear Alderman/Councillor,

The above-named Committee will be a hybrid (both remote and in person) in the Lavery Room - City Hall on Tuesday, 7th February, 2023 at 5.15 pm, for the transaction of the business noted below.

You are requested to attend.

Yours faithfully,

John Walsh

Chief Executive

AGENDA:

1. **Routine Matters**

   (a) Apologies

   (b) Minutes

   (c) Declarations of Interest

   (d) Update on Special Meeting (Pages 1 - 2)

2. **Presentations**

   (a) Response from NIEA and presentation from George Best City Airport Re: Bird Strike Management at Victoria Park: Implications to Air Safety (Pages 3 - 6)

   (b) Presentation from Swimming Buddies

3. **Restricted**

   (a) TEO Request for Proposals to support Asylum Seekers (Pages 7 - 10)

(b) Request for Use of Parks for Event 2023 (Pages 11 - 16)

(c) Capacity Building and Revenue Grants 2023/26 (Pages 17 - 38)

4. **Committee/Strategic Issues**

(a) Resources and Fleet Waste Update (Pages 39 - 446)

(b) Anti-Social Behaviour - update on previous interventions and initiatives in Parks (Pages 447 - 452)

(c) Committee Plan Update (Pages 453 - 462)

(d) Update on Belfast Physical Activity and Sports Development Strategy (Pages 463 - 466)

(e) #InTheLoop recycling on the go campaign to improve the city's on street recycling provision (Pages 467 - 470)

(f) Reference Group on Older People Update (Pages 471 - 482)

5. **Physical Programme and Asset Management**

(a) Access paths to the Strangford Playing Fields from Glenveagh Special School - and request for deputation in March (Pages 483 - 486)

(b) Developer Contribution for Open Space (Pages 487 - 492)

6. **Operational Issues**

(a) Product Safety Update and OPSS funding (Pages 493 - 496)

(b) Proposal for Dual Language Street Signs (Pages 497 - 500)

(c) Proposal for Naming New Street (Pages 501 - 502)

Belfast City Council

PEOPLE AND COMMUNITIES COMMITTEE

Subject:	Schedule of Special Meetings 2023
Date:	7th February, 2023
Reporting Officer:	Sara Steele, Democratic Services Officer
Contact Officer:	Sara Steele, Democratic Services Officer

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
	To recommend to the Committee a change to the proposed Special Housing Update Meeting.
2.0	**Recommendations**
	The Committee is requested to approve that a special Waste Update meeting is now held on 22nd March and that the NIHE be asked to submit an update paper which will be circulated to the Members.

3.0	**Main report**
	Key Issues
3.1	As previously agreed, special meetings of the People and Communities Committee are held in respect of Housing Issues. A special meeting regarding Housing was scheduled to take place on Wednesday 22nd March. At January's Council it was agreed that a special meeting of the People and Communities Committee would be convened as soon as possible to discuss the waste issues that arose over the Christmas holiday period.
3.2	The Members are asked to note that officers have tried to identify a suitable date, but they will appreciate that the calendar is extremely busy. Accordingly, in liaison with the Chairperson, it is suggested that the Housing meeting be postponed and that the date be used to facilitate the waste discussions.
3.3	The Members are also reminded that a special meeting to receive an update from AECOM is being held on Monday 13th February.
3.4	Financial and Resource Implications None associated with this report.
3.5	Equality or Good Relations Implications None associated with this report.
4.0	**Appendices – Documents Attached** None associated with this report.

PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Response received from the Northern Ireland Environment Agency re Bird Strike Management at Victoria Park.
Date:	7th February, 2023
Reporting Officer:	Sara Steele, Democratic Services Officer
Contact Officer:	Sara Steele, Democratic Services Officer

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	To note the correspondence received from the Northern Ireland Environment Agency (NIEA).
2.0	**Recommendations**
2.1	The Committee is asked to note the correspondence as set out in the report.

3.0	**Main report**
	Key Issues
3.1	The Committee will recall that, at its meeting on 6th December, 2022, it agreed to write to the NIEA regarding the need for rookery management within Victoria Park and the proposed works.
3.2	Whilst the Members understood that the control of birds in the flight path to the airport was a requirement of the airport's Civil Aviation Authority licence, it agreed to write to the NIEA seeking it to ensure that the works were undertaken as sensitively as possible to ensure that the habitats and consequently the populations of both Canadian geese and mute swans were not detrimentally affected.
3.3	In his response the Senior Wildlife Inspector, Mr. Declan Looney, advises that he is aware of the implications for air safety from birds residing in the Park and that he has been in contact with both airport officials and those acting on their behalf to consider options on how best to reduce the risk.
3.4	He goes on to note that his Team are responsible for issuing licences that permit the oiling of both Canadian and Greylag geese eggs and the removal of their nests within the Park. He stated that he has not received any reports, nor is he aware of any negative impact this has had on resident Mute Swans.
3.5	The correspondence notes that the removal of rook nests outside the nesting season is not an offence and therefore does not require a licence. Mr Looney reiterates that he is not aware of any evidence that this activity had detrimentally affected the Swans.
3.6	Financial and Resource Implications None associated with this report.
3.7	Equality or Good Relations Implications/Rural Needs Assessment None associated with this report.
4.0	**Appendices – Documents Attached**
	Appendix 1 – E-mail response from NIEA.

From: Looney, Declan <Declan.Looney@daera-ni.gov.uk>
Sent: 18 January 2023 15:18
To: Sara Steele <SteeleSara@BelfastCity.gov.uk>
Subject: [EXTERNAL]RE: Council Correspondence

> **CAUTION:** This email originated from outside our organisation. Do not click links, open attachments, or enter any details unless you recognise the sender and know the content is safe. If you think the email is suspicious please contact servicedesk@belfastcity.gov.uk.

Dear Ms Steele,

Thank you for your correspondence regarding Victoria Park.

I am aware of the implications for air safety from birds residing in the Park and have been in contact with both airport officials and those acting on their behalf to consider options on how best to reduce the risk. My team issue licences which permit the oiling of both Canadian and Greylag geese eggs and the removal of their nests within the Park. I have not received any reports, nor am I aware of any negative impact this has had on resident Mute Swans.
The removal of rook nests outside the nesting season is not an offence and therefore does not require a licence. Again, I am not aware of any evidence that this activity has detrimentally affected the Swans.

Regards

Dr Declan Looney
Senior Wildlife Inspector
Northern Ireland Environment Agency

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of the Local Government Act (Northern Ireland) 2014.

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PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Resources and Fleet Waste Update
Date:	7 February 2023
Reporting Officer:	Cathy Matthews, Director Resources and Fleet
Contact Officer:	John McConnell City Services Manager Resources and Fleet

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	The purpose of this reports is as follows: • To make the Committee aware of the recently published Draft Circular Economy Strategy for Northern Ireland and to invite comments and feedback to be considered for inclusion in Belfast City Council's response. • To make the Committee aware of the recently published Government response to the Deposit Return Scheme (DRS) Consultation.
2.0	**Recommendations**
2.1	The Committee is asked to: - Note the Draft Circular Economy Strategy for Northern Ireland. - Forward any comments for inclusion in Belfast City Council's response to the consultation by 28th February.

	- Note the Government response to the DRS Consultation.
3.0	**Main report**
	Key Issue **Consultation on a Draft Circular Economy Strategy for Northern Ireland**
3.1	The Department for the Economy (DfE) has launched a public consultation on the draft Circular Economy (CE) Strategy for Northern Ireland. This draft strategy sets out the Department's vision to create an innovative, inclusive and competitive economy, with responsible production and consumption at its core. A Circular Economy will be a key enabler of the DfE's 10x Economic Vision for a decade of innovation.
3.2	This draft CE Strategy also aligns directly with Northern Ireland's draft Programme for Government and the draft Green Growth Strategy. It also makes a significant contribution to many of the UN Sustainable Development Goals.
3.3	In March 2022, the Northern Ireland Executive passed the Climate Change Act. This sets out broad targets for cutting greenhouse gas emissions to: • 48% lower than the 1990 baseline by 2030. • net zero by 2050.
3.4	The draft CE Strategy states that our efforts to switch to renewable energy, increase energy efficiency and increase carbon capture technology would only tackle 55% of our global emissions. The remaining 45%, which relate to how we make and use things, can be tackled by the transition to a Circular Economy[1] .
3.5	The main goal of the CE Strategy is to adopt a circular model and reduce our material footprint to live responsibly, build resilience, exploit new opportunities and to secure future prosperity for businesses, people and the planet.
3.6	A circular way offers an economic model, that many countries are pursuing, in which we: • rethink and reduce our use of earth's resources • switch to regenerative resources • minimise waste • maintain the value of products and materials for as long as possible.

[1] 'Completing the Picture: How the Circular Economy Tackles Climate Change15' by the Ellen MacArthur Foundation (EMF),

3.7	DfE has worked together with all Government departments to develop the draft strategy, in collaboration with external stakeholders from local Government, the private sector, academia, the voluntary and community sectors and others.
3.8	The overarching target is to halve Northern Ireland's annual material footprint per person to 8 tonnes by 2050. Our material footprint is the total volume of material embodied within the whole supply chain to meet our demands. It measures the global (domestic and foreign) extraction of raw materials required for goods and services used by the residents of Northern Ireland. To live sustainably, the United Nations recommends that we should only be using an average of 6-8 tonnes of resources per year. However, it is estimated that each person in Northern Ireland is consuming well over 16 tonnes of resources per year.
3.9	The draft CE Strategy sets out how this can be achieved through; switching to materials that can be reused, increasing use of fuels that can be replenished, designing things to be kept in use for longer and reducing waste.
3.10	It is worth noting that many of the original EU targets for waste prevention have now passed into UK law. In relation to waste, Northern Ireland transposed the following European Circular Economy Package (CEP) targets which requires: • 55% of household waste by 2025 • 60% of household waste by 2030 • 65% of household waste by 2035 • no more than 10% going to landfill by 2035
3.11	Northern Ireland's Climate Change Act recently introduced a higher target, requiring 70% of waste to be recycled by 2030.
3.12	The draft CE Strategy focuses on four business sectors: • Construction and the built environment • Bioeconomy • Advanced manufacturing • Tourism and Hospitality
3.13	It focuses on four types of materials: • Textiles

	• Food • Packaging • Electricals
3.14	To help create more sustainable production and levels of consumption, the CE Strategy presents twelve proposals for change: • Develop and implement a programme to support and promote behaviour change • Create clusters and networks to raise awareness and assist collaboration • Develop an outcome-focused Circular Economy monitoring framework • Embed Circular Economy principles in public procurement • Work with businesses to increase circular design • Create and support platforms and hubs to share goods and materials • Maximise the value of materials locally • Establish a Circular Economy funding programme • Create a regulatory framework that supports and incentivises greater circulation of goods and materials • Invest in research and development to support the valorisation of materials • Embed Circular Economy principles at all levels of education • Design of future skills programmes and reviews of current programmes to support a Just Transition
3.15	The public consultation is open for 10 weeks until Monday 20 March 2023. There will be three virtual consultations for anyone wishing to learn more about the draft strategy. These will take place on: • Thursday 2 February – 10.30am to 11.30am • Tuesday 7 February – 2.30pm to 3.30pm • Wednesday 1 March – 6.30pm to 7.30pm
3.16	The draft strategy is available at Circular Economy Strategy for Northern Ireland , alongside supporting documentation including information on how to register for the virtual consultation events. A full copy of the consultation “Draft Circular Economy Strategy for Northern Ireland” is attached as Appendix I.
3.17	Belfast City Council’s draft response to the consultation will be presented to March’s People and Communities Committee. Should Members wish to discuss any aspect of the consultation or to provide any comments to be considered in our draft response, please

	contact in the first instance Jennifer Stephens (Waste Officer – Compliance and Research) email - stephensj@belfastcity.gov.uk Comments should be received on or before **28th February** in order to formulate a complete response. **Publication of Government Response to the second Deposit Return Scheme (DRS) consultation**
3.18	Members may be aware that the proposed Deposit Return Scheme (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.
3.19	Deposit return schemes are a well-established feature across Europe and the world. They often focus on single-use drinks containers, with the most effective schemes achieving collection rates of over 90%.
3.20	On 20th January 2023, the UK Government, Welsh Government and the Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland published their response to the second consultation on '**Introducing a Deposit Return Scheme (DRS) for drinks containers in England, Wales, and Northern Ireland'.**
3.21	The aims of the proposed scheme are to boost recycling levels, reduce littering, and promote a circular economy. Key highlights from the response are: • The Deposit Return Scheme will be introduced from October 2025 • Single-use drinks containers from 50ml to 3 litre containers will be in scope of the Deposit Return Scheme • Polyethylene terephthalate (PET) bottles, steel cans and aluminium cans will be included for England, Northern Ireland, and Wales • Glass bottles will be included for Wales only[2] • A Deposit Management Organisation (DMO) will be appointed to manage overall operation of the Deposit Return Scheme • Retailers selling in scope containers in store will be required to host a return point, where consumers can return the empty container and be given their deposit refund, subject to some specific exemptions that retailers can apply for

[2] Glass bottles are also part of Scotland's Deposit Return Scheme, along with PET plastic bottles & metal cans.

	• Where containers are sold online, it is expected that the scheme will require large grocery retailers to offer consumers a takeback service for those containers
3.22	The consultation response presents further detail that will be set out in legislation. This legislation will place obligations on producers of in scope drinks containers, retailers and the Deposit Management Organisation.
	Deposit Management Organisation
3.23	The Deposit Management Organisation (DMO) will be responsible for managing the overall operation of the Deposit Return Scheme. The DMO will be appointed by Government through an application process.
3.24	The Deposit Management Organisation will be an industry-led organisation. The DMO will be made up of a consortium of industry representatives with membership of organisations which represent drinks producers, retailers, importers and logistics.
3.25	The DMO will be required to ensure the collection targets are met. The collection targets will be introduced in a phased manner. In year one, at least 70% of in-scope containers that producers place on the market must be collected. In year two, this will increase to 80%, and then 90% from year three onwards.
3.26	The DMO will be responsible for setting the deposit level.
	Next Steps
3.27	Regulations, which reflect the policy outcomes set out in the consultation response, are being developed for the DRS.
3.28	Engagement will begin soon with prospective consortia interested in being the DMO. Later in the process, UK Government. Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland will formally invite applications for the DMO as part of a fair and open process.
3.29	The full consultation is attached as Appendix II and the Government Responses are attached as Appendices III and IV. They can also be accessed electronically:

	Consultation on DRS: https://www.daera-ni.gov.uk/consultations/introducing-deposit-return-scheme-england-wales-and-northern-ireland Government response: https://www.daera-ni.gov.uk/publications/deposit-return-scheme-summary-2021-consultation-responses-and-publication-government-response
3.30	DAERA intend to host Northern Ireland specific webinars on DRS and EPR on Tuesday 7th (afternoon) and Friday 24th (Morning) February and details of the events will be shared soon.
3.31	To find out more about the Deposit Return Scheme visit https://www.daera-ni.gov.uk/consultations/introducing-deposit-return-scheme-england-wales-and-northern-ireland
	Persistent Organic Pollutants (POPs)
3.32	Members should be aware of an emerging subject which is attracting increasing attention within the waste industry, namely that of Persistent Organic Pollutants (POPs).
3.33	POPs are chemicals which can remain intact in the environment for long periods, and if not disposed of properly can have harmful impacts on human health and on the environment.
3.34	The Environment Agency (EA) in England has undertaken an investigation and confirmed the widespread presence of large quantities of Persistent Organic Pollutants (POPs) and other hazardous chemicals in both the textiles and foam of upholstered domestic seating.
3.35	Current legislation[3] requires that where POPs breach the permitted level within domestic seating the waste must be destroyed to prevent lasting environmental harm and impacts on the food chain. This means waste containing POPs (sofas, armchairs, upholstered kitchen and dining room chairs, upholstered stools and foot stools, home office chairs, futons, bean bags, floor and sofa cushions) must be incinerated and must not be re-used, recycled or landfilled.

[3] The Persistent Organic Pollutants Regulations 2007 (as amended) and Retained Regulation (EU) 2019/1021 on persistent organic pollutants as amended by the Persistent Organic Pollutants (Amendment) (EU Exit) Regulations 2020

3.36	Following this investigation, the EA has issued a series of Regulatory Position Statements (RPS) to Local Authorities in England advising on how POPs should be collected, stored and treated.
3.37	The EA also noted that from 1 January 2023, they would be taking enforcement action with regard to non-compliance with the requirements of the RPS. This has created significant challenges for Local Authorities in England due to the time frame involved in adopting operational practices (separate collection & storage) and the lack of facilities which can accept these materials for treatment.
3.38	Locally, this subject was raised with DAERA officials by Councils at the January 2023 meeting of the Government Waste Working Group. As a result, DAERA is intending to establish a sub-group to examine the implications for the waste industry with the aim of providing clearer direction (RPS). Dependant on DAERA and NIEA Position Statements, there may be significant implications in relation to the collection methods, storage and segregation arrangements and disposal via incineration of these items.
3.39	The Council will continue to work with the Department and the regulator, arc21 and the residual waste treatment contractors to arrive at suitable arrangements for the collection, storage and treatment of this particular waste stream and will update Committee as the matter develops.
	Site Visits Household Recycling Centres and Huhtamaki
3.40	The Service is liaising with Democratic Services to plan a half-day, Members' site visit to a recycling centre followed by a trip to Huhtamaki in Dollingstown Co. Armagh.
3.41	The aim is to provide an overview and raise awareness of the work carried out at a recycling centre and the challenges encountered by staff in carrying out essential, front-line work with the goal of driving up the city's recycling rate. This will be followed by a trip to Huhtamaki, who take the paper and light card from kerbside collections and convert it into a fibre packaging product (egg cartons, cup holders). During the site visit Members will receive a brief presentation on the role the factory plays in the local economy, the range of products produced and the importance of quality input material (paper & craft card).

3.42	It is anticipated that this visit will take place in March 2023 with further details issued in due course.
	The Future of Kerbside Recycling Collections – Option 5 – full in-housing of collection services
3.43	Members may recall that they requested a full options appraisal on the Future of Recycling Collections. Having presented the findings to the Strategic Policy and Resources Committee in June 2022, officers were instructed to conduct an in-depth feasibility study regarding Option 5 of the Kerbside Collections economic appraisal, namely the in-housing of all kerbside recycling.
3.44	By way of update officers can report that the feasibility study on Option 5 is well progressed with the Service now in receipt of a draft report. Further iterations of this report will be required and the Service is targeting a final version to be available by the end of February 2023. This will then undergo the Council's governance process via SP&R Committee.
	Operational Update – Drivers
3.45	As a consequence of being unable to fulfil all Christmas and New Year Bank Holiday collections due to a shortage of drivers, Resources and Fleet have instigated a 'task and finish' group to review current arrangements in relation to the numbers and activities of Category C (HGV) drivers within Resources and Fleet.
3.46	There is undoubtedly a challenging marketplace. A range of measures is being considered to deal with the market conditions both in the short, medium and longer term.
	Public Holiday Arrangements – St Patrick's Day (Friday 17th March)
3.47	Planning has commenced for the staffing requirements for 17th March St Patrick's Day bin collections.
	Financial & Resource Implications
3.48	None in relation to responding to the consultations.

3.49	**Equality or Good Relations Implications/Rural Needs Assessment** None in relation to responding to the consultations. **Abbreviations** CE – Circular Economy CEP - Circular Economy Package DfC - Department for the Economy DAERA - Department of Agriculture, Environment and Rural Affairs DRS – Deposit Return Scheme DMO – Deposit Management Organisation
4.0	**Appendices – Documents Attached**
	Appendix I – Draft Circular Economy Strategy for Northern Ireland Appendix II – Consultation on Introducing a Deposit Return Scheme for England, Wales and Northern Ireland Appendix III – Summary of DRS Consultation Responses Appendix IV - Government Response to DRS Consultation

Department for the Economy
www.economy-ni.gov.uk

Draft

Circular Economy

Strategy for Northern Ireland

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Camden Group - Credit: The Department for Agriculture, Environment and Rural Affairs.
Belfast Bikes - Credit: Tourism Ireland / Brian Morrison.

Our Vision

By 2050, Northern Ireland will have an innovative, inclusive and competitive economy where business, people and planet flourish, with responsible production and consumption at its core.

Responding to the consultation

Why are we consulting?

A Circular Economy will be a key enabler of the Department for the Economy's 10X Economic Vision for a decade of innovation. This will facilitate an innovative, inclusive and sustainable approach to economic growth and make the most of new opportunities and possibilities presented by the 4th Industrial Revolution.

We are all experiencing the impact of resource scarcity in the rising cost of living. We know the earth provides an abundant, but finite supply of resources that we are rapidly depleting. To secure the future of our planet for the next generations, we need to work together to rethink how we use our resources, to switch to regenerative resources minimising waste and maintaining the value of our products and materials.

This revolution of resources is going to be an essential part of reducing our emissions and will be embedded within climate action plans and the delivery of Northern Ireland's multi-decade Green Growth Strategy.

We have engaged with stakeholders across government, business, academia and the third sector in developing this strategy, but we need to ensure our thinking is sound. We want you to tell us if you think we have accurately assessed the situation, and whether you think our proposals are right to kick start the transition to a truly Circular Economy using a whole system approach.

How to respond to the consultation

We would ask that you respond to the consultation using the online survey which can be accessed at the **Circular Economy Consultation page on the nidirect website consultations.nidirect.gov.uk**

If you are unable to respond using the online consultation facility, you can email your response using the response template provided to the following email address: **ces@economy-ni.gov.uk**

Before you submit a response, please read the **Privacy Notice** published along with the Consultation Documents, which shows how we will use personal information as part of the processing of responses.

An easy read version of the consultation document is available online but if you need documents to be provided in an alternative format, please contact the Circular Economy team by email: **ces@economy-ni.gov.uk**

Responses to this consultation are invited until 11.59pm on Monday 20th March 2023.

Executive Summary

We live in a world where we take valuable resources from the earth and make things that we may use only once before throwing them away. This 'take-make-use-dispose' model is known as the Linear Economy. It is unsustainable, costly and, moreover, it is unjust because it is based on a growth model which takes no consideration of the environmental and societal damage caused along the way.

The Circular Way offers an alternative model, that many countries are pursuing, in which:

- we rethink and reduce our use of earth's resources
- we switch to regenerative resources
- we minimise waste
- we maintain the value of products and materials for as long as possible.

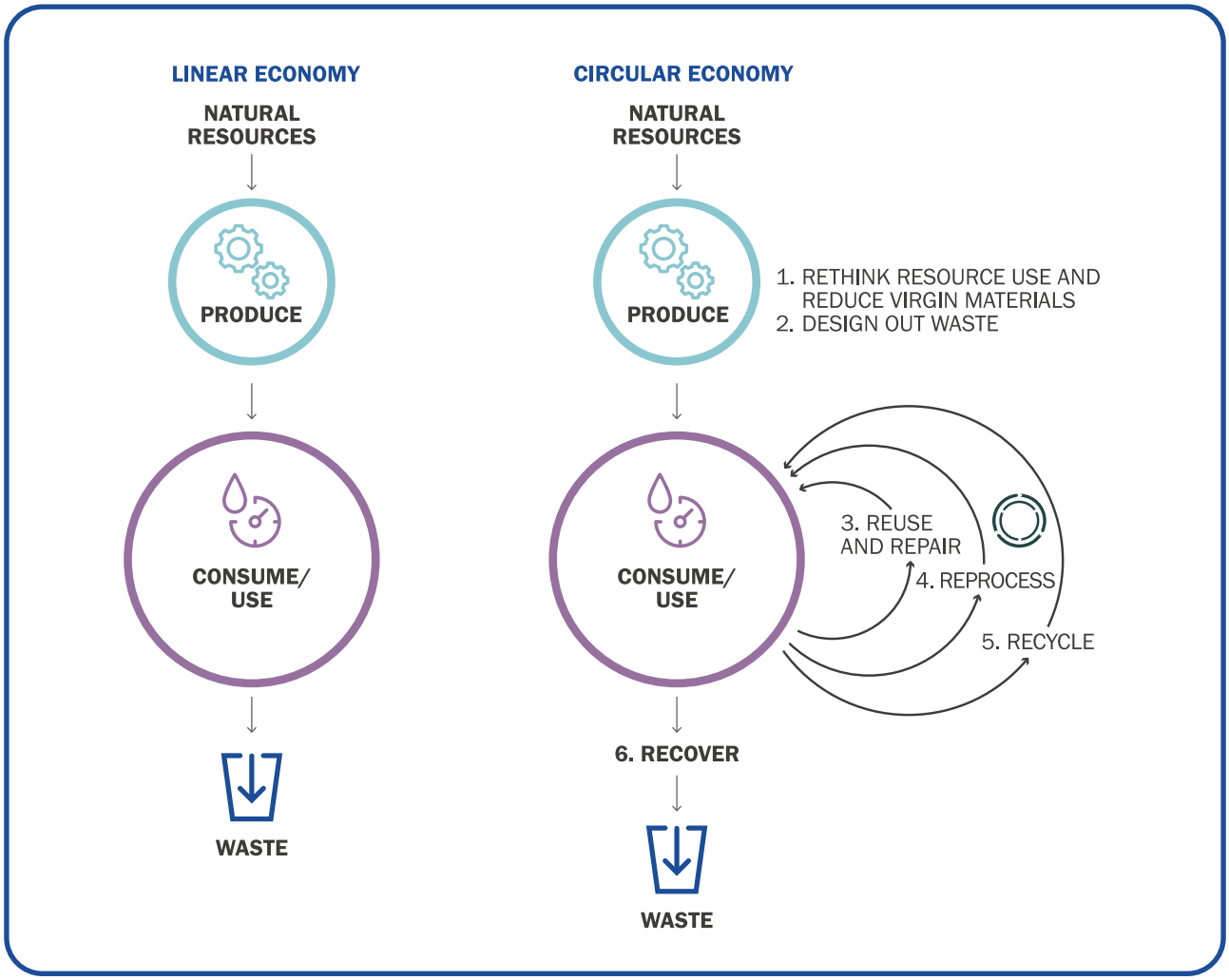


Figure 1 Linear vs Circular

Our research for this strategy has shown that Northern Ireland imports and extracts around **31.5 million tonnes of materials** annually. That is the equivalent weight of nearly 16 million cars.

Our current Linear Economy means that **92.1% or 29 million tonnes** of this is virgin material. Some of these materials are used for buildings and infrastructure which last for years. Unfortunately, the majority of these precious resources end up as waste rather than being reused, refurbished, remanufactured or recycled. With the development of this strategy, we aim to change this.

For a country the size and population of Northern Ireland, we are consuming a disproportionate amount of the earth's resources. It is estimated that each person in Northern Ireland is consuming some **16.6 tonnes of resources per year[1].**

This is our material footprint

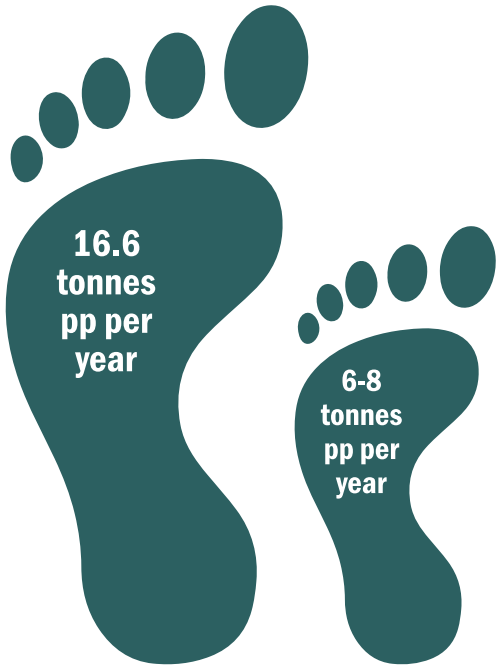


Figure 2 Current Material Footprint vs Recommended Material Footprint

It is a measure of the global (domestic and foreign) **extraction of raw materials** needed to meet the **final demand for goods and services** used by the residents of Northern Ireland. It is the total volume of material embodied within the whole supply chain to meet our demands.

To live sustainably, the United Nations recommends that we should only be using an average of **6-8 tonnes of resources per year.**

The goal of this strategy is to adopt a circular model and reduce our material footprint to live responsibly, build resilience, exploit new opportunities and secure future prosperity for businesses, people and our planet.

Our target is that, by 2050 we will have reduced our annual material footprint to 8 tonnes per person.

Rethinking our use of resources is also an essential part of tackling climate change and achieving net zero. Moving away from fossil fuels and increasing energy efficiency gains will address many, but not all emissions.

However, by transforming how we produce and use things, through applying circular thinking, we can reduce up to 45% of our emissions[2] and scale up our low carbon and renewable energy economy.

Recent events like the Covid pandemic and the war in Ukraine have shown us how interconnected we are globally, and how our societies, environment and economies are vulnerable to external shocks. The cost-of-living crisis is directly linked to resource scarcity and these global events will continue to impact us – unless we can work together to find system solutions. Circular approaches can help us do this.

Did you know?

- The average car is parked 92% of the time.
- 30% of food is wasted along the value chain.
- The average office space (pre-Covid) was only at 35-50% occupancy.

These are all wasted or under-utilised resources[3].

What we stand to gain: A more innovative, inclusive and sustainable economy

In the Linear Economy, societal and environmental issues rank behind economic ones. Moving to a more Circular Economy helps redress this imbalance. The 10X Vision outlines a transformative long term vision of a more innovative, inclusive and sustainable economy, where Northern Ireland is one of the top performing small advanced economies in the world. It places sustainable economic growth at the heart of our economic policy, with innovation acting as an engine for growth and creating positive outcomes for all our people and places.

This Circular Economy Strategy is a key enabler of the 10X Economic Vision and shares the same priorities, including building resilience to face any economic shocks, such as the current cost of living crisis. It will support innovation that will drive more responsible growth, creating new economic opportunities that reduce waste and carbon emissions. The benefits of which will be felt across all of our society.

The objectives of the 10X Economic Vision, as set out in the 10X Performance Management Framework, are:

- **Innovation:** Northern Ireland will have a high performing economy driven by innovation underpinned by high levels of collaboration across business, academia, government and civil society. To do this we will increase total research and development expenditure by 55% by 2030 from a baseline of £1,167m in 2020.
- **Inclusion:** To create opportunities for economic growth which are distributed across society to benefit everyone. To do this we will increase Northern Ireland Household Disposable Income above the small, advanced economy average while maintaining NI as one of the top performing small advanced economies in relation to the Gini-coefficient (a measure of income equality).
- **Sustainability:** To double the size of Northern Ireland's low carbon and renewable energy economy to more than £2bn turnover and achieve 80% electricity consumption from renewable sources by 2030 so that households and businesses have access to essential and affordable energy.

We recognise that simply achieving any one of these will not be enough: we need to deliver against all three at the same time and the transition to a more Circular Economy will make a significant contribution to achieving these societal outcomes.

This strategy also aligns directly with Northern Ireland's draft Programme for Government and the draft Green Growth Strategy. It also makes a significant contribution to many of the UN Sustainable Development Goals.[4] These are a global call to action to end poverty, protect the earth's environment and climate and ensure people everywhere can enjoy peace and prosperity.

Northern Ireland's unique position provides an exciting opportunity to establish ourselves as a Circular Economy champion in the UK, with sustainable production and consumption firmly at its core. We can utilise technological advancements and knowledge to maximise the value of all the biological and technical materials passing through the economic system. This strategy highlights many of the opportunities that transforming to a Circular Economy can bring to businesses.

Adopting a circular mindset throughout society and business will be integral to a successful transition. In practice, this means:

- We must prepare for the future by developing skills that can adapt to a changing environment.
- Everyone will need to think about the contribution their role can make to reducing emissions and material use.
- We must all strive to retain the value of resources – in construction, product development, purchasing decisions, reverse logistics, repair or through use of digital technology.

How we developed this strategy

The ambition to develop a Circular Economy Strategy for Northern Ireland was initially set out in DfE's Draft Industrial Strategy. Recognising the importance of this area from a policy perspective, the Department sponsored a Policy Champions Network Task and Finish Group on the Circular Economy that recommended the development of a Circular Economy Strategic Framework. The following timeline provides a summary of the activities undertaken to develop a sound evidence base and the future plans:

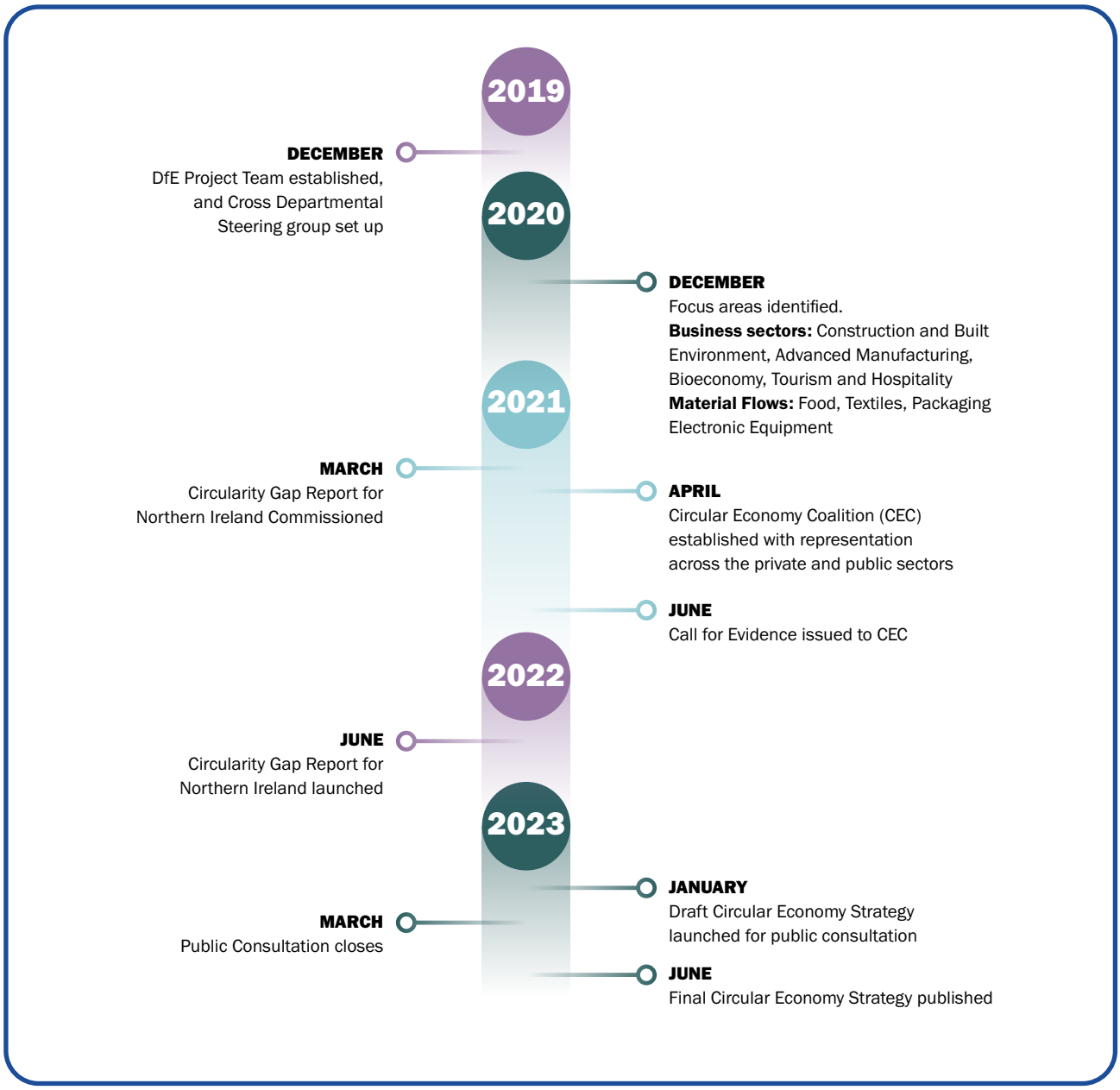


Figure 3 Timeline for development of the Circular Economy Strategy

In parallel with the workstreams identified in the timeline, we have sought to promote Circular Economy thinking across Northern Ireland government departments and embed the ethos of circularity in emerging policy. This work supports the delivery of key strategies across government and aligns closely with the workflows of our Vision for a 10X Economy, the Green Growth Strategy, the Environment Strategy, the Waste Management Strategy, the Skills Strategy and the Energy Strategy.

How will we make the transformation?

Reducing our material footprint and transitioning to a low carbon Circular Economy will require significant effort and involve numerous stakeholders. It also calls for strong collaboration across all sectors of society.

In the first instance, a great deal of effort will be required in order to raise awareness. A recent YouGov survey of 2,000 people across the UK found that **87%** had not heard of the Circular Economy concept[5]. What's more, understanding of the Circular Economy is often limited to a waste context, with a focus on recycling and recovery rather than reducing resource use, repairing, reusing and generating economic income. We aim to shift this focus and highlight the wider benefits.

The Circular Economy is not the end destination but provides a perspective which helps us make better decisions to design out waste and provide added value for business.

This strategy is a starting point to making the transition to a Circular Economy a reality. It provides a vision, a target and direction of travel for what can be achieved with the right investment and commitment from all stakeholders. The twelve proposals for change have been framed around the Ellen MacArthur Foundation Universal Policy Goals, informed by research and insight from the Circular Economy Coalition. It is important to note, however, this strategy will be dependent on securing sufficient funding to take it forward. Budgets beyond 2022/23 have not yet been allocated and are expected to be challenging.

Policy Goals	Proposals for Change
Collaborate for system change	**1.** Develop and implement a programme to support and promote behaviour change. **2.** Create clusters and networks to raise awareness and assist collaboration. **3.** Develop an outcome-focused Circular Economy monitoring framework.
Design out waste	**4.** Embed Circular Economy principles in public procurement. **5.** Work with businesses to increase circular design.
Manage resources to retain value	**6.** Create and support platforms and hubs to share goods and materials. **7.** Maximise the value of materials locally.
Stimulate system change with funding, incentives and penalties	**8.** Establish a Circular Economy funding programme. **9.** Create a regulatory framework that supports and incentivises greater circulation of goods and materials.
Invest in innovation, research and skills	**10.** Invest in research and development to support the valorisation of materials. **11.** Embed Circular Economy principles at all levels of education. **12.** Design of future skills programmes and reviews of current programmes to support a Just Transition.

Actions

We will lead and coordinate across government through the following initial actions:

- Examining options for a **delivery unit,** in partnership with DAERA, to translate the proposals for change into action plans.
- **Embedding** Circular Economy principles in the development of the **Climate Action Plan, Departmental and Sectoral Action Plans.**
- **Raising awareness** of Circular Economy and **increasing circular thinking**.

The transition from a Linear to a Circular Economy will ultimately affect the lives of every person in Northern Ireland: how we live, work, travel and consume.

1.

What is the Circular Economy?

1. What is the Circular Economy?

In our current economy, we take materials from the earth, make products from them, and eventually throw them away as waste. The process is linear and it presumes a) that we have an infinite supply of resources and b) that the earth has infinite capacity to deal with our waste. We don't, and it doesn't.

In a Circular Economy, by contrast, we significantly reduce the amount of waste being produced in the first place. Figure 4 below illustrates this.

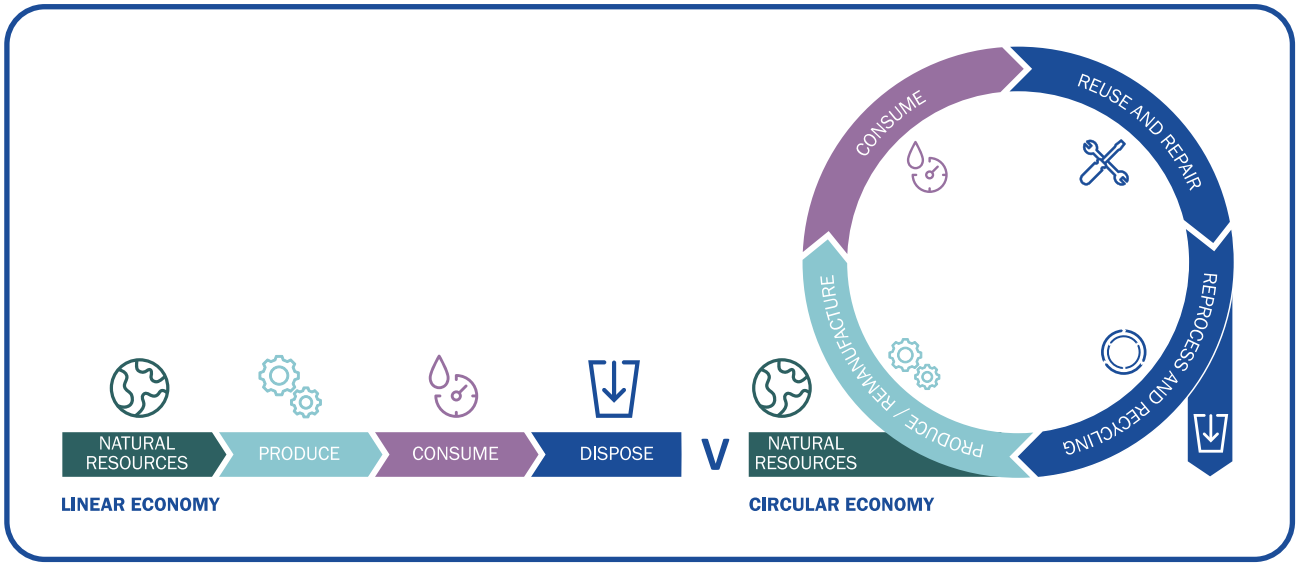


Figure 4 Linear vs Circular Economy

It's all about resources

Humanity relies on the earth's natural resources for everything: fuels to keep warm, building materials for shelter. We need its raw materials to feed and clothe ourselves, to make goods; to power our society.

The Circular Economy offers an alternative model in which:

- we rethink and reduce our use of finite resources
- we switch to regenerative resources which replenish themselves
- we minimise waste
- we maintain the value of products and materials for as long as possible.

By designing out waste from concept to production and use, we can embrace the idea that by-products and end-of-use waste can be a resource – and can be valued as a secondary raw material.

A circular business maximises benefits from all its resources, while reducing negative environmental impacts from their use. This can significantly reduce both material and carbon footprints – which is why Circular Economy principles are now interwoven with the net-zero agenda at a global level. USA[6], China[7] and Japan[8] have adopted circularity as a model for growth because they believe it helps to decouple growth from the depletion of finite resources. These countries have published circular plans and are investing heavily in repurposing their economies.

The United Nations Economic Commission, which represents 56 states in Europe, North America and Asia, has committed to pursuing circularity as a catalyst for change, pushing consumers, retailers and regulators to eliminate unnecessary materials. These countries don't consider embracing CE as an option, but an urgent imperative[9].

It requires whole-system transformation

Transitioning to a Circular Economy will require government at all levels, businesses, innovators, investors, entrepreneurs and consumers to play their part in the process and work together to minimise disruption. The issues to be addressed are too complex to be approached in a fragmented manner. Only by adopting a new, innovative whole-system approach can we realise our economic, environmental and social ambitions.

Underpinned by innovation

Innovation is critical for achieving greater outputs through more efficient use of resources. This whole system approach requires us to do things differently to create value which is essential for driving productivity and competitiveness. Whether incremental or revolutionary, greater circularity of materials will require new process improvements, data and analytics, emerging technology, skills and more agile thinking to increase productivity.

It will also require us to examine our global trade relationships which are immensely complex and involve many interlinked systems. Figure 5 captures the interplay across competing factors that must be considered to maintain balance in the system. Transitioning to a Circular Economy will require these elements to change simultaneously.

Figure 5 Global Trade Relationships[10]

We need both incentives and mandates which are set out in the proposals for change.

Beyond GDP: Sustainable economic growth

As the global economy emerges following the Covid-19 pandemic, a business-as-usual recovery based on GDP growth and profitability alone will not be enough. There is now a once-in-a-lifetime opportunity to develop a new economic framework to compete in a more sustainable, innovative and inclusive economy. It is essential to integrate economic and social policy. There are many examples of high GDP per capita countries with high levels of inequality, or centres of innovation that have not had a positive impact on those living close by.

Northern Ireland's 10X Economic Vision establishes an ambition to create a step-change in how we think about our economy. It sets out a pathway for fundamental economic change and promotes inclusivity and recognises that when growth is more evenly spread the overall rate of growth is higher.

2.

Why we need to change

2. Why we need to change

The prospect is stark. If we do not change, by 2050 our existing natural resources will be depleted and our economic growth ambitions will be increasingly constrained.

Our current, linear economic approach of 'take-make-use-dispose' has resulted in an unsustainable growth model that is having an irreversible effect on the earth's ability to provide for us and threatens the way we live now. We are already seeing early signs of the impact, with the cost of oil, gas and electricity rising at unprecedented rates due to dwindling resources and disruption to supply chains.

We need to get ahead of the curve. A Circular Economy is not just an environmental imperative, it also has far-reaching economic and societal potential. It will give us the power to grow and thrive, by creating green jobs, upskilling our workforce, becoming more self-sufficient and improving our infrastructure.

Responsible growth

Adopting circular thinking will create opportunities for Northern Ireland to redefine growth, build greater resilience and provide a pathway to securing society-wide prosperity, without causing further environmental degradation. This echoes the 'Triple Bottom Line' approach from the 10X Economic Vision to promote innovative, sustainable and inclusive investment. Within industry there is already a move towards triple bottom line reporting, highlighting the importance of measuring financial, social and environmental impact. Within the Circular Economy this starts with addressing our current dependence on finite raw materials and carbon-intensive industries.

Supply and demand on global markets determines the cost of natural resources. As fossil fuels are phased out, there will be more competition for fewer resources. Unless we move to a new economic model that does not depend on depleting natural resources, our economy could retract irreversibly, we would miss out on opportunities to enter new markets and existing inequalities would get worse. Our activities would break additional planetary boundaries[11].

Growing a low carbon and renewable energy economy

The Circular Economy aims to be fuelled by renewable energy, created from sources that are not depleted when used e.g. wind, and reduces our dependence on fossil fuels. The demand for more sustainable industrial output is growing. To meet this demand we must prioritise the decarbonisation of the energy system to grow our low carbon and renewable energy economy. Solutions to reduce our dependence on fossil fuels should be designed with circularity in mind, developed with low carbon, resource efficient materials, and consider the full life cycle of all components.

Reconnect with nature

We can shape a nature-positive future and halt further loss of biodiversity by transforming how we produce, use and consume goods to adopt and mirror the regenerative processes of nature. People are rarely aware of how their choices impact nature. However, through this strategy and its delivery we hope to reconnect people with the earth's processes, which support and enable our daily life.

Respond to resource scarcity

The global population is expected to rise from today's figure of around 8 billion to an estimated 10 billion by 2050. While significant in itself, what is more concerning is that our increased demand for resources is not proportionate to the rise in population. Since 1970, our demand for resources has tripled while our global population has only doubled. This is largely driven by demand for resources which often causes greater environmental impacts and inequalities in lower-income countries. This rate of growth is placing unsustainable demand on natural, non-renewable resources.

It has been calculated that if the world's population lived as the UK currently does, we will need **the resources of three earths by 2050** just to meet our demands.

Figure 6 highlights the varying demand for resources across several countries. This strategy is the first time we have looked at economic growth through a circular lens, paying attention to the impact of our production and consumption patterns on the earth. It is an opportunity for Northern Ireland to lead on taking greater responsibility and creating new ways of creating shared prosperity.

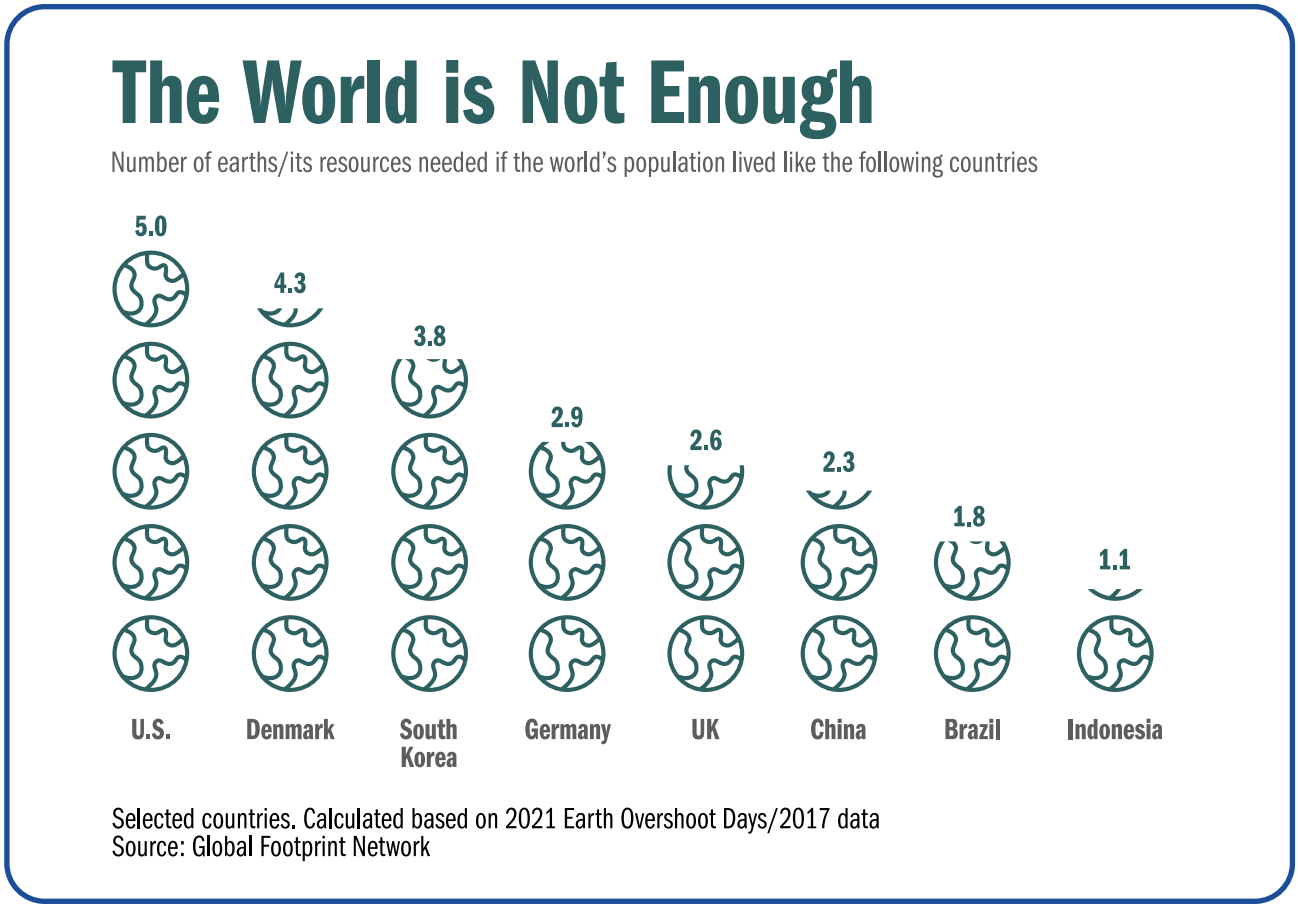


Figure 6 Chart: The World is Not Enough | Statista[12]

Reduce our material footprint

Our research has shown that Northern Ireland globally extracts **around 31.5 million tonnes** of materials annually to meet our final demand for goods and services. This is our current material footprint. Our current Linear Economy means that **92.1% or 29 million tonnes** of this is virgin material. Some of these materials are locked in, because they are located within buildings and infrastructure but unfortunately the majority of our resources end up as waste rather than being reused, refurbished, remanufactured or recycled. **Our material footprint per person per year is currently double the recommended footprint for sustainable living.**

We did not always live this way. Earlier generations were more mindful of the resources they used and needed. We used to live rurally and follow natural biocycles, but modern urban living and linear methods of production and consumption, which have undoubtedly brought huge advancements for society, have also introduced hugely wasteful practices and damaged our environment.

We need to rebalance the scales, focusing on significant reductions to our material footprint through innovative solutions to tackle the global climate, water and biodiversity emergencies – which is why this strategy introduces a target to halve our material footprint per capita by 2050.

Support the Net Zero agenda

In February 2020 the Northern Ireland Executive declared a climate emergency[13] and in March 2022 passed the Climate Change Act[14], which sets overarching targets for Northern Ireland of reducing greenhouse gas emissions to:

- 48% lower than the 1990 baseline by 2030
- net zero by 2050.

To achieve these goals, government has been tasked to develop a Climate Action Plan, Departmental and Sectoral Action Plans to ignite a major programme of work involving government bodies, industry and communities.

Many other countries have considered circularity as a prerequisite to meeting net zero goals and tackling climate change and have therefore embedded it within their decarbonisation plans. **Lowering resource use goes hand in hand with lowering carbon emissions.**

Northern Ireland has successfully focused on a transition to renewable energy, complemented by measures to improve energy efficiency. This effort will address many, but not all emissions.

According to 'Completing the Picture: How the Circular Economy Tackles Climate Change[15]' by the Ellen MacArthur Foundation (EMF), these efforts would address 55% of our global emissions. The **remaining 45%** relates to how we produce and consume things, which makes the Circular Economy transition an essential tool in tackling climate change. The calculations vary at a country level.

The Six Carbon Budget, issued by the Climate Change Committee and required under the Climate Change Act, provides ministers with advice on the volume of greenhouse gases the UK can emit during the period 2033-2037. It focuses on addressing 'territorial emissions' (those arising from UK sources, plus its contribution to international aviation and shipping). It also urges ministers to reduce consumption emissions, The Climate Change Committee advises that consumption emissions (i.e. the broader impact of UK consumption including emissions embedded in imported goods and services) are 50% higher than our territorial emissions. Rethinking our use of resources and increasing circularity of materials will help reduce both types of emissions through revolutionising production and consumption patterns.

Rethinking and reducing our demand for finite resources is as important as securing energy supply from sustainable sources and developing technologies to deal with carbon in the atmosphere.

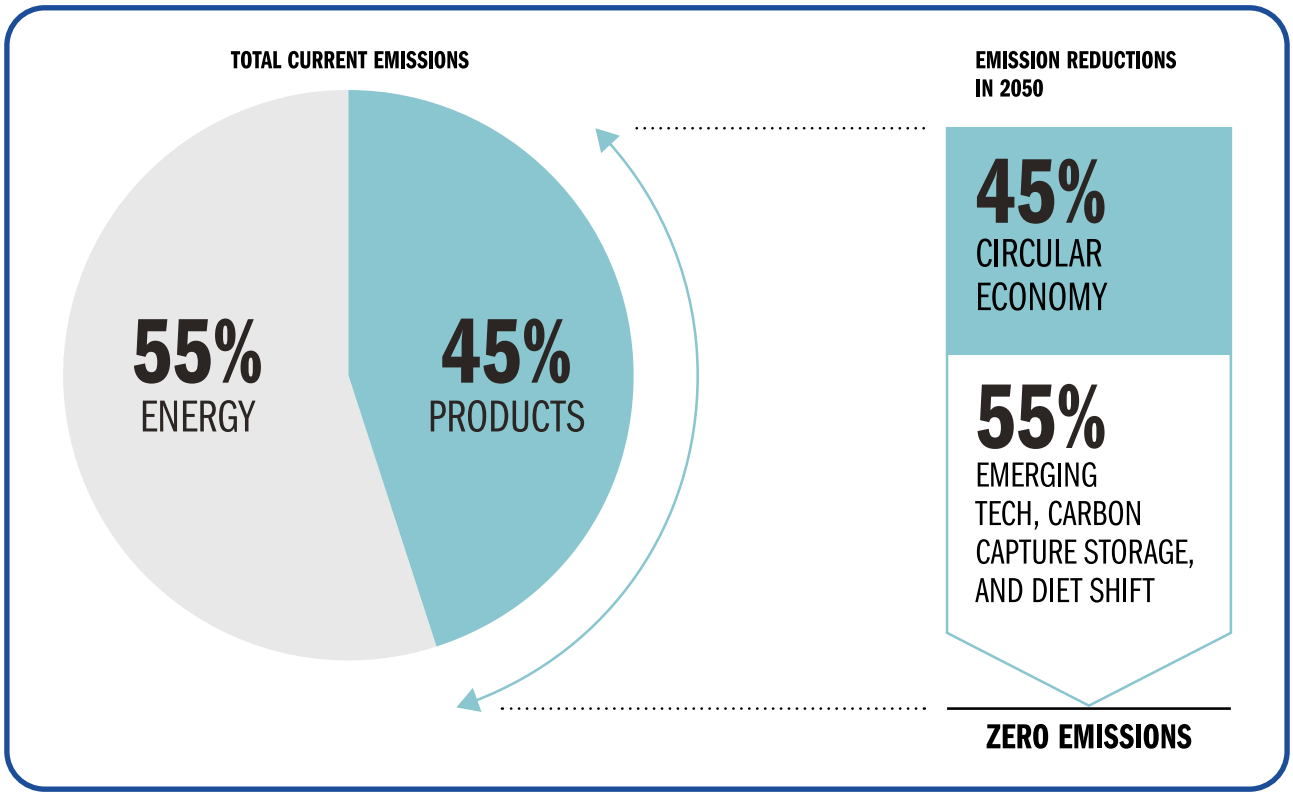


Figure 7 Completing the Picture, EMF

Figure 7 provides an overview of how global emissions may be reduced. While Northern Ireland percentages may be slightly different based on its manufacturing and agriculture sectoral profiles, there is still recognition that managing our resources more efficiently will play a significant role in emissions reduction. The EMF Completing the Picture paper explores the impact on emissions if circularity was increased in the production of food, steel, cement, plastic and aluminium.

Embedding CE principles within our climate action plan, departmental plans and sectoral plans will greatly assist wider government in reducing all emissions. It will also contribute to doubling the size of Northern Ireland's low carbon and renewable energy economy which is a target within the Energy Strategy.

Help industry reduce indirect emissions

All businesses will need to start measuring their emissions to calculate their carbon footprints and report on sustainability. Figure 8 depicts the different emissions which are categorised under Scope 1, 2 and 3 emissions.

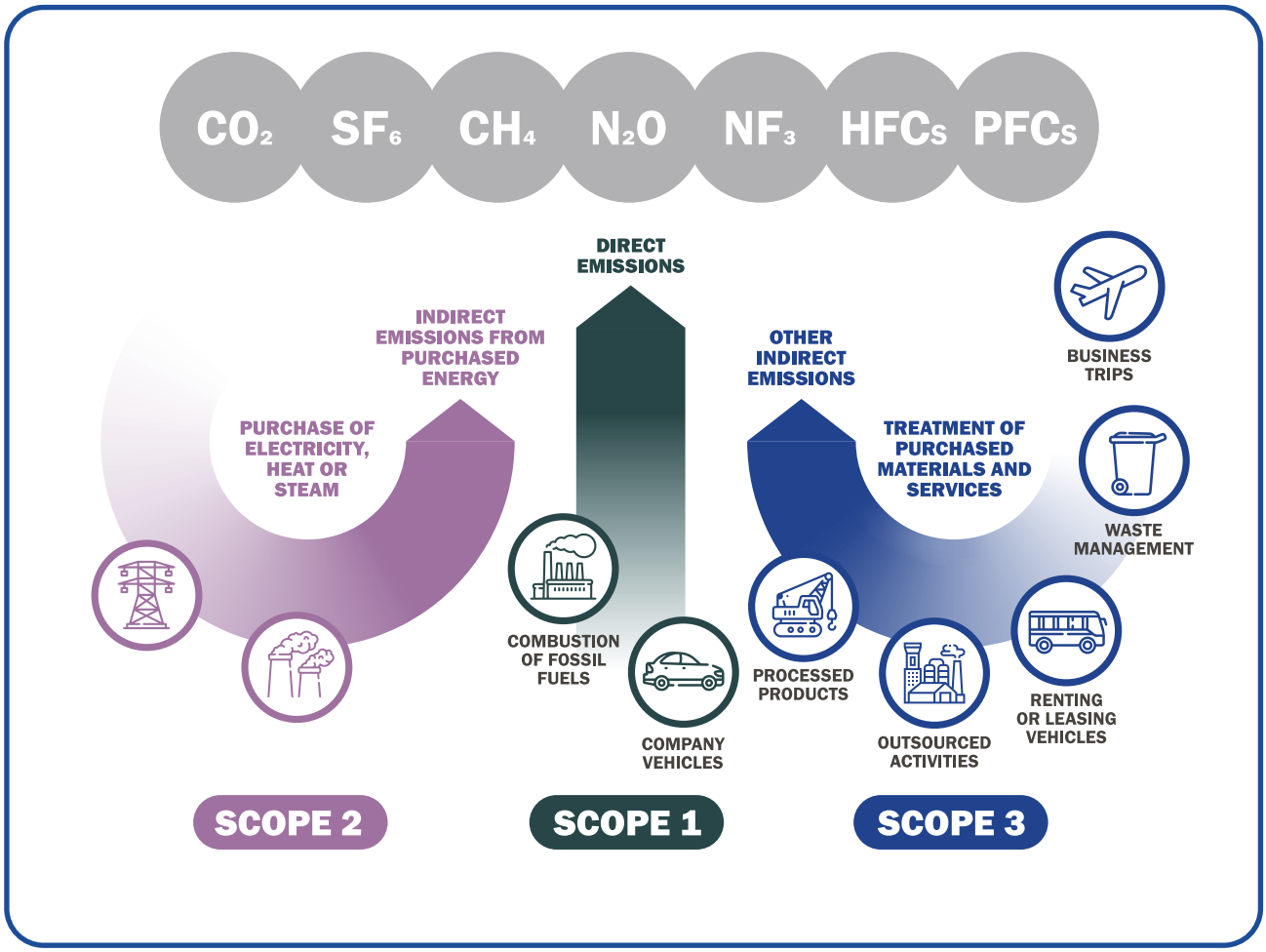


Figure 8 The Difference Between Scope 1, 2 & 3 Emissions – Tim Greenhalgh (SavemoneycutCarbon.Com)

Scope 1 covers direct emissions that a company generates while performing its business activities. Scope 2 covers indirect emissions from purchased energy, while Scope 3 covers indirect emissions in the value chain.

As climate action plans are developed and businesses start to make investments and interventions to achieve net zero, Circular Economy interventions will become more relevant and helpful, particularly in relation to reducing Scope 3 indirect emissions through more efficient use of resources. According to the Carbon Trust[16] Scope 3 emissions can account for up to 90% of a company's total emissions, which creates considerable opportunity for improving performance.

3.

Where are we now?

3. Where are we now?

Up until 2020 the UK played a leading role in the development of the Circular Economy and was responsible for advocating for higher targets and ambition in the European Circular Economy Package. Whilst Northern Ireland is no longer part of the EU, we will still be impacted by the policies adopted elsewhere.

The Circular Economy is seen as an opportunity to secure access to vital resources, maintain global competitiveness and ensure a high-quality environment. Circular Economy approaches can cut industrial emissions, contributing to climate change mitigation, reduce the production of, and exposure to hazardous substances. Europe has committed to accelerating the transition to a Circular Economy – with circular principles central to both the EU's Industrial Strategy[17] and EU Green Deal[18].

The European Commission's Circular Economy Action Plan (2020) introduced legislative and non-legislative measures, including:

- improving product durability
- reducing use of hazardous chemicals
- increasing recycled content in products
- enabling remanufacturing and high-quality recycling
- restricting single-use and in-built obsolescence
- banning the destruction of unsold durable goods
- incentivising CE business models to keep things in use
- supporting the digitalisation of product information
- rewarding products based on their enhanced sustainability performance.

The Commission also recognises the need to **empower consumers to make sustainable purchases** – hence the introduction of a **right to repair** for electronic devices and use of **eco-labels** to make companies prove their green claims and tackle 'greenwashing'.

The Commission has also developed a **Green Public Procurement** (GPP) criterion for many goods and services to help raise standards and create demand for more circular products and purchasing arrangements.

Much of the legislation and directives from the European Circular Economy Package (CEP) have been adopted by the UK post EU Exit, and there is a willingness to continue on this path, with many of the original EU targets for waste prevention now passed into UK law.

In relation to waste, Northern Ireland transposed the following CEP targets which requires:

- **55% rate of recycling of municipal waste by 2025.**
- **60% rate of recycling of municipal waste by 2030.**
- **65% rate of recycling of municipal waste by 2035.**
- **Limits no more than 10% of municipal waste going to landfill by 2035.**

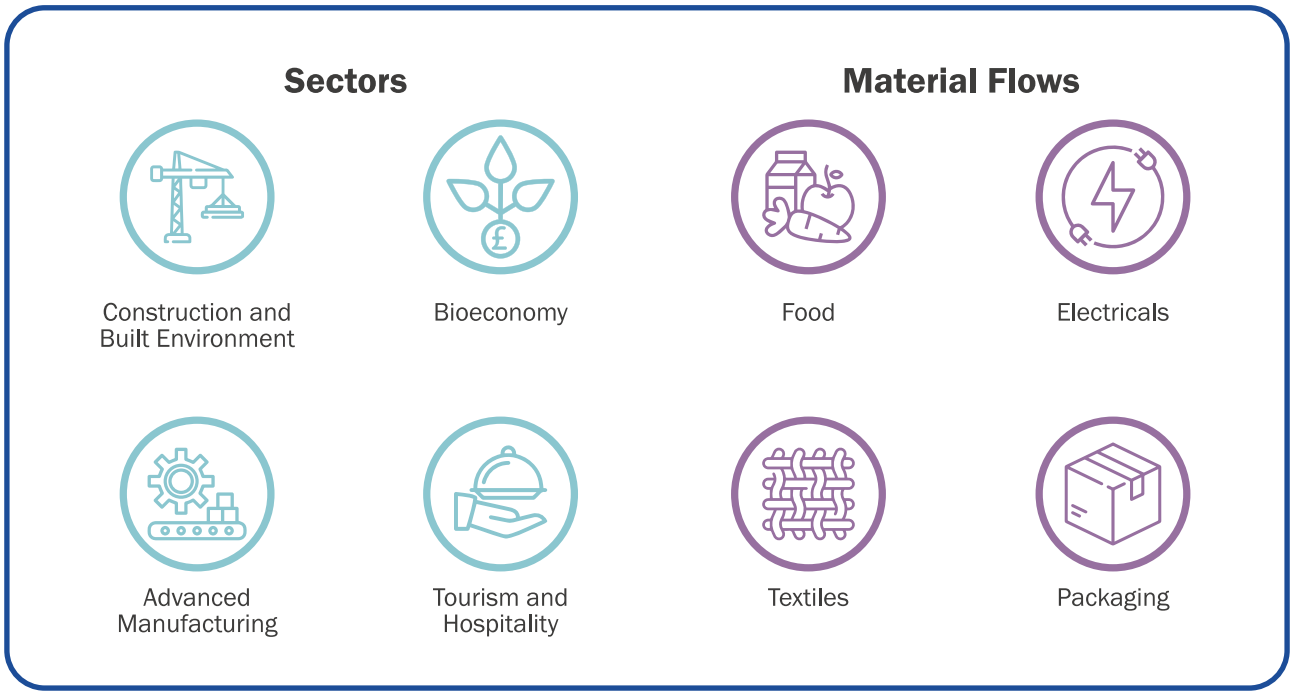
Further to these targets, the recent Climate Change Act introduced a target of a 70% rate of recycling for all waste by 2030 which further raises ambition.

In the same way that the European Circular Economy Action Plan is framed within the wider Green Deal programme, our Circular Economy Strategy will be a critical deliverable within Northern Ireland's Climate Action Plan and the Green Growth Strategy.

Developing our focus areas

A Circular Economy impacts on nearly every aspect of how we live and work because it deals with and aims to transform how resources/materials flow through and are allocated in an economy. Early in the development of this strategy, it was agreed that we could not meaningfully consider all business sectors and material flows for the Northern Ireland economy, so it was decided to follow the Ellen MacArthur Foundation (EMF)[19] toolkit for Circular Economy policy-makers, which recommended the identification of focus areas.[20]

We identified four **sectors** and four **material flows** to be targeted with CE policy interventions:



Why were these focus areas chosen?

- Each has been identified as an essential sector to support the decarbonisation of industry.
- Greater circularity within this area presents a significant economic opportunity.
- It presents an opportunity to reduce material use and carbon emissions, and restore the natural environment.
- It has been identified as a high-value chain in the European Circular Economy Package Action Plan and aligns with other international Circular Economy strategies.

These eight focus areas provide opportunity to highlight the difference greater circularity can make in particular areas, but it will take all sectors to transform and rethink their relationship with resources to reach net zero.

The focus areas will have a mutually beneficial relationship with the sectors and clusters identified in the 10X Performance Management Framework to reduce our carbon footprint and waste. The sectors and clusters include:

- Agri-Tech
- Life and Health Sciences
- Advanced Manufacturing and Engineering
- Fintech/financial services
- Software (including cyber)
- Screen industries
- Low Carbon

The synergies between research and development in these sectors and clusters and our eight focus areas will become apparent through our Proposals for Change in chapter 5. While the focus areas, sectors and clusters will evolve and change over time, the desire to focus efforts where benefits can be maximised will remain.

Current management of resources

Waste

Waste is a critical sector in a Circular Economy because of its role in managing material to retain value. While waste is not identified specifically as a focus area, we have considered the interplay between it and other sectors as well as the opportunities for it to diversify and become a key circular enabler. Policy proposals will be brought forward in the new Waste Management Strategy, currently being developed by DAERA in which the role of the waste sector will feature prominently.

During 2020/21 Northern Ireland Councils:

- Collected over 1 million tonnes of waste.
- Recycled 50% of that waste.
- Sent just over 20% to landfill, of which nearly 130,000 tonnes (13% of total waste collected) were biodegradable in nature.
- Incinerated nearly 25% of the collected waste in the form of Refuse Derived Fuel (RDF)[21]. RDF can be used in energy from waste facilities to generate heat and power.

Water

Water is a valuable resource which goes through an energy intensive treatment process before reaching our taps. Currently in Northern Ireland we are consuming on average 145 litres of tap water per person (pp) per day, which is high in comparison to Portugal (132 litres pp per day) France[22] (128 litres pp per day). Our usage is slightly less than the UK average of 150 litres pp per day.

Northern Ireland benefits from having just one water company unlike England, so if government wanted to reduce water from being wasted, it could start monitoring usage across all users. This would complement the current work undertaken by the Northern Ireland Environment Agency, which measures and monitors water quality with enforcement powers to penalise those responsible for pollution.

Current barriers to circularity

When asked to identify current barriers to greater circularity, our Circular Economy Coalition identified several issues which have been collated and summarised below. In the following sections we set out proposals for circular systems change, utilising the levers available to government to address these barriers.

- Lack of data collection and measurement to understand material flows and management of waste.
- Material possession of new products is perceived as a sign of wealth and wellbeing.
- The current perception of growth and approach to capital investment is to build new.
- Lack of CE awareness and understanding of the opportunities CE can present for businesses.
- Inadequate research and innovation to identify circular solutions to current linear practices.
- Public procurement currently supports linear business models.
- Lack of leadership, vision and funding from government.
- Lack of incentives to source regenerative materials.
- Connections are lost between the demand for raw materials and the impact it has on climate change, biodiversity loss and inequality.
- Inadequate provision of networks to foster collaboration across sectors.
- Lack of the knowledge and appropriate skills to enable circularity across industries.
- The existing waste regulatory framework and waste classifications impede the circularity of materials and valorisation opportunities.

The Circularity Gap Report: Northern Ireland

Having established our eight focus areas, we appointed Circle Economy, widely known for its annual global Circularity Gap Report (CGR), presented at the World Economic Forum to develop a baseline of circularity for Northern Ireland. The CGR NI produced by Circle Economy has been used to inform this strategy.

The methodology looks at our consumption patterns and seeks to understand what level of material is required to meet our societal needs across seven areas: nutrition, manufactured goods, communication, mobility, healthcare, services, housing and infrastructure.

This emphasis on socio-economic needs is broader than our focus areas and includes mobility, housing, healthcare and communication. This provides helpful insights into the scale of demand for resources as a result of our consumption patterns.

The circularity metric is the share of secondary materials over total material consumption used to meet the needs of an economy. In Northern Ireland this has been calculated as 7.9%, made up primarily by the recovery and recycling of high-volume mineral construction and demolition waste, along with high-value metal, glass, animal and mixed food wastes.

Key findings

- Circle Economy has categorised Northern Ireland as a 'shift economy'. This means that while the country is home to a very small percentage of the global population (0.025%), its material consumption (0.03%) and carbon footprint (0.04%) are disproportionately higher.
- Our economy is **7.9%** circular – meaning that **92%** of it is dependent on materials from virgin resources.
- There is a lack of understanding of the correlation between business decisions/ lifestyle choices and their impact on the environment.
- The report highlights agriculture and construction as our most material and emission-intensive sectors.
- The key interventions proposed are to reduce consumption through awareness raising and introducing targets to reduce our material footprint.

The CGR challenges us to reimagine and redesign the way in which we extract and use our resources. This is referred to as a revolution in resource use, and actions need to be prioritised by the scale of material use. This signals a focus on the **construction** and **agriculture** sectors.

Benchmarking our material footprint

Figure 9 shows how Northern Ireland compares with the UK and global averages in terms of:

- our material footprint per capita per year
- carbon footprint per capita per year
- domestic material extraction per capita per year.

The CGR measures all of these metrics in tonnes per person per year. It is evident that our material footprint (16.6 tpa) is considerably higher than the global average (11.9 tpa) but slightly less than the UK average (18.4 tpa). According to other Circularity Gap Reports, Norway is one of the highest, consuming 44.3 tonnes per person per year, along with Sweden, which consumes 25 tonnes per person per year.

Deloitte has recently commissioned Circle Economy to undertake a CGR at a UK-wide level, which will provide a useful reference point and good opportunity for collaboration across jurisdictions.

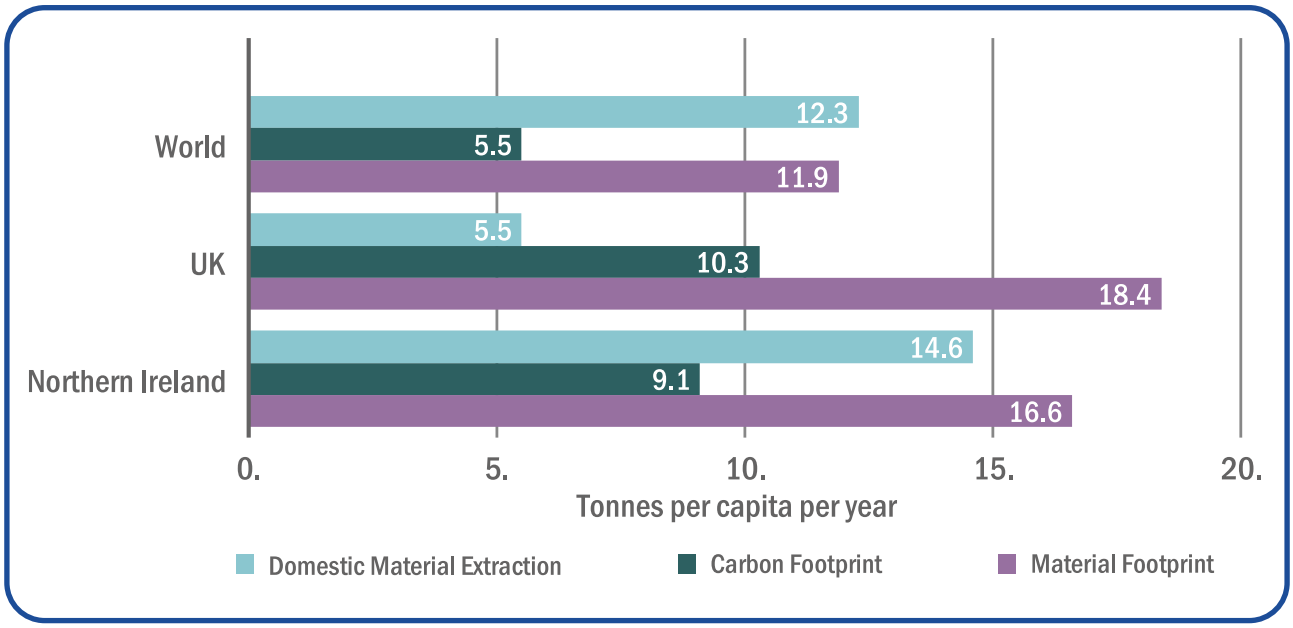


Figure 9 Comparison of metrics, in tonnes per capita per year

Envisioning a circular Northern Ireland

The CGR modelled several scenarios with interventions to boost Northern Ireland's circularity metric. These interventions are designed to challenge conventional thinking, raise awareness, and redefine the linkages between government levers, behaviour of industry and citizens with the resulting impacts on material use and carbon emissions.

The scenarios are not aligned completely to the focus areas but consider broader 'what if' scenarios which can be tested by the CGR model. Hence why mobility, procurement and a circular lifestyle appear in the scenarios but are not identified as focus areas.

The report concluded that these interventions can, if combined, more than double the level of circularity in the Northern Ireland economy from 7.9% to **16.1%,** while our material footprint would be reduced by **48%**.

Reducing our material footprint: Circularity Gap Report scenarios

Nurture a circular food system

A circular system based on a more balanced diet can *reduce the material footprint by **16%** and increase the metric by **1.9%**.*

More sustainable production, with greater emphasis on organic, seasonal and local production, combined with more sustainable land management, can *reduce the material footprint by **0.5%** and increase the metric by **0.04%**.*

Create a circular built environment

More re-using of building materials and components, a greater focus on renovation and retrofitting rather than new-build can *produce a **7.7%** decrease in material footprint and increase the metric by **1.4%**.*

Increased use of local materials and supply chains, energy-efficient appliances and heat pumps running on renewable energy *can reduce the material footprint by **0.9%** and increase the metric by **0.1%**.*

Increased occupancy of commercial and residential buildings *can lower demand for new-build, decreasing our material footprint by **2.6%** and increasing the metric by **0.2%.***

Champion circular manufacturing

Better resource efficiency – reduced use of virgin steel, aluminium, lower volumes of scrap metal, and more recycling *– can reduce material footprint by **2.3%** and increase the metric by **0.2%**.*

Improving reuse, remanufacturing, refurb and repair of materials, and enhancing collaboration across supply chains *can reduce the material footprint by **2.3%**, increasing the metric by **0.2%**.*

Power clean mobility

Increased use of public transport, more car sharing and shifting to bike and foot *can reduce the material footprint by **3.1%** and increase the metric by **0.3%**.*

Improving fuel efficiency plus greater use of electric vehicles *can reduce material footprint by **4.7%** and increase the metric by **0.4%**.*

Leverage public sector procurement

Restricting the expansion of public building stock while focusing on the renovation of older buildings combined with a sustainable food system *can reduce the material footprint by **3.8%** and increase the metric by **3%**.*

Journey towards sustainable tourism

Shifting expenditure to the local economy away from overseas holidays would ultimately result in ***lower emissions*** and ***less pollution*** from travel. This would have a slightly negative effect on both the metric (decreasing it by 0.03%) and the material footprint (increasing by 0.3%). This is due to the increase in local consumption and demand for materials. However, it would also result in lower emissions and less pollution from travel.

Welcome a circular lifestyle

Shifting towards a community-based lifestyle that embraces sharing over ownership. Textile consumption is reduced; items are repaired and repurposed; single-use plastic is significantly reduced; paper products are made from recycled pulp; products are digitised, and staycations are preferred to long-distance travel. This could *reduce the material footprint by **13.5%** and increase the metric by **1.1%.***

Circularity Gap Report: Northern Ireland conclusions and recommendations

The Circularity Gap Report is very useful as it estimates our material footprint, where it comes from and conveys the environmental pressures that Northern Ireland is responsible for. However, it only considers the cycling of materials and therefore doesn't capture levels of repair or reuse, reprocessing or the impact of our actions on biodiversity, pollution or toxicity. We recognise therefore the need to develop a broader measuring framework to align indicators in the 10X Strategy and the Green Growth, and Climate Action Plans.

The CGR concludes that our current economic system is inadequate for the challenges ahead. It calls for radical transformation of how we extract, produce, use and dispose of our resources.

The Report recommends raising the material-use agenda on a par with emissions-reductions targets because the two go hand in hand. It suggests that we need to address our current barriers with the right economic incentives and provides some examples of how to go about this.

- Create a 'coalition of the willing', bringing together industry leaders, government, arm's length bodies and academics to boost capacity and capability.
- Establish a 'circular investment fund' for infrastructure and other enablers.
- Provide financial mechanism(s) to help fund capacity and knowledge-building.
- Develop metrics and mandatory targets to send signals to the private sector to adapt and mobilise resources.
- Measure progress. To do this, we must improve waste data collection, compilation and harmonisation to ensure robustness and enable tracking.
- Develop peer-to-peer learning and knowledge transfer from other regions in the UK, the Republic of Ireland and globally.

These recommendations have shaped our proposals for change and actions.

Through systemic changes that permeate government, the private sector, the third sector, academia and individuals, 'going circular' can become the country's new reality.

How do we compare to others on the Circular Economy journey?

UK

The National Interdisciplinary Circular Economy Research (NICER) programme, established by UKRI[23] is a four-year, £30m investment initiative that aims to deliver research, innovation and the evidence base to move the UK towards a resilient Circular Economy. It is facilitated through five research centres, with each centre leading on a particular sector including chemicals, metals, mineral-based construction materials, technology metals and textiles. This is the UK's largest and most comprehensive investment in the Circular Economy to date and signals the funding opportunities that could be open to Northern Ireland. This integrated interdisciplinary research and innovation community is committed to engaging with all interested stakeholders to ensure the benefits of the work are felt by many.

The UK has also started to tax companies that import into or manufacture in the UK, 10 tonnes or more of finished plastic packaging components annually. The tax is payable if the components contain less than 30% recycled plastic (and will be permitted under other regulations and food safety standards). The tax came into force on 1 April 2022 and is charged at a rate of £200 per tonne.

Scotland

The Scottish Government was the first of the UK nations to declare a climate emergency and to publish its Circular Economy strategy, 'Making Things Last',[24] in 2016. This set out a clear vision and priorities for action. Zero Waste Scotland (ZWS)[25] is the lead body in Scotland responsible for promoting and advising on all Circular Economy matters. It is committed to leading citizens to use products and resources responsibly, focusing on where they can have the greatest impact on climate change. ZWS works alongside government, local councils and other bodies to jointly deliver a more Circular Economy.

The country has proposed a Circular Economy Bill[26], which would introduce charges for single-use items and increase the charge on plastic bags (from 5p to 10p). The Bill includes a requirement for circularity in public procurement. Scotland is also delivering its Food Waste Reduction Action Plan and is supporting business innovation through its Circular Economy Investment Fund[27].

In addition, ZWS is leading research into measuring circularity. One study[28] concluded that no single metric can be used because it requires measuring emissions reduction across the whole supply chain from extraction of raw materials, transportation of materials, manufacturing use and reuse to disposal. ZWS has decided to focus on the use of a material flow account and carbon footprint as a starting point.

England

The Resources and Waste Strategy (RWS) 2018[29] for England forms part of the UK Government's 25-Year Environment Plan[30]. Much of the legislation and directives from the European Circular Economy Package (CEP) have been adopted by the UK post-EU exit, and there is a willingness to continue on this path, with many of the original EU targets for waste prevention now passed into law. England has started to publish its Material Footprint[31] as part of monitoring progress against the RWS.

Wales

The Welsh Government's strategy 'Beyond Recycling'[32] in 2021, sets out its aim of making a circular, low-carbon economy in Wales a reality, with a set of key actions to deliver the objective of zero waste by 2050. It commits to reducing resource use needed for one-planet living by 2050. The focus of the strategy is on reducing waste and supporting the reuse, repair and recycling industries. The Government has set a series of indicators to measure progress and has invested over £750m to date in improving recycling rates. Additionally, it has set up an innovation fund, which has to date provided support for 180 innovative projects.

These actions form a key part of Wales's drive towards becoming a zero-waste, carbon net-zero nation by 2050 or earlier.

Republic of Ireland

The Department for Environment, Climate and Communications published a waste action plan in March 2020, followed in December 2021 by 'Living More, Using Less'. This is a cross-government Circular Economy strategy designed to transition all sectors and at all levels of government.

The Department is also a partner of CIRCULÉIRE, a €4.5m public-private partnership that is a cross-sectoral, industry-led innovation network dedicated to accelerating the transition with a focus on Circular Bioeconomy, Industrial Symbiosis and Circular Procurement.

In March 2022, the Cabinet Office approved €98m of budget and passed a Circular Economy Bill[33] which became law in July 2022. It incentivised the use of reusable and recyclable alternatives to a range of wasteful single-use disposable packaging and other items. It also re-designates the existing Environment Fund as a Circular Economy Fund, which will remain ring-fenced to provide support for environmental and Circular Economy projects and introduces a mandatory segregation and charging regime for commercial waste, similar to what exists for the household waste market.

It streamlines the national processes for End-of-Waste and By-Products decisions, tackling the delays which can be encountered by industry. It also supports the availability of recycled secondary raw materials in the Irish market and consolidates the government's policy of keeping fossil fuels in the ground – by introducing prohibitions on exploration for and extraction of coal, lignite and shale oil.

France

France has embraced the Circular Economy through a programme of legislation that aims to eliminate waste and pollution at design stage, transforming production, distribution and consumption. The first phase introduced a ban on single-use plastic items and limiting plastic food packaging. The target is now the phasing out of single-use plastic packaging completely by 2040. It is also planning to ban paper till receipts and disposable dishes in fast-food restaurants from 2023. It was the first country to ban the disposal of unsold non-food products, requiring companies to reuse, donate or recycle them.

UK City Approaches

Given that many circular initiatives have more effect in urban areas, it is not surprising that cities have taken a lead in promotion of the Circular Economy. This place-based approach to investment is advocated in the 10X Economic Vision to differentiate Northern Ireland. London has set out ambitious plans and has appointed ReLondon to lead CE in the capital and is responsible for delivering its Circular Economy Route Map[34]. This prioritises food, textiles, plastics, electricals and the built environment.

In Scotland, the Chamber of Commerce in Glasgow initiated 'Circular Glasgow', which is leading businesses, in partnership with Zero Waste Scotland and the City Council, in raising awareness and highlighting the opportunities for growth, innovation and resilience through circular models.

Belfast City Council and Dublin City Council were recently awarded funding by the Shared Island Fund to jointly undertake a feasibility study to develop infrastructure, facilities, and institutional frameworks to support transition to a green economy and meet climate ambitions. This work will identify opportunities to make the island a leader in establishing a vibrant, equitable, and innovative Connected Circular Economy.

4.

A Circular Economy: Benefiting business, people and planet

4. A Circular Economy: Benefiting business, people and planet

The Circular Economy delivers benefits in three major categories in creating a more innovative, inclusive and sustainable economy.

For business

- Swapping from finite, potentially risky or under-pressure resources to safer, sustainable materials provides resource security, price stability and creates resilience, helping businesses to prosper.
- Diversifying both the locations and materials in supply chains can also help reduce business risks.
- Innovative research and development will create new opportunities for enterprises to start up and grow.
- New by-products from recovered waste can open new markets and sales opportunities.
- Expanding business models to include repairs, remanufacturing, reselling and sharing can generate new and more consistent revenue streams.
- The Circular Economy promises significant benefits to the workforce as it supports the market for secondary products and materials across all regions, which will create new job opportunities.

For people

- People will be supported to develop relevant skills that will help them transition fairly and inclusively from carbon intensive industries into new jobs.
- Products and services will provide greater efficiency, durability, better end-of-life outcomes with greater overall consumer satisfaction.
- We will have greater choice and quality of products and services at a reduced cost through additional circular models and through reuse and introduction of quality standards.
- Traditionally marginalised groups will be supported by socially conscious businesses adopting circular business models, providing training and employment opportunities for those with disabilities or health conditions.
- Total ownership costs will reduce as products are designed for remanufacturing, repair and recycling.
- Better choice of healthy locally produced foods as the circular food system reduces our reliance on chemical farming interventions.

For planet

- We can ensure we function within the limits of our natural resources and that we sustain human life on our planet.
- Ecosystems are regenerated, and biodiversity thrives because extraction, waste and pollution are reduced.
- We will increase land productivity, reduce food waste from farm to fork and optimise nutrient return to the soil to combat such losses.
- By extending material cycles and making products last longer, we can reduce landfilling and energy-intensive recycling processes and cut down on the pollution caused by material extraction processes.
- For industries like concrete or steel production, becoming more circular could reduce emissions by up to 40%[35]. Reducing waste to landfill and transforming energy-hungry industries will significantly bring down greenhouse gas emissions.
- The planet's resources will be under less pressure as we scale up our low carbon and renewable energy economy.

Circular Business Models

The World Economic Forum consider the following circular business models as key for businesses to gain a competitive advantage:

1. **Circular input models**: Within the production process, traditional virgin material inputs are replaced with bio-based, renewable, or recovered secondary materials. It reduces the costs of supplies , increasing productivity and reducing demand for virgin resources.

2. **Resource recovery models**: The focus here is on the recovery of embedded materials, energy and resources at the end of a product's useful life. The material is kept in use at its highest value reducing waste while also displacing the extraction and processing of virgin resources. These models generally provide incentives for customers to return products.

3. **Product life extension models**: Products have been designed for repairability, upgradability, reusability, ease of disassembly, reconditioning, and recyclability of all components. These models slow the flow of materials through the economy and reduce the rate of resource extraction and waste generation.

4. **Sharing models**: Through sharing platforms, these business models facilitate the sharing of under-utilised products which reduces demand for new products and their embedded raw materials. It ensures idle assets are shared across a community or industry while providing customers with affordable and convenient access to products and services.

5. **Product as a service**: These models enable customers to purchase the use of a product for a period of time while the producer maintains ownership and responsibility for maintenance. It shifts the focus from product ownership to stewardship and from volume to performance, which incentivises green product design increasing durability and reducing overall demand for virgin resources.

As an island on the periphery of mainland Europe, we have to import many of the materials we need to power our industries and produce products. The invasion of Ukraine has heightened our awareness of risks to supply chains and price inflation. In an increasingly competitive world, having first-mover advantage will provide growth potential for our business community, but just as importantly result in better environmental performance and good socio-economic outcomes.

The new business models proposed will result in higher levels of innovation and more targeted research and development and increasing focus on innovation active firms. Northern Ireland can use this to its advantage if it starts to enact Circular Economy principles.

Potential for job creation

We don't yet know with certainty the level of potential jobs growth for Northern Ireland, but predictions from elsewhere indicate the scale of opportunity. ReLondon, for example, recently estimated that the Circular Economy could create over 250,000 jobs in London by 2030. These would be in addition to the existing 231,000 circular jobs in London[36]. This increase will be driven by consumer demands for eco-friendly products and services, new businesses in sharing, renting or leasing, increased reuse and repair and increased use of secondary materials.

Green Alliance[37] (GA) has also carried out research in this area for the UK. 'Levelling up through Circular Economy jobs'[38], published in 2021, showed how moving to a Circular Economy provides the UK with an opportunity to level up the country with jobs in remanufacture, repair, recycling and reuse. GA shows that with an ambitious approach from government, up to 450,000 jobs can be created across regions of the UK that need jobs the most.

As part of our research, we assessed the current number of jobs in Northern Ireland in circular activities as well as the potential opportunities for some of our focus business areas.

We calculated that circa 70,000 jobs – nearly one-tenth (8.9%) of the Northern Ireland total – are currently contributing to the Circular Economy either directly or indirectly. Figure 10 provides a breakdown of Core, Enabling and Indirect circular jobs. It is not realistic that all future jobs will be circular, but a doubling of the number of circular jobs would be a realistic target for Northern Ireland.

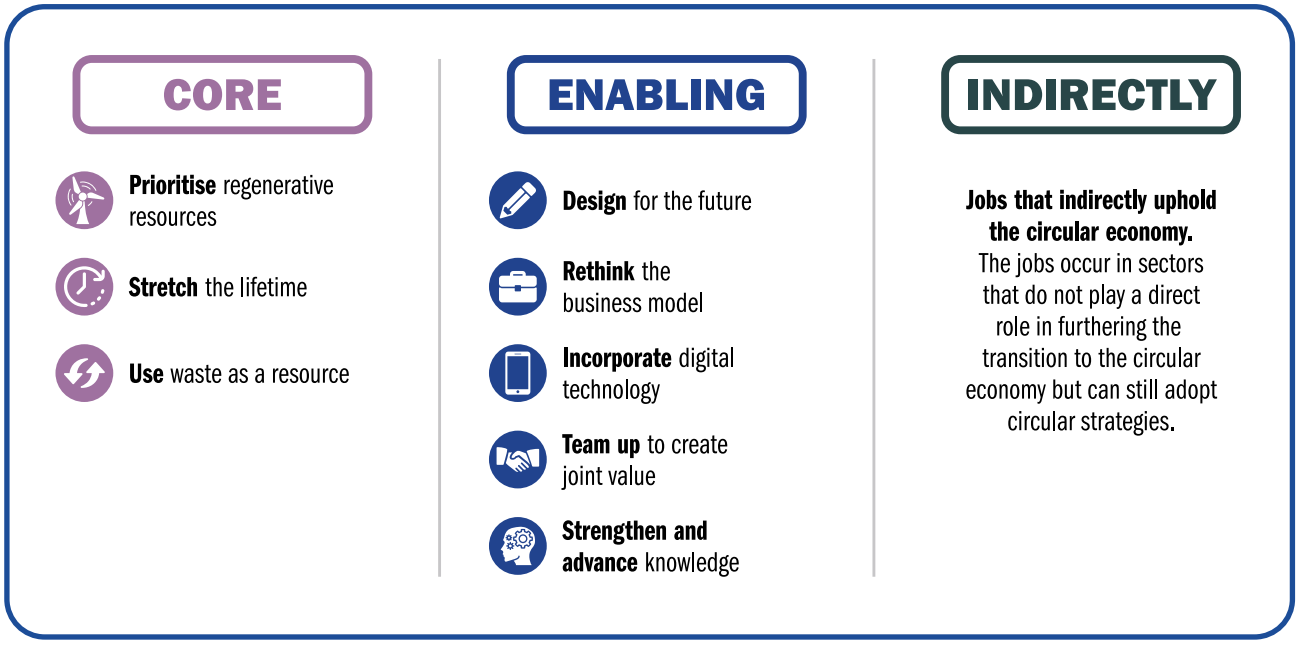


Figure 10 Circle Economy - Circular Jobs

To realise these jobs, we will prioritise and invest in innovation to develop new technological solutions, and the right set of skills and competences. Individuals skilled in Science, Technology, Engineering and Mathematics (STEM) disciplines are the frontrunners of new technological development and innovation, and the transition to a circular economy will increase demand for these skills.

While this draft strategy refers to circular jobs, we are aware of the drive by government to create green jobs in the 10X Economic Vision and as one of the three goals of the Draft Green Growth Strategy. A green job perhaps has a broader scope than a circular job. However, this is a developing area and is the subject of much debate. The Office for National Statistics (ONS) has launched a consultation on Defining and Measuring Green Jobs[37] to produce data and as a basis for measurement. In our response to the consultation, we have shown interest in Northern Ireland acting as a pilot/pathfinding project to explore the development of Environmental Goods and Services Sector (EGSS) accounts for Devolved Administrations which would help in the development of a Green Job metric.

Leading the way: Early adopters of circularity

Business will often lead systemic economic change, and Northern Ireland business is no different. Here are some examples of local companies that have already adopted circular business models.

Artemis Technologies

Artemis Technologies' growth plans include building a new facility in Belfast to test a new piece of green maritime technology, the eFoiler electric propulsion system. It is an example of circularity as it was developed through virtualising iterative designs, optimising use and negating the need to build physical pilots, reducing demand for materials. Artemis is part of a consortium tasked with designing and building zero-emission high-speed ferries and has received £30m from UKRI.

Frylite

Frylite supplies cooking oil to the food industry and also collects used cooking oil free of charge from businesses. It is circular for two reasons: the oil is transported in reusable containers which can be used ten times, and secondly the collected used oil is kept in use as it is cleaned and filtered before being sold to a biodiesel plant for further use. The company recently invested £2m in a new depot, which is hoped will create 25 new jobs – a further testament to the company's success.

Vyta

Based in Belfast, Vyta collects and disposes of IT equipment. The equipment is collected and wiped of all data, then repaired if necessary, preparing it for resale. If it can't be reused, they ensure it is shredded and recycled, but 9 times out of 10 the equipment is sold on and the revenue covers the client's costs. This is another company reaping the benefits of a circular model. They have recently grown their team from 37 to 120 in order to meet the demand for their services.

Responsible

Belfast start-up company Responsible has developed a technology solution to enable fashion brands to buy back previously worn items from shoppers. It operates a CE business model, by partnering with brands to give customers the option to sell items back at the end of their life for a predetermined price/store credit.

Lakeland Dairies

Organic wastes from Lakeland Dairies in Newtownards are sent to AD plants and the biogas generated is brought back and used to power the manufacturing process. This accounts for up to 40% of the energy requirements for the facility.

5.

Proposals for change

5. Proposals for change

Following significant stakeholder consultation, independent research and learnings from our evidence base, we have developed twelve proposals for change which will create more sustainable production and consumption patterns in Northern Ireland.

The proposals have been framed around the five universal Circular Economy policy goals developed by the Ellen MacArthur Foundation (EMF)[38] which provide a blueprint to align ambition and create a common direction of travel.

Delivery of these proposals will depend on the commitment of stakeholders and their ability to collaborate.

Our proposals are ambitious, which is fitting for a country committed to a model of sustainable and inclusive economic growth. They are also strategic and cross-cutting, and we recognise sectors may progress at different speeds.

Policy Goals	Proposals for Change
Collaborate for system change	**1.** Develop and implement a programme to support and promote behaviour change. **2.** Create clusters and networks to raise awareness and assist collaboration. **3.** Develop an outcome-focused Circular Economy monitoring framework.
Design out waste	**4.** Embed Circular Economy principles in public procurement. **5.** Work with businesses to increase circular design.
Manage resources to retain value	**6.** Create and support platforms and hubs to share goods and materials. **7.** Maximise the value of materials locally.
Stimulate system change with funding, incentives and penalties	**8.** Establish a Circular Economy funding programme. **9.** Create a regulatory framework that supports and incentivises greater circulation of goods and materials.
Invest in innovation, research and skills	**10.** Invest in research and development to support the valorisation of materials. **11.** Embed Circular Economy principles at all levels of education. **12.** Design of future skills programmes and reviews of current programmes to support a Just Transition.

In the following sections, we will explain the need and opportunities presented by each of the proposals for change.

Collaborate for system change

Proposal 1: Develop and implement a programme to support and promote behaviour change

Our behaviours and individual choices about what, where and how we purchase products, how long we use them for, whether we can reuse or repair them, and when and how we dispose of them, will ultimately determine if Northern Ireland can successfully transform to a Circular Economy.

Our 'throw away' culture is full of single-use items. While many of these make our lives more convenient, they are contributing to significant levels of material waste and environmental damage. Small changes can make a significant and positive impact and will become more vital as resource scarcity continues to worsen.

A recent report 'In our hands, behavioural change for climate and environmental goals'[39] issued by the House of Lords, urged ministers to lead a public campaign using all government levers to guide public behaviour change in order to stop biodiversity loss and achieve net zero. It also claims that one third of our emission reductions must come from people changing their behaviours.

Educating citizens and businesses on how to embed circularity into their everyday lives and providing information to enable them to make more informed choices will be key. Over the last few years people have become more aware of and interested in calculating and monitoring their carbon footprint. We want to see this repeated in relation to material footprints.

While marketing and design can heavily influence our behaviours, it is our personal responsibility to move towards a system that is more aligned to nature.

We need to build an understanding of material use and circular options that will ultimately lead to people thinking in a more circular way in their day-to-day lives. Examples include promoting consuming products as a service through hiring or borrowing rather than ownership and 'product stewardship,' where 'everyone who imports, designs, produces, sells, uses and disposes of products has a shared responsibility to reduce the environmental and human health and safety impacts of those products.'[40]

Driving behaviour change will require a range of tactics, nudging businesses and citizens to think in a more circular way and make the choice for themselves, combined with regulation, legislation and enforcement. An example of this is the plastic bag levy, which has transformed our usage of single-use plastic bags.

Changing our patterns of consumption will require strong collaboration across all sectors[41] to address each stage of the consumer journey.

To avoid duplication, we will work alongside the Green Growth and Climate Action teams as they begin to implement their commitment to Support Behavioural Change, to align our approach. We will also work closely with organisations who currently lead on environmental behavioural change campaigns in Northern Ireland, such as WRAP and Keep Northern Ireland Beautiful.

Data and monitoring will be key to measuring the impact of campaigns and messaging and we will need to baseline current behaviour to measure the influence any campaigns would have.

Government will provide vocal and visible leadership to build momentum on the transition to a Circular Economy.

Potential impacts of changing behaviour:

- Cutting food waste could save households £500 a year. Over 70% of the food waste in the UK is from households, so that is a lot of potential savings. Some 4.5 million tonnes of that waste, valued at £14 billion is still edible. (WRAP UK)
- Just 4% of local people know that the production and consumption of clothing and textiles is harmful to our environment. The average UK household owns around £4,000 worth of clothes, around 30% of which have not been worn in the last year. This unused clothing is collectively valued at £30 billion. (Keep Northern Ireland Beautiful)

More details of the opportunities to change behaviours in respect of food, textiles, electrical and electronic goods[42] and packaging can be found in Annex 3 of this strategy.

Collaborate for system change

Proposal 2: Create clusters and networks to raise awareness and facilitate collaboration

Many of the barriers to circularity will not be addressed without using existing and new clusters and networks to research, design, test and deliver transformative solutions.

Changing mindsets, business models and developing new products and services is going to be a complicated task. Especially for Northern Ireland, which has many SMEs with limited time and resources. We recognise that working collaboratively with companies, researchers and public authorities will provide the best opportunity for success.

Clusters are a geographic collection of interconnected companies producing similar or related goods/services that are innovation-orientated, seeking to benefit from integration across businesses.

Networks are an alliance of organisations (public/private or other) seeking to work together to achieve an economic goal, this could be within or outside a cluster. Networks may involve organisations within the same sector or across sectors which belong to the same value chain.

The following three examples highlight potential areas of growth, which would benefit from collaborative clusters and networks:

Access to secondary construction materials

We need to increase the provision, quality and accessibility of secondary and regenerative materials. This will be in step with research programmes with our colleges and universities. Stakeholder engagement will be crucial to make the secondary building materials market competitive and will require collaboration across the entire value chain from architects, manufacturers, designers and regulators to contractors.

Growth of sustainable packaging

As well as working within existing sector networks to promote and make circular practices the norm, we will need to explore alternative solutions to existing industry problems, e.g. the Polymer Processing Research Centre at Queen's University will become an important source of expertise as the packaging sector seeks to increase use of secondary materials and make changes to design to increase recycling and reprocessing potential.

Irish Biomap Public Network

The Biomap[43] developed by the Irish Bioeconomy Foundation is an example of a project fostering collaboration across industries which would not normally interact to create new value chains. This interactive map, which covers the island of Ireland, plots organisations and technologies operating in agri-health, food processing, forestry, distilling, dairy, waste to energy, fisheries, agri-tech, etc. It aims to link companies that have overlapping value chains to reduce waste. This is through collaboration across businesses to explore new markets, develop new products, processes and services to maximise synergies.

Circular food manufacturing

The following diagram shows the amount and complexity of collaboration required across the whole UK food supply chain to reduce food waste/emissions and increase sustainable water management. What it doesn't show is the human and environmental interactions and how they will be impacted if flows are modified. We have an innovative food manufacturing industry in Northern Ireland which will play a key role in our transition, and which will need targeted support to ensure growth, jobs and opportunities are maximised as the economy transitions.

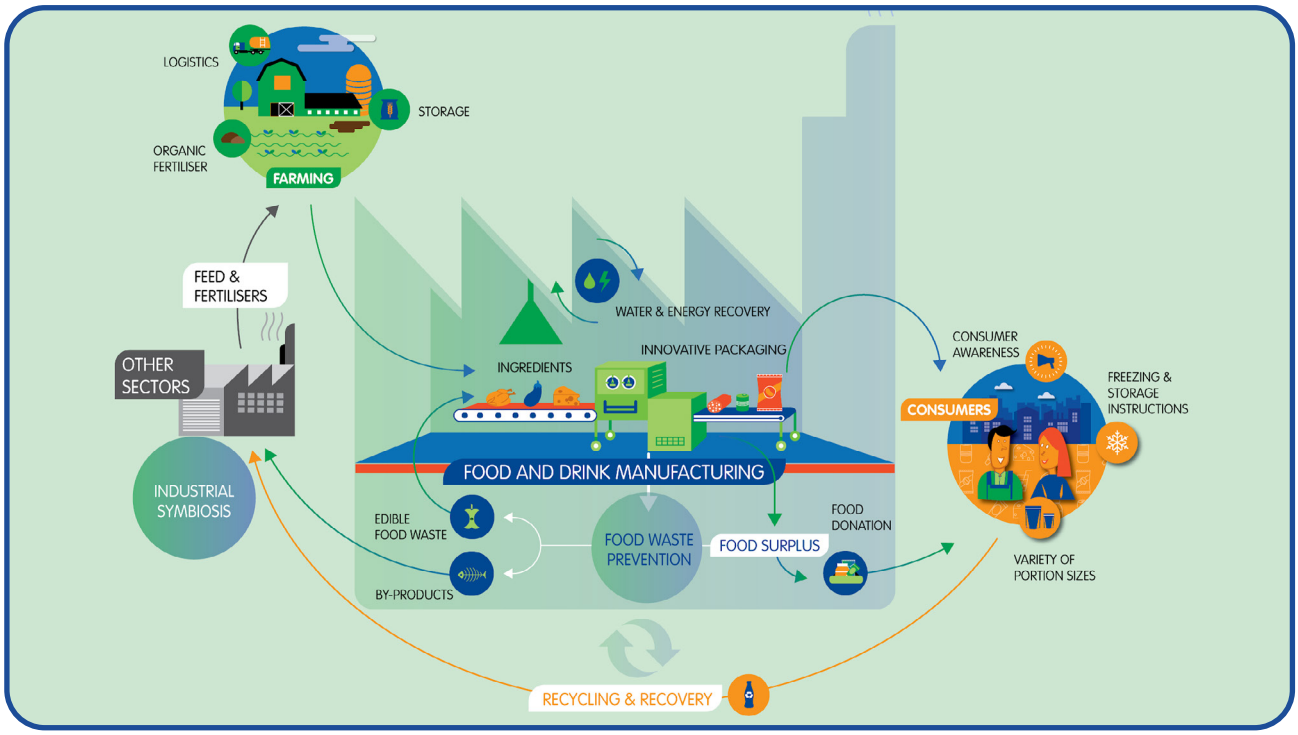


Figure 11: Ingredients for a Circular Economy, ©FoodDrinkEurope[44]

We will support businesses in the transition and encourage cooperative working and increased utilisation of existing programmes like Invest Northern Ireland's Resource Matching Service[45], which supports local companies with resource matching. Any clusters established as part of this strategy will complement the priority sectors and clusters identified in the 10X Performance Management Framework to enhance collaboration and maximise innovation.

Collaborate for system change

Proposal 3: Develop an outcomes-focused Circular Economy monitoring framework

To effectively measure the impact of this strategy and our transition to a Circular Economy, we will collect and analyse robust data.

The Circularity Gap Report has provided a baseline for key metrics such as our current circularity, material footprint and the number of circular jobs in Northern Ireland. It also highlighted the gaps in our information sources and the measurement and reporting of key data.

The Circularity Gap Report recommended developing metrics, setting goals and measuring progress. This strategy sets a target to halve our material footprint by 2050. To comprehensively measure progress, we need to improve collection and compilation of data, build capacity in measuring the flow of materials and adopt standards to account for carbon.

Working collaboratively to share metrics and data will be integral to developing a monitoring framework that aligns with the 10X objectives. Annual reporting on existing and new KPIs will also help us measure and monitor.

This will include:

- sharing the metrics and indicators developed as part of the measurement of the Climate Action Plan, departmental plans and Sectoral Plans
- aligning with metrics to measure and monitor delivery of the 10X Economic Vision.
- collaborating with Green Growth and ONS on developing the metrics for green jobs to include circular jobs.
- working with Northern Ireland Statistics and Research Agency, Ireland's Central Statistics Office, InterTrade Ireland and other cross-border bodies to align metrics and improve the collation of data on material movement.

Digital technology will be a key enabler to measuring circularity. Technologies like blockchain will become increasingly important tools to help us in these areas for improving efficiency, planning processes, quality control and quality assurances in supply chains. Material passports will also be necessary across sectors to track materials, so that use and reuse can be maximised.

Several mechanisms have been developed to measure Circular Economy performance at a business level. These include:

- the Circular Transition Indicators[46] by the World Business Council for Sustainable Development
- Ellen MacArthur Foundation's Circulytics[47] tool.

Over time the metrics will become standardised, and we will be able to see the impact we have had on reducing our overall material footprint and achieving the broader 10X objectives.

Design out waste

Proposal 4: Embed Circular Economy principles in public procurement

In Northern Ireland, public sector procurement has buying power in excess of £3 billion per annum. This provides strong potential to shape markets and behaviours towards a Circular Economy.

The Northern Ireland Executive has already approved new approaches to procurement that require a minimum 10% scoring for Social Value[48] in tenders above the UK Threshold for services and works contracts. This policy supports a range of themes including social, economic and environmental outcomes.

Government must procure products sustainably to ensure that public spending protects and does not harm our environment.

To do this, those responsible for the spend 'Commissioners' must ensure that as far as possible, specifications for products should:

- embody circular design
- contain recycled or bio-based content
- are renewable
- can be purchased as a service.

To procure in a circular way will involve looking beyond short-term needs and considering the longer-term impacts of each purchase. Business cases must consider Whole Life cost analysis – and consider whether a purchase needs to be made at all.

The Green Growth Strategy also recognises the role of public spending to improve our environment and includes a commitment for government to lead by example and develop a green public procurement strategy. We will work with the DAERA Green Growth team and the Department of Finance to help shape this.

The UK, EU and ROI are all reviewing their procurement processes to consider the opportunities for reducing emissions. Local government can also drive change through use of Sustainable Procurement Toolkits[49] to effectively mobilise public spend to deliver relevant local priorities. Those priorities include targets to achieve 'net zero' or be 'carbon neutral', reducing consumption and waste, and inclusive local economic development.

In June 2022, Scotland introduced a new procurement policy note[50] to consider CE and climate change, signposting sources of support to embed this policy in practice.

Design out waste

Proposal 5: Work with businesses to increase circular design

Government will need to support businesses to scale up established Circular Economy operating models that build sustainability into design, improve material efficiency, utilise secondary materials and reduce waste.

In moving to more circular designs, each of our focus areas will be affected in different ways.

Built environment

Figure 12 below was produced by The London Energy Transformation Initiative (LETI)[51]. It provides a helpful hierarchy for the built environment sector to prioritise circularity, with maintenance and prolonging the life of a building, its components and materials at the top of the hierarchy.

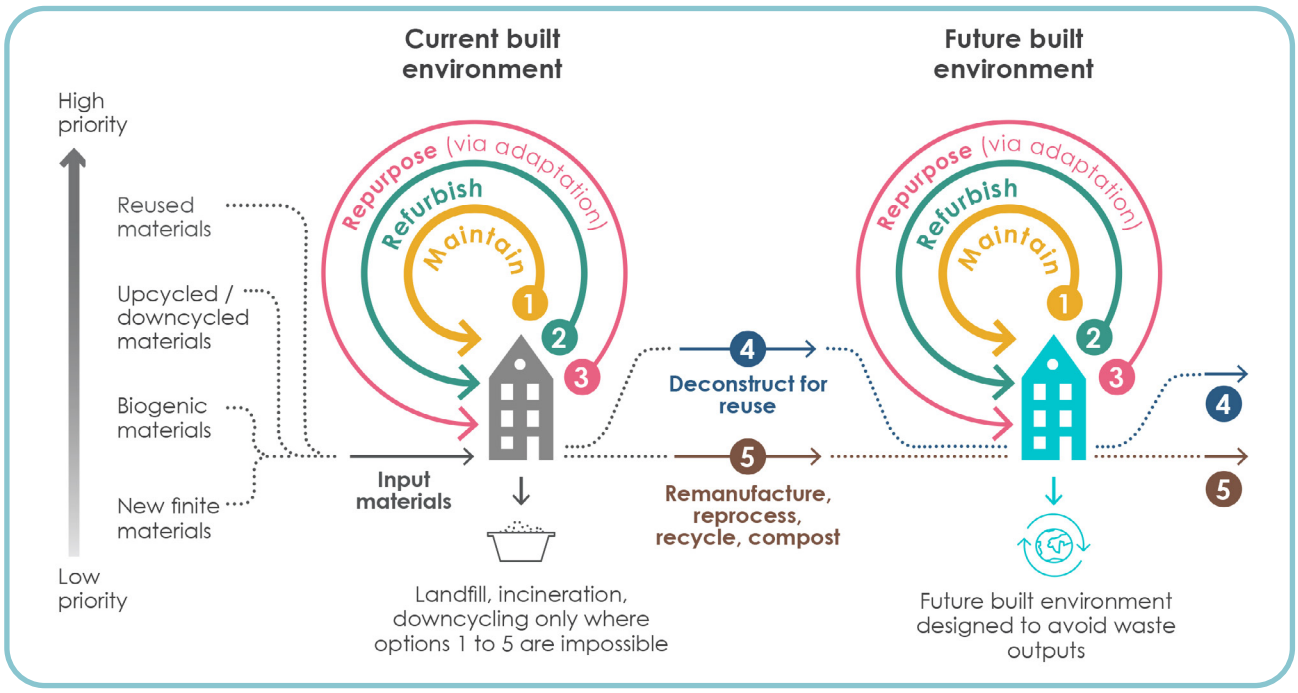


Figure 12: LETI London: CE for the build environment: A summary

Advanced manufacturing

This is a fast-growing sector, and its technologies are crucial to increasing circularity across all sectors. These technologies include Artificial Intelligence (AI), big data analytics, cloud computing, internet of things and 3D printing.

Electronics and electrical equipment

In the last twenty years the growth in electronics and electrical equipment has grown exponentially. The UN has referred to the situation as a 'tsunami of E-waste rolling across the world' caused by growing consumption, short product lifespans, difficulty of repair and inadequate recycling.

The components themselves are also problematic, as they include valuable rare earth metals and materials. The mining, crushing and grinding of these has caused significant biodiversity loss and water stress globally. Some of the materials would be classed as Critical Raw Materials[52], such as cobalt used in lithium batteries and indium used to make touchscreens and solar panels.

Other materials are hazardous, difficult to process and must be handled very carefully, such as arsenic, cadmium, lead and mercury.

The methods of managing E-waste can range from large-scale shredding technologies to smaller scale, manual or automated disassembly processes. We need to work with manufacturers and reprocessors to optimise the use of these devices through better design and to ensure we retain the value of the various materials they contain.

Packaging

Packaging can be made from a variety of materials including metal, aluminium, glass, paper, card and plastic. New packaging solutions are coming to market to increase use of reusable packaging, recycled content in packaging as well as using biodegradable or compostable forms of packaging.

Research and development will be essential to increase circular design and create demand for more innovation active firms. This can be generated through challenge funds, engaging universities and innovation centres, running competitions to stimulate discussion and action in relation to behavioural change and technological innovation. We can incentivise entrepreneurs, and start-ups in this sector to embrace circular business models.

Designing circular packaging is a lucrative business to pursue. According to the EMF, converting just 20% of plastic packaging into reuse models could provide a business opportunity worth 10 billion USD[53]. We need to be supporting these initiatives and considering introducing a sustainable packaging certification programme.

Manage resources to retain value

Proposal 6: Create and support platforms and hubs to share goods and materials

To improve the use of resources and retain their value, people and businesses need to know what is available, where it is and what condition it is in.

We want to create more platforms and hubs to retain the value in resources. This information can be provided through online platforms for typical fast-moving consumer products e.g. food, as well as industrial materials.

OLIO sharing platform

OLIO is an app (online platform) that connects people to surplus goods, including food and other household items, that can be borrowed for free. It has over 30,000 'Food Waste Heroes', who collect unsold or unserved food from businesses such as Costa Coffee and Tesco for listing on the app. Users then request the items and arrange collection. OLIO has grown fivefold over the last year – demonstrating a step change in attitudes.

Industrial materials

To create a platform for industry, coordination, collaboration and information sharing is required across projects, sectors and country borders. Planning and capital investment is also needed to create regional and national hubs to store the materials until required.

The Welsh Government has committed to the development of regional 'eco-park' hubs and town centre hubs which would be places for people to practice repair and reuse activities.

To support greater circularity in construction, platforms would provide material passports for all the materials, capturing information for all stakeholders including architects, suppliers, clients or future users to access. The passports would contain data on production, maintenance, reprocessing, refurbishing or recycling of materials and give them a value for future recovery and reuse.

Northern Ireland has expertise in material handling which needs to be utilised to help deliver these hubs. Government, building contractors and the waste and resource management sector will need to work together to create, populate and support the ongoing operation of these sharing platforms and hubs.

International Synergies (IS) provides another type of platform for businesses to share resources. It supports industrial symbiosis, a process by which wastes, or by-products of an industry or industrial process, become the raw materials for another. IS worked with Seagate Manufacturing in Derry/Londonderry, who had identified a surplus stock of Aquasol sodium chloride due to a change in service provider. IS was able to match Seagate with Belfast company Chempar, who agreed to take the stock for future resale as part of its boiler water treatment service. This ensured the secondary material was kept in use and avoided disposal of the chemical waste. This service could be developed to create a shared platform where you can see all the materials available in one place.

Manage resources to retain value

Proposal 7: Maximise the value of materials locally

When products and materials are kept in beneficial use, they retain the maximum value of those materials and components – reducing the overall demand for material extraction to make new products.

Repair and reuse

We need to see this sector grow, normalising reuse and repair and removing any stigma attached to it. Many of the organisations already operating in the sector are charities or social enterprises, which highlights the importance this sector plays in growing skills, creating jobs, keeping materials and products in use, and lowering our overall material and carbon footprints. Other businesses are also seeing commercial opportunities to operate in this space. In Doncaster and across Surrey County Council, Suez has opened Reuse Shops alongside Household Recycling Centres, selling recovered goods to local residents.

The Rediscovery Centre[54] in the Republic of Ireland is working on metrics to measure the value of repair and reuse activities.

The Northern Ireland Resource Network has been tasked to grow and support a network of reuse and repair organisations across Northern Ireland. Its core objective is to mainstream reuse and repair. It supports over 30 member organisations including:

- Belfast Tool Library, which offers a range of hand tools and power tools including drills, sanders and gardening tools for people to borrow as opposed to buying their own.
- the 4Rs project in Derry/Londonderry that collects, repairs and repurposes furniture and laptops.
- the Repair Café Belfast, which works with volunteers to refurbish a wide range of household items including small electrical goods, clothing, furniture and bicycles.
- Restore, East Belfast Mission, which collects, refurbishes and restores furniture and other household goods for resale in charity shops or to be donated to those in need.
- FareShare and Foodbank, both involved in food redistribution to tackle food waste and food poverty.

Bio-based materials

Bio-based materials are made from substances derived from living organisms. We need to maximise resource efficiencies by using biological resources within product development to create economic value over multiple lifetimes. We must prioritise higher-value products such as the production of fine chemicals and biological pharmaceuticals followed by food, and feed for animals cascading down to higher volume but lower value products such as energy crops.

We need to maximise the value of resources we have on our doorstep, but this will require collaboration with nations close by to plan and deliver additional infrastructure to support homegrown industries e.g. wool, paper, barley. The Circularity Gap Report recommends exploring options to produce bio-based materials and composites that could support decarbonisation of sectors such as construction. For example, hemp could be used to create hempcrete as a substitute low-carbon building material.

Along with innovation, there will be increased need and demand for digital skills to capture, monitor and control data used to manage animal production, crop growth and environmental improvement schemes. To comply with regulations and receive subsidies, businesses already need to do this, but it will grow. Those employed must understand both the manual activities associated with the bioeconomy and have the technical skills needed to digitise data.

Bio-Marine

Bio-Marine in Killybegs, Donegal, has developed value-added products from fish by-products. It has started to produce high-value proteins, minerals and nutraceuticals for sale to Asia and Europe. With its turnover doubling annually, Bio-Marine has raised institutional funding and will be investing in the construction of a new £50m plant employing 100 people.

Reprocessing

Reprocessing is a vital means of keeping materials in use, and while some value may be lost in the processing, it is still preferable to landfill, recovery or exporting the waste elsewhere.

Currently councils across Northern Ireland are exporting recyclate materials collected from households, through waste management companies, overseas for onward processing. This means the domestic value of these materials is lost. In order to increase reprocessing, the sector has asked for government intervention, in particular targets to reduce export of waste and investment to increase reprocessing infrastructure.

Several local companies are reprocessing packaging materials including plastic, glass, paper, metal and card. These material flows, along with garden waste and food waste, account for nearly 80% of the recyclable waste collected by councils from households. Many of these reprocessors are importing recyclate materials to feed and grow their business processes but they are also importing the material because the local supply is not of sufficient quality.

The latest report from the Circular Economy Collaborative Network, funded by Invest Northern Ireland, highlights the opportunity and growing need for an expanded reprocessing sector in Northern Ireland, in terms of capability and capacity. To make this happen the report recommends:

- Enhanced collaboration and transparency across the supply chain.
- Establishing a Recyclate Reprocessing Circularity Hub.

The Hub would be expected to help address the current mismatch in the quality of local recyclate collected and the quality specifications required by the local reprocessing companies. While DAERA is developing a draft Common Collections Guidance document, the Department may need to consider mandating quality specifications to increase the supply of quality recyclate which will in part come through the Extended Producer Responsibility schemes.

Huhtamaki

With 560 employees, Huhtamaki Ltd in Armagh is the biggest reprocessor of recycled paper in Northern Ireland. It uses the material to manufacture egg cartons, egg trays and coffee cup carriers. Supported by Horizon2020, Huhtamaki has started to manufacture its fresh ready-meal trays, which are made from natural wood fibres – making them fully recyclable and certified for home composting.

Encirc Ltd in Fermanagh is another major reprocessor, taking glass cullet that is melted to create a range of different glass bottles. Encirc has identified opportunities to grow and expand if higher quality glass recyclate was available locally. It has been working with *Glass Futures to use bio-fuel in one of its furnaces*. *This could reduce carbon emissions at its manufacturing site by up to 90% when compared to fossil fuels.*

Reprocessing Electronic Equipment

In Northern Ireland, we have an opportunity to increase value retained from Waste Electrical and Electronic Equipment (WEEE).

Recycling of WEEE is important not only to reduce the amount of waste requiring treatment, but also to promote the recovery of valuable materials. UN report: Time to seize opportunity, tackle challenge of e-waste advises that globally, electronic waste is worth at least $62.5bn annually, the equivalent of the GDP of Kenya, largely from value of incorporated gold, silver, copper, platinum, and palladium.

Northern Ireland has seven Approved Authorised Treatment Facilities (AATFs) for WEEE materials. However, with the demand for critical raw minerals housed in electrical goods, there is an opportunity for more businesses to specialise in dismantling and reprocessing these goods to extract the minerals. The UK Government's strategy[55] on minerals advises that we will need four times as many critical minerals by 2040 as we do today. Through innovation, financial support and regulations, it is committed to increasing recovery, reuse, recycling and resource efficiency to alleviate pressure on the primary supply of critical minerals.

Northern Ireland could get ahead of the market and scope out the feasibility to develop capabilities to capitalise on this opportunity to create a Circular Economy for critical minerals.

Stimulate system change with funding, incentives and penalties

Proposal 8: Establish a Circular Economy funding programme

To unlock benefits at scale, we need to create economic incentives that enable Circular Economy solutions to succeed.

Finance is essential for business to help share risk and the investment costs associated with adopting CE business models, such as installing more resource-efficient machinery, rethinking logistics and distribution. Invest Northern Ireland, International Synergies (IS) and others are currently providing specialised support for embryonic CE projects. However, a lot more will be required.

A Circular Economy funding programme is necessary to address current barriers and incentivise regenerative, resource-efficient practices. This funding will be jointly developed with DAERA and ALBs but coordinated and delivered by a central CE delivery body that will also be responsible for providing signposting and offering expert support to assist in making funding bids that will unlock CE at scale in Northern Ireland.

While virgin materials remain cheaper, secondary materials cannot compete. However, with the correct economic incentives, secondary materials can compete and grow. The introduction of some tax relief for retrofitting existing buildings or using recycled content in buildings and reducing or removing tax relief for new build needs to be considered.

Nature-based solutions will also be an investment priority to increase resilience, reduce environmental impact and improve sustainability of our built environment (e.g., SUDS[56] and green roofs[57] to reduce flooding).

Other UK jurisdictions, and our neighbours in RoI and EU, have initiated CE programmes and have allocated funding to support projects and plans – the amount provided depends on the scale of ambition – but as success becomes evident, more support is being provided.

Until a dedicated CE funding programme is designed, it will be necessary to provide signposting and support to access other sources of available funding.

Stimulate system change with funding, incentives and penalties

Proposal 9: Create a regulatory framework that supports and incentivises greater circulation of goods and materials

Regulations, taxation and enforcement can further reduce waste and improve resource efficiency.

Many of the circular regulatory initiatives came from EU legislation that was already underway prior to UK exit from the EU. One example is European Commission rules to **establish the 'right to repair' for consumers**. For household appliances, the rules currently apply for dishwashers; washing machines and washer-dryers; refrigeration appliances; televisions and other electronic displays. Similar regulations were introduced for Great Britain[58]. This means manufacturers of these electrical goods are required to ensure their products are repairable for at least ten years through providing repair manuals and making parts available. These regulations will affect the design, manufacturing and distribution of all applicable goods in Northern Ireland and will facilitate greater reuse and repair of such products.

Government regulations need to be linked to the waste hierarchy that will maintain and optimise the value of materials by refocusing activities towards prevention, reduction and reuse as opposed to end-of-pipe waste management. Over time we can measure the success of this intervention by seeing if the level of imported virgin material falls as the economy grows.

Schemes and legislation in the UK

As part of a UK-wide drive to bring forward circular solutions, Northern Ireland has been working to introduce and further develop several schemes and legislation, including:

- **Producer Responsibility schemes** which apply to electrical goods, batteries, vehicles and packaging, where the producers of goods contribute to costs of recycling and/or disposal at the end of a product's life. There is now a large shift to Extended Producer Responsibility (EPR) which is a powerful environmental policy approach through which a producer's responsibility for a product is extended to the post-use stage. It forces producers to design their products to be capable of reuse, easily dismantled and/or recycled at end of life. EPR also impacts other parties in the value chain including retailers, the public and waste operators.
- **Waste Electrical and Electronic Equipment Regulations (WEEE) 2013 (updated in 2018) –**These regulations currently require 65% of the weight of EEE placed on sale to be reused or recycled every year. From the limited data available, most of it is recycled into low grade components as opposed to being kept in use through reuse or repair. The UK government is expected to consult on reforms to these regulations in 2023, at which time the emphasis is likely to be on eco-design, product labelling and increasing household collections for reuse and recycling and also adding obligations for online retailers.

- **Packaging Extended Producer Responsibility (EPR) scheme** – A new scheme is due to be introduced in 2024, when producers will be required to pay the full net costs of dealing with waste packaging materials. This will in turn incentivise changes from design to production, increasing the uptake of reuse and refill business models. The new scheme will increase reprocessing capacity to deal with recyclable material and support the development of solutions to deal with non-recyclable material.
- **Deposit Return Scheme (DRS)** – DAERA is working with English and Welsh governments to introduce a Deposit Return Scheme (DRS) for single-use drinks containers to increase the circulation of the materials used. A customer will pay a small deposit when they buy a drink in a container and will get the deposit back when they return the container for recycling. Some schemes elsewhere have seen return rates of 90% as well as increases in the quality of recyclate collected and reducing the amount of littering.
- **Textiles Extended Producer Responsibility Scheme** – Currently under consideration, the EPR for textiles would seek to create minimum requirements for eco-design, support re-use and closed-loop recycling, and require producers to provide more information and labelling, helping consumers to understand the environmental and human impact of their choices. Several large multi nationals like M&S[59] and H&M[60] have already made commitments to become more circular and consider the whole life cycle of their products.
- **A UK-wide Digital Waste Tracking Service** is currently being developed to track all waste movements within the UK. It is anticipated that the improved accuracy and availability of data on waste and potential resources will assist the functioning of a Circular Economy.
- **Plan to Eliminate Plastic Pollution** – DAERA is leading the development of a Northern Ireland Executive Commitment for a Plan to Eliminate Plastic Pollution[62] and is collaborating with the Department of Finance to implement a Single-Use Plastic Reduction Action Plan within the government estate.

Examples of regulations being used elsewhere:

- The EU-wide Single-use Plastics Directive has been in operation since July 2021 (including in the Republic of Ireland) banning 10 common single-use plastic items such as straws, cotton buds, plates and cutlery that have readily available non-plastic alternatives. The ban includes all oxo-degradable plastic products, i.e. plastics that fragment following exposure to air and sunlight. Labelling requirements on other products containing plastic have also been introduced across the EU through the same Directive.
- Scotland has become the first part of the UK to implement a ban on many of the most problematic single-use plastics, and the Republic of Ireland is following suit. The Scottish ban, which came into force on 1st June 2022, makes it an offence for businesses to provide plastic cutlery, plates and stirrers. Around 700 million of these single-use items are currently used in Scotland every year.
- The Republic of Ireland government is considering legislation that would require supermarkets to allocate 20% of their floor space for the sale of loose products to be purchased by people using reusable containers. This will reduce excess buying and reduce plastic packaging.
- France has banned supermarkets from throwing away unsold food and requires them to donate it to charity.

Outside the legislation and regulations currently in development, we have identified several other opportunities that would help enable circular solutions to become the norm.

Waste Regulations

The UK exports approximately 16.3 million tonnes of materials for recycling per year[61] and this is partly because of the lack of markets for this material domestically. According to some stakeholders, it is our current definitions of waste that are preventing the valorisation of many materials. When a product or material is classified as waste, there are strict rules about how it can be treated to ensure that human health and the environment are protected. However, these current definitions and associated regulations are considered a barrier to innovation and keeping products and materials in use.

If we revise the end of waste regulations, it creates opportunity to localise supply chains, making more material locally available. If secondary materials are present and easily accessible then supply chains are shortened and Northern Ireland PLC performs better. If the regulations make it easier to reuse and repair products, social enterprises can grow and provide services in partnership with Councils and waste operators to off-load particular products to extend their lifetime and provide jobs.

All of this should be considered as part of the Regulatory Transformation Programme (RTP) which is a reform of legislation and operation by DAERA. This will be critical if we are to create a regulatory framework that supports the Circular Economy. Its aim is to integrate environmental protection and economic growth by reducing the regulatory burden for businesses through a more streamlined and effective system. It will make it easier for regulators to assess and, where necessary, enforce compliance. As part of this, DAERA will develop policy proposals for, amongst other things how waste management activities should be regulated.

Building Regulations

We must also consider if building regulations could provide a means to enable and unlock opportunities for reuse, repurposing and reprocessing of building materials. The building regulations set standards for building work and recent uplifts have improved the energy efficiency and emissions performance of buildings. We will need to consider embodied carbon and the full life-cycle assessments of material, align methodologies with other UK jurisdictions and develop market capability, before we could introduce regulations requiring recycling and re-use within construction. The Department of Finance will soon be gathering evidence in a discussion document to inform any next steps.

Taxation

Tax is not a devolved matter for Northern Ireland, but it is important for us to feed into the design of new or revised UK-wide and Northern Ireland-specific regulations and taxation interventions that will support value retention of products and materials.

At present over 40% of UK public tax receipts come from labour tax (income tax and National Insurance) and only 5% comes from tax on goods (fuel, tobacco and alcohol)[62]. This creates little incentive for high carbon producers to change their operating models. Consideration should be given to the possibility of shifting some of that burden to taxing non-renewable resources.

Circular activities including repair, refurbish and remanufacture are often labour intensive which, given it is heavily taxed, makes it difficult for businesses involved in those activities to compete. At present the tax system provides more of an incentive to build a new house as opposed to renovating an existing house. Therefore, we need to rethink how labour is taxed when it comes to circular activities as well as how we reduce VAT on circular goods and activities.

Plastics Packaging Tax

The Plastics Packaging Tax is an example of how tax can be used. It is designed to provide a financial instrument to encourage businesses to use recycled plastic in the manufacturing of plastic packaging. The tax came into effect in April 2022 and levies £200 per tonne on plastic packaging that contains less than 30% recycled plastic. The aim of the tax is to drive increases in recycling infrastructure especially for plastics that are currently not usually recycled due to the low cost of virgin material.

Enforcement

Government needs adequate resources to enforce and take appropriate action against waste crime and to ensure sufficient deterrents are in place. Stakeholders have called for action including the introduction of enforced targets to reduce waste across the food industry, agriculture and the construction sector.

Food

In terms of food, we need to:

- enhance enforcement of the food waste regulations
- consider use of a mandatory food waste reporting system
- consider eliminating biodegradable waste from industry going to landfill.

The final measure alone would make a significant contribution to reducing waste sector emissions given 8-10% of the world's GHG emissions relate to food[63].

The Welsh Government has set a target to halve avoidable food waste by 2025 and reduce it by 60% by 2030. The Republic of Ireland has set a target of 50% reduction by 2030, and Scotland has pledged to reduce food waste by 33% and end the landfilling of biodegradable municipal waste by 2025.

Role of Householders

Other opportunities are missed when people fail to put their recyclable plastic, paper, card, tins and glass in the recycling bin. This can be tackled through effective communications from stakeholders including councils, education through the Eco-Schools Programme, and monitoring and potential consequences for persistent non-compliance.

Invest in innovation, research and skills

Proposal 10: Invest in research and development to support the valorisation of material

The aim of valorisation is to move materials up the value chain. Materials that are by-products of a process or currently thrown away can be reprocessed to produce more valuable materials. Finding these pathways will take intensive research and development. Our businesses and people will all need support from the public and private sectors to create enabling frameworks for this to happen.

Examples of valorisation include:

- using discarded plastics to infill potholes on roads[64]
- deriving fuel from coffee grounds[65]
- waste from plant-based protein manufacturing used for textiles, packaging, building materials (e.g. hempcrete), biofuel or pet food.

This innovation will be underpinned by high levels of collaboration across business, academia, government and civil society. Investment in research and development will be key to drive growth. The 10X Economic Vision commitment to increase total research and development expenditure by 55% from a baseline of £1,167m in 2020 will be key to delivering this proposal.

To increase local reprocessing, discussed in Proposal 7, we will need research to assess feasibility of local reprocessing and closed-loop recycling, including the technology needed to retain the value of material flows. This will involve working closely with local, national and international research institutions, forging research collaborations that will lead to the commercialisation of this research and the adoption of new innovations. This approach will drive growth across the economy into direct and indirect supply changes.

There are excellent research projects ongoing in Queen's University Belfast and Ulster University on the development of waste and by-products into less expensive and less carbon-intensive solutions for Northern Ireland industries[66].

There are significant opportunities to be explored and the Northern Ireland government will play its part in catalysing and supporting this vital work. At present there are numerous financial supports available throughout Northern Ireland, UK, EU and from private financing. The CE delivery body will assist and signpost business in accessing finance, both public and private by providing advice on the risks and rewards of various financial products.

Queen's University Belfast partnership with ReGen

QUB in partnership with ReGen[67] has been researching a manufacturing process for waterglass suitable for producing 'cementless' concrete products. Waterglass (sodium silicate) is a much sought-after chemical, also used in processing textiles and lumber, and in the manufacture of ceramics, and other materials. It can be created using by-products namely glass cullet and by-products from cement and steel production. The end products will have a significantly lower environmental impact than those currently on the market.

It requires a lower process temperature (around 150°C vs >1100°C) which is less energy-intensive and can utilise waste glass cullet rather than virgin material. Furthermore, the production cost is estimated at £100 per tonne (about 95% cost being sodium hydroxide) in comparison with the market price of commercially available sodium silicate at £450 - £900 per tonne.

The Belfast Region City Deal will see the establishment of a national Advanced Manufacturing Innovation Centre (AMIC) which plans to build upon existing research centres of excellence leading research and development into technological solutions to unlock greater growth.

New technologies will be needed to track material movements, and researchers must consider the opportunity to develop and utilise Radio Frequency Identification Devices (RFID), which are small, battery-less microchips that can be attached to consumer goods, cattle, vehicles and other objects to track their movements. We need to miniaturise products and reduce the production costs to promote mass uptake.

Invest in innovation, research and skills

Proposal 11: Embed Circular Economy principles at all levels of education

Our transition to the Circular Economy is dependent on how we learn to innovate and apply our learnings to all sections of our society. We need to develop our education system and skills to become more circular in our thinking and behaviours.

The pathway will be led by networks and clusters of Circular Economy leaders and champions, but we need everyone to be aware of the part they can play.

We need people to learn about the Circular Economy, the benefits it can provide and how to get involved. They need to be able to make the connection between material use and how it impacts on carbon footprint. Education programmes at all levels will be required so that the idea of a Circular Economy is better understood and becomes part of everyday life. It will also start to address over-consumption and production patterns to reduce resource scarcity.

This work will support the 10X Economic Vision to increase the proportion of the working age population with qualifications at level 3 and by increasing the proportion of individuals leaving higher education with qualifications in STEM subjects. This is essential to ensure our society is ready to maximise opportunities and grow our economy.

Eco-Schools initiative

The Eco-Schools initiative[68], which is an environmental education programme, has been very successful at embedding sustainability into the ethos and curriculum of schools, covering topics such as waste, marine conservation, transport, climate action, biodiversity and water. This could be expanded to consider material use and promote circular living, utilising technology and gamification to increase the reach of messages.

The Southwest Regional College has some excellent courses and projects[69] running which will facilitate capacity building, knowledge transfer and technology development within Advanced Manufacturing and Renewable Energy as well as sustainable construction.

Zero Waste Scotland[70], the Ellen MacArthur Foundation (EMF)[71] and Sitra (Finland)[72] all have innovative programmes to encourage Circular Economy thinking from an early age right through to higher and further education programmes – not just limited to the classroom but to wider life skills. We hope to emulate and use these resources in our own learnings.

Invest in innovation, research and skills

Proposal 12: Design of future skills programmes and reviews of current programmes to support a Just Transition

Unless we plan, anticipate and resource for the transition to a Circular Economy, skills shortages could derail long-term goals for circularity and jobs growth.

As we progress into the 4th Industrial Revolution[73], some jobs will be lost in old sectors and the demand for new skills will increase. For example, the need for diesel engineers will be replaced by those who specialise in electrical vehicles. Jobs may be lost in agriculture, fossil fuel extraction and processing but new jobs will emerge in sectors such as design, disassembly and biorefinery processing. In the event that the transition is not managed, the Climate Change Committee[74] has warned Northern Ireland that social upheaval can be expected including significant job losses in carbon-intensive industries, growing fuel poverty and an increasingly unaffordable housing stock that doesn't meet energy standards.

Skills for a 10X Economy

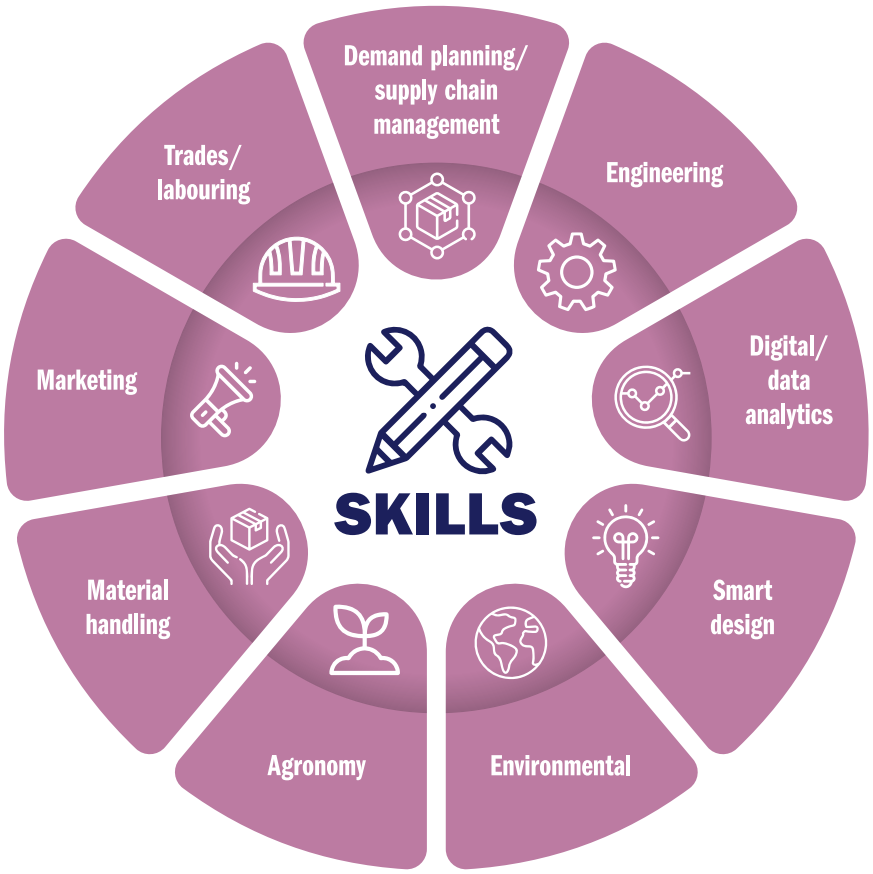
The Department's new Skills Strategy "Skills for a 10x Economy" was published in March 2022. The Strategy sets a strategic framework for the development of our skills system to 2030 making[49] recommendations for various actions to be taken across government, business and wider society.

The strategy recognises that *"it is imperative that work begins immediately to fully understand the short, medium and long-term requirements of our education and training sectors that will enable us to maximise the economic opportunities from the global drive to tackle climate change, deliver a just transition for individuals across our society and to meet our carbon reduction commitments."*

We will work closely with the DAERA Green Growth Team, the DfE Skills and Education Group and the Just Transition Commission (which is to be formed as part of the Climate Change Act) to incorporate the need to support a Just Transition into our wider skills delivery across multiple programmes. The Just Transition Commission and Just Transition Fund is being established to specifically manage the effects of change and reduce inequalities.

A focus on skills and material life cycles

Workers and employers will be required to retrain and develop new skills to adapt to changing environments. Activities and services will become focused on reusing materials and closing material cycles—processes that require diverse skills in design and engineering as well as practical labour-intensive roles. The diagram on the following page provides a selection of skills that will be needed.



Skills training and Further Education colleges will continue to play a crucial role in providing the skills and delivering traineeships, apprenticeships and sector partnerships to drive changes through revised industry standards and qualification requirements. By growing these skills, we will address the current skills imbalances, enhance digital skills and create a culture of lifelong learning which are objectives of the 10X Economic Vision.

In future, the principles of a Circular Economy (materials, remanufacturing, eco-design, recyclability, and practices that extend product lifetimes) will be integrated into all our lives, but especially in design, engineering, construction, industrial processes and customer service.

Examples of 'new' jobs

- Construction and Built Environment – retrofitters, heat pump engineers, insulation specialists, digital designers, disassembly and material handling.
- Advanced Manufacturing – reprocessing experts, bioengineers, logistics specialists, digital and blockchain for material tracking.
- Agriculture, Food Manufacturing and Bioeconomy – chemists, researchers, animal nutritionists.
- Tourism – digital specialists, procurement specialists, transport specialists (air/ferry/ cruise travel).

6.
Monitoring and measurement

6. Monitoring and measurement

We are demanding more resources from the earth than it has to offer us. In the UK the average person is consuming *almost three times* the natural world's productive capacity[75]. We urgently need to address this alongside reducing emissions.

How will we know we have succeeded? The Green Alliance[76] recommends the need for an ambitious target to halve resource use in the UK and bring resource consumption within planetary boundaries by 2050.

The following list provides an overview of the ambition and targets of other countries pursuing the Circular Economy:

- France intends to increase resource productivity by 30% by 2030, using 2010 as the baseline.
- Austria aims to reduce domestic material consumption to 7 tonnes per capita per year by 2050.
- Spain aims to reduce national consumption of materials by 30% by 2030, using 2010 as the baseline.
- Wales has set an overall target to reduce resource use needed for one-planet living by 2050[77].
- England aims to double resource productivity by 2050.
- The Netherlands is aiming to be 100% circular by 2050, with an interim target to reduce 50% raw material use by 2030.[78]
- Circular Flanders, Belgium, has set a target to reduce its material footprint by 30% by 2030.

The Climate Change Act and the Green Growth Strategy are rightly focused on achieving net zero by 2050. We have set out in this strategy how Circular Economy helps meet this target with a reduction in our material footprint providing the greatest impact.

With a clear legislated target for net zero by 2050, Northern Ireland will begin to align reporting on progress within the UK carbon budget periods, as recommended by the Climate Change Committee. We will also align circularity metrics within the 10X Performance Management Framework to measure performance in-line with the three core themes of innovation, inclusion and sustainability.

By 2050 we will have reduced our material footprint to 8 tonnes per person per year.

This target is derived from the Circularity Gap Report insight and various pieces of scientific research[79] suggesting between 6-8 tonnes per capita per year is the sustainable footprint target we need for long term survival.

The Circularity Gap Report gives us a baseline and the 'what if' scenarios provided us with various interventions which, if implemented could theoretically reduce our material footprint by half. The target above and the proposals for change provide a strategic vision and direction, but it will take time and collaboration with all stakeholders to agree on a realistic roadmap to success. Such collaboration will be essential in setting any interim goals and developing sector and material specific action plans that support and complement the Climate Action Plan.

The EC has found measuring the Circular Economy difficult due to the numerous material streams and emission sources affected. It has created a Circular Economy Indicator Framework,[80] which complements the Commission's 'Resource Efficiency Scoreboard'[81] and 'Raw Materials Scoreboard'.[82]

The UN has also established a Task Force[83] to produce practical guidelines for measuring Circular Economy by June 2023.

In addition to the Circularity Gap Report baseline, we will develop a broader suite of indicators and metrics to measure sustainable performance in alignment with the Climate Action Plans, the 10X Performance Management Framework and the Investment Strategy for Northern Ireland.

Some indicators of success will increase, and others decrease, as set out in the table below. Some of these indicators are already being measured but others will require improved data collection. These will provide an overall picture of performance in terms of the impact of interventions on people, planet and business.

CE Indicators that will decrease	CE Indicators that will increase
• Material footprint • Waste generated from Households and sectors • Waste exported • Waste landfilled • Fly-tipping incidents • Virgin materials imported • Water use • Water pollution incidents • GHG emissions across sectors • Extractive industries • Overall energy use • Number of derelict buildings and empty homes	• Recycling • Reuse and repair enterprises • Greater awareness of Climate Change and Circular Economy • Companies publishing sustainability reports • Green/circular Jobs • Water, soil and air quality • Biodiversity • Public money spent on circular procurement • Patents for circular products and materials • Retrofitted homes

In the short term we might see an increase in our material footprint as the energy, waste and water transitions will require material and carbon-intensive infrastructure to be imported and constructed in Northern Ireland. Such development is essential to reach net zero in the longer term, but these short-term trade-offs will need to be factored in.

During this transition stage, we must focus on designing circularity into major infrastructure projects to ensure the full lifecycle of material has been considered, e.g. the repurposing of steel and apparatus from wind turbines when they are decommissioned.

7.
Next steps

7. Next steps

If we are to ensure that Northern Ireland meets its net zero target and reduces its material footprint by 2050, we need to adopt a Circular Economy mindset in everything we do.

Lord Deben, Chair of the UK Climate Change Committee, in a recent letter to the Department of Agriculture, Environment and Rural Affairs[84] said:

"Northern Ireland is already playing catch-up with the rest of the UK in many areas. The new (Climate Change Act) targets will quickly lose credibility if the policy focus does not shift quickly to implementation and success is seen in delivery of outcomes."

Likewise, we are playing catch-up in terms of circularity, but DfE has committed to take the following actions to initiate progress:

1	2	3
We will examine options for a delivery unit, in partnership with DAERA, to translate the proposals for change into action plans.	**We will embed Circular Economy principles in the development of the Climate Action Plan, Departmental and Sectoral Action Plans.**	**We will raise awareness of Circular Economy and increase circular thinking.**
The delivery vehicle to be established by 2024 will lead a whole-system approach across government to deliver agreed actions, while continually measuring and monitoring progress to ensure success. This will require investment in research, infrastructure, new technologies and circular business models.	To align reducing our material footprint with reducing GHG emissions we will work across government to promote Circular Economy principles in all climate action plans.	By engaging across government, business and society we will use our channels to promote, educate and communicate the benefits of Circular Economy.

The goal of this strategy is to adopt a circular model and reduce our material footprint to live responsibly, build resilience and exploit new opportunities. This will secure future prosperity for business, people and our planet. We have set out our vision and direction of travel in the proposals for change and our commitment to change through these next steps. It is important to note, however, this strategy will be dependent on securing sufficient funding to take it forward. Budgets beyond 2022/23 have not yet been allocated and are expected to be challenging.

We invite you to respond to this consultation and provide your feedback on our plan to transition to an innovative, inclusive and competitive economy, with responsible production and consumption at its core. The outcome of this consultation will also inform the next steps taken to implement the 10X Economic Vision, to create a more innovative, inclusive and sustainable economy.

Glossary

10X Economic Vision

The 10x Economic Vision represents a bold and ambitious new vision for the Northern Ireland Economy based around a decade of innovation acting as an engine for growth.

The vision sets out that growth will also be inclusive, providing better opportunities and wages to more people, and sustainable, by playing its part in tackling climate change and other environmental issues. The 10X Economic Vision focuses specifically on clusters and technologies where Northern Ireland has world class potential including cybersecurity, advanced manufacturing and engineering, and life and health sciences.

Carbon Footprint

Carbon footprint is the amount of carbon dioxide released into the atmosphere as a result of the activities of a particular individual, organisation, or community. It is expressed as carbon dioxide equivalent (CO_2e), which is the sum of all greenhouse gas emissions rolled into one. In the UK the average carbon footprint is 6.25 tonnes CO_2e per year.

CE strategies:

- Reuse - Reuse products by transferring them to another user.
- Repair - Repair components and parts so that products can be used longer by the user.
- Remanufacture – is the rebuilding of a product to specifications of the original manufactured product using a combination of reused, repaired and new parts.
- Reprocess – to deal with waste materials so they can be used again.
- Recycle - is the process of taking a component material and processing it to make the same material or useful degraded material.
- Recovery - the process of removing or extracting an energy source (e.g. battery) or industrial chemicals/materials for use, reuse, or waste treatment.

Circular Economy

A Circular Economy is a systemic approach to economic growth that reduces overall demand for resources. It requires us to rethink what we understand as economic success and, in the process, redesign our economic model. It entails gradually decoupling economic growth from the consumption of finite resources and designing waste out of the system. Underpinned by a transition to renewable energy sources, the circular model builds economic, natural and social capital.

Circular Economy principles

The Circular Economy is a framework of three core principles, driven by design:

- Eliminate waste and pollution
- Keep products and materials in use and
- Regenerate natural systems

It is based increasingly on renewable energy and requires us to rethink our relationship with materials/resources. It is accelerated by digital innovation. It is a resilient, distributed, diverse, and inclusive economic model.

Circularity

It is the process in which value is retained e.g. by-products from manufacturing being reused. Circularity increases when the value of resources and materials is recognised and maximised.

Circular jobs

A circular job is any occupation that directly involves or indirectly supports one of the principles of the Circular Economy.

Climate Change

The impacts of global warming on the Earth's weather patterns.

Closed–Loop economy

A closed-loop economy is an economic model in which no waste is generated; everything is shared, repaired, reused, or recycled. What would traditionally be considered 'waste' is instead turned into a valuable resource for the creation of something new.

Consumables

Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. They can also be defined as the components of an end-product that is used up or permanently altered in the process of manufacturing such as semiconductor wafers and basic chemicals.

Critical Raw Materials

Critical raw materials are raw materials of high importance to the economy and have a high risk associated with their supply (for example, China provides 98% of the EU's supply of rare earth elements). Raw materials are crucial to our economy. They form a strong industrial base, producing a broad range of goods and applications used in everyday life and modern technologies. Reliable and unhindered access to certain raw materials is a growing concern within the EU and across the globe.

Consumption

Consumption means the amount of something that people and other entities use. It is also the process of using something, often so that there is less of it available afterward

Decarbonisation

Decarbonisation is the term used for removal or reduction of carbon dioxide (CO2) output into the atmosphere. Decarbonisation is achieved by switching to usage of low carbon energy sources.

Deposit Return Scheme (DRS)

A deposit return scheme is an example of producer responsibility. Producer responsibility is about making sure businesses that manufacture, import and sell certain products also deal with the end-of-life environmental impact of those products.

Ellen MacArthur Foundation – EMF

Launched in September 2010, the Ellen MacArthur Foundation is a non-governmental organisation (NGO) most well-known for its heavy promotion and influence within the Circular Economy, a system designed to keep a material in use for as long as possible.

Extended Producer Responsibility (EPR)

A policy approach in which producers are given significant responsibility – financial and /or physical for dealing with post-consumer products. It is intended to incentivise producers to design out waste and increase the value of resources.

Focus Areas

Areas of concern or where impact would be highest. For the purposes of this Strategy, it was decided that we needed to identify the most critical sectors and material flows which should be targeted with policy interventions aimed at addressing market and regulatory failures. These were Construction and Built Environment, Tourism and Hospitality, Bioeconomy, Advanced Manufacturing, Food, Textiles, Electricals and Packaging.

Global warming

Global warming is the long-term warming of the planet's overall temperature. Though this warming trend has been going on for a long time, its pace has significantly increased in the last hundred years due to the burning of fossil fuels. As the human population has increased, so has the volume of fossil fuels burned.

Green economy

A green economy is defined as low carbon, resource efficient and socially inclusive. In a green economy, growth in employment and income are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced renewable energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services.

Green Growth

The Green Growth Strategy is the Northern Ireland Executive's multi-decade strategy, balancing climate, environment and the economy in Northern Ireland. It sets out the long-term vision and a solid framework for tackling the climate crisis in the right way.

Green jobs

Jobs in areas of the economy engaged in renewable energy, producing goods and services for environmental protection purposes, as well as those engaged in conserving and maintaining natural resources[85].

Greenwashing

Greenwashing is the process of conveying a false impression or providing misleading information about how a company's operations are more environmentally sound. Greenwashing is considered to be an unsubstantiated claim to deceive consumers into believing that a company's products are environmentally friendly.

HWRCs

Household Waste and Recycling Centres (HWRCs) are where you can take everyday household items for reuse, recycling or disposal.

Innovation Active Firms

Enterprises that pursue opportunities focused on innovative products or services that will be tradable on regional or global markets.

Linear economy

A linear economy traditionally follows the 'take-make-use-dispose' approach. This means that raw materials are collected, and then transformed into products that are used until they are finally discarded as waste. Value is created in this economic system by producing and selling as many products as possible.

Low Carbon Renewable Energy Economy

Businesses are considered part of the Low Carbon Renewable Energy Economy if they report activity in one of 17 defined sectors, when surveyed by ONS. The Low carbon and renewable energy economy survey estimates the scale of such businesses including turnover and employment.

Material Footprint

Material Footprint (MF) is the attribution of global material extraction required to meet the domestic final demand for goods and services of residents in a country.

Material Flows

A material flow is the description of the transportation of raw materials, pre-fabricates, parts, components, integrated objects and finally products as a flow of entities. Analysis of material flows allows us to track materials throughout the economy.

Nature-based Solutions (NbS)

An umbrella term which covers a range of solutions to protect the environment, create habitat and offer alternative, low-carbon solutions to traditional grey infrastructure. NbS provide valuable natural capital e.g. SUDS

Precision Farming

An approach to farm management which applies technology to ensure crops and soils receive what they need. It can be used by famers to increase soil quality as well as optimising and increase productivity.

Production

The process of making or growing goods to be sold or the amount of something that is made or grown by a country or a company.

Raw Material Equivalent

Raw Material Equivalent describes the amount of raw materials which are embodied (over the whole production chain) in the products of domestic final uses of an economy. For instance, Chile exported 5.84million tonnes of copper in 2020 but the raw material equivalent was 580 million tonnes of ore – 99% of the resource dug out of the ground is left in Chile as waste.

Recyclate

Post-consumer goods and products which are collected for recycling.

Socio-economic cycling

This is the share of secondary materials in the total consumption of an economy and this is also the measure used for the Circularity Metric – which shows how circular our economy is.

Socio-economic outcomes

Outcomes that relate to or are concerned with the interaction of society and the economy.

Small Medium-sized Enterprises – SMEs

The UK definition of a SME is generally a small or medium-sized enterprise with fewer than 250 employees.

Sustainable Urban Drainage Systems (SUDS)

SUDS are drainage systems that are considered to be environmentally beneficial, causing minimal or no long-term detrimental damage. They provide a means of efficiently and sustainably draining surface water, while minimising pollution and managing the impact on water quality.

Supply Chain

A supply chain is a network between a company and its suppliers to produce and distribute a specific product to the final buyer. This network includes different activities, people, entities, information, and resources. The supply chain also represents the steps it takes to get the product or service from its original state to the customer.

Value Chain

Value Chain is the process or activities by which a company adds value to an article, including production, marketing, and the provision of after-sales service.

Value Creation

Value creation is taking inputs (resources, capital) and turning them into outputs (outcomes, profits). For an output to be valuable, there needs to be a stakeholder that values the output. The aim of CE is to provide value to things that are currently wasted/thrown away/discarded and find a market for them.

Valorisation

Valorisation is the act or process of maintaining the price of something, usually through government action and can also be described as the act or process of giving, assigning, or enhancing value.

Waste and Resources Action Programme - WRAP

WRAP is one of the globe's leading sustainability charities. Based in the UK and with projects around the world, it works with businesses, governments, citizens, and charities to make the planet a healthier, safer place. Its vision is 'A world where resources are used sustainably.'

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Department
for Environment
Food & Rural Affairs

Consultation on Introducing a Deposit Return Scheme in England, Wales and Northern Ireland

Second Consultation

March 2021

Llywodraeth Cymru
Welsh Government

Department of
Agriculture, Environment
and Rural Affairs

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Executive summary

Moving towards a more circular economy, where resources are kept in use for as long as possible and waste is minimised, and ensuring the UK is a world leader in resource efficiency and resource productivity is a priority for Government[1]. Across the UK, consumers go through an estimated 14 billion plastic drinks bottles, 9 billion drinks cans and 5 billion glass bottles a year. The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland have all made commitments to develop policy which work towards achieving these aims, not least through the development of producer responsibility proposals. Introducing a deposit return scheme forms a key part of these proposals, and has been committed to in various publications by the UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland, including the manifesto on which the current UK Government was elected, the *Resources and Waste Strategy for England*, the *Welsh Government's Beyond Recycling, A strategy to make a circular economy in Wales a reality,* and *Northern Ireland's Waste Prevention Plan.*

In 2019, Defra launched the consultation on Introducing a Deposit Return Scheme in England, in conjunction with the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland. This consultation set out the aims of introducing a deposit return scheme, which would be to reduce the amount of littering, boost recycling levels for relevant material, offer the enhanced possibility to collect high quality materials in greater quantities and promote recycling through clear labelling and consumer messaging. Additionally, introducing a deposit return scheme could help incentivise moves to push more material up the waste hierarchy and move towards a more circular economy.

The consultation was met with support for the introduction of a scheme. In response to the 2019 consultation, noting the high level of public and stakeholder interest in introducing a deposit return scheme for drinks containers, Government committed to continuing to develop proposals and stated that it was minded to implement a scheme from 2023, subject to further evidence and analysis on the costs and benefits of such a scheme. Scotland have already set out their own plans to implement a deposit return scheme and we recognise there is support for coherent schemes across the United Kingdom.

Government remains committed to delivering on its commitments to introduce a deposit return scheme, but it also recognises that the Covid-19 pandemic has disrupted the economy and society in unimaginable ways, with many people reassessing their values, decisions and priorities in both the immediate and longer term. On this basis, our second consultation will build on the first consultation, offering a chance to explore further what the continued appetite is for a deposit return scheme in a 'post-Covid' context. The second consultation will also inform how a future scheme can be designed in the best and most coherent way possible to deliver on the objectives set out for introducing such a policy.

With this in mind, we have had to reassess what a realistic timeline for implementation of a deposit return scheme looks like, ensuring that sufficient time is given for a successful roll-out of the scheme. We therefore anticipate that the introduction of a deposit return scheme

[1] Unless otherwise stated "Government" refers to the UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland.

in England, Wales and Northern Ireland would be in late 2024 at the earliest. We believe this revision presents a realistic yet equally ambitious timeline to implement a complex but incredibly important policy in the most effective way possible. The timelines for implementation are further explored in Chapter 9. We also recognise that the deposit return scheme proposals are interconnected with the other waste reforms and the introduction of the Plastic Packaging Tax[2], and we will continue to assess the changes to timelines for delivery of these reforms.

A summary of proposals within the consultation chapters is presented below. This second consultation will enable us to present the final policy positions of the deposit return scheme and seek further information on any outstanding areas of design. The primary powers to implement the deposit return scheme will come from the Environment Bill which sets out how we plan to protect and improve the natural environment.

Summary of proposals by chapter

Chapter 1: Scope

This chapter sets out the scheme participants who will take on obligations under the deposit return scheme – namely producers, retailers and the Scheme Administrator (Deposit Management Organisation). These obligations include requiring producers to sign up to the Deposit Management Organisation and carry out reporting obligations, paying a producer registration fee to the Deposit Management Organisation to fund the deposit return scheme, and placing a redeemable deposit on in-scope drinks containers they place on the market. Retailers will be required to accept all deposit return scheme 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.

We consider that the scope of a deposit return scheme should be determined based on material rather than product, and propose the scheme captures PET plastic bottles, glass bottles, and steel and aluminium cans. With regards to the size of containers included, the Welsh Government's preferred option for Wales is an all-in scheme (capturing drinks containers up to 3L in size) but remain committed to working in partnership with the UK Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland so that the scheme is as consistent as possible across Wales, England and Northern Ireland. The UK Government for England and Department of Agriculture Environment and Rural Affairs in Northern Ireland have remained open on scope with regards to introducing a deposit return scheme in England and Northern Ireland and would like to use this consultation to gain further views on whether the deposit return scheme should be an all-in scheme (including drinks containers up to 3L in size) or an on-the-go (drinks containers under 750ml in size and excluding those containers sold in multipacks) scheme. Because England and Northern Ireland remain neutral on scope, some chapters of the consultation may touch on policy variances based on whether the final scheme is all-in or on-the-go. The consultation should be read based on an all-in deposit return scheme being implemented in Wales.

[2] https://www.gov.uk/government/publications/introducti on-of-a-new-plastic-packaging-tax

Chapter 2: Targets

This chapter proposes that legislation will set out targets for a proportion of drinks containers placed on the market to be collected for recycling. We propose that there should be an obligation placed on the Deposit Management Organisation to achieve a 90% collection rate after three years from introduction of the scheme in order to ensure high performance of the deposit return scheme, with a phasing in approach for the targets over this three-year period. The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland will have the same statutory targets for collecting material.

We do not propose that recycling targets should be imposed on the Deposit Management Organisation in addition to collection targets, due to difficulties arising with how the Deposit Management Organisation ensures this material has been recycled once sold to a reprocessor. Instead, in order to ensure that all material collected through a deposit return scheme will be recycled, we propose that there should be a legal obligation on the Deposit Management Organisation to ensure that the material that is collected via a deposit return scheme is passed on to a reprocessor and evidence is provided of this. The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland will be obligated to report the overall packaging recycling rates by each part of the United Kingdom (England, Wales and Northern Ireland) in 2025 and 2030, reflecting both the packaging recycling through Extended Producer Responsibility and a deposit return scheme.

Chapter 3: Scheme Governance

This chapter outlines the role of the Deposit Management Organisation whose role is to manage the operation of the deposit return scheme. The Deposit Management Organisation will be responsible for meeting the high collection targets set out in legislation and will be appointed via a competitive tender process which the consultation explains. The Deposit Management Organisation will operate across these parts of the United Kingdom (England, Wales and Northern Ireland) and functions will be conferred on it via a combination of regulations and a contract, managed jointly by the three Governments which are set out in the chapter.

The consultation elaborates on how the Deposit Management Organisation will be held accountable for the success of the scheme, by a combination of the following: regulations, the tender process to appoint the Deposit Management Organisation, and a series of performance indicators set out in a contract between Government and the Deposit Management Organisation.

Chapter 4: Financial Flows

The consultation chapter will set out the proposals for the Deposit Management Organisation to be funded via three revenue streams: material revenue, producer registration fees, and unredeemed deposits. We consider how burdens can be minimised for smaller producers and seek views on how unredeemed deposits should be invested in the system, proposing that they are reinvested to part-fund the operation of the scheme.

The chapter also discusses the approach to setting the deposit level, proposing that we do not fix a deposit level in legislation but rather set out a minimum, and possibly maximum,

deposit within the secondary legislation. This will ensure the Deposit Management Organisation have the flexibility to set and change the deposit level as a critical lever to meeting the targets set in legislation. We propose that the Deposit Management Organisation have the ability to set a fixed or variable rate deposit and seek further views on this approach in the chapter.

Chapter 5: Return Points

This chapter sets out further details of the retailer options in the deposit return scheme, proposing 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 or manual return points, but the regulations will be broad in nature to ensure alternative methods of return are not ruled out if the Deposit Management Organisation wish to explore these. We also propose a number of conditions which can be enforced when containers are returned, and give details on limited exemptions to retailers hosting return points, on the basis of close proximity to another return point, or where hosting a return point would result in a breach of safety obligations.

We set out a selection of approaches for online retailers selling in-scope containers to offer a take-back service and seek views on details of how the deposit return scheme could work for takeaway meal delivery services. We present the policy for retailers to receive a handling fee from the Deposit Management Organisation to compensate them for any costs incurred in hosting a return point. There is also the option for voluntary return points to be established by non-retail actors, and a nuanced position set out for the deposit return scheme in HORECA (hospitality) industries where specific issues of providing a take-back service have been addressed.

The chapter also discusses the potential for innovation in technology to be deployed in a deposit return scheme system and provides further detail on how this might support the return points provisions through the use of smart phone applications allowing the electronic redemption of a deposit.

Chapter 6: Labelling

This chapter proposes mandatory labelling be legislated for as part of the deposit return scheme to ensure the smooth functioning of the scheme so that retailers, on-trade sites, consumers and those responsible for recycling or reusing containers, are able to quickly and easily identify in-scope containers. We also view labelling as a necessary measure to significantly minimise the risk of fraud, ensuring that once containers are scanned and returned, they lose their deposit value and cannot be returned again. Labelling will also provide clarity for consumers in understanding what drinks containers are captured by the deposit return scheme.

Chapter 7: Local authorities and local councils

This chapter explores the impact a deposit return scheme will have on local authorities[3] and the way in which containers in scope of the scheme will be treated when these

[3] Where the term local authority is used in this consultation, it shall refer to local councils when considered with regards to Northern Ireland.

containers, despite the introduction of the deposit return scheme and specified return point provision, still end up in local authority waste streams. Most pressing is the need to seek views on how local authorities should be financially reimbursed for the costs involved in treating scheme material. The consultation proposed three options, the first being a 'do nothing' approach and allowing local authorities to redeem the deposits of deposit return scheme containers collected in their waste streams. The second option is to allow the Deposit Management Organisation to make payments to local authorities for these materials via the Extended Producer Responsibility Scheme Administrator. Under the proposed packaging Extended Producer Responsibility funding formula approach, packaging producers will be required to meet the net costs of managing household packaging waste in local authority waste streams. The funding formula developed for these payments under Extended Producer Responsibility would include the costs of deposit return scheme containers. The third option presented is a hybrid option, whereby the Deposit Management Organisation 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. In the consultation, we state a preference for Option 2 being taken forwards for the final scheme design.

Chapter 8: Compliance Monitoring and Enforcement

This chapter provides an overview of how the deposit return scheme will be monitored and enforced. We consider the environmental regulators in England, Wales and Northern Ireland are best placed to be Scheme Regulators for a deposit return scheme for drinks containers and to monitor and enforce the actors that are obligated under the scheme. In addition to this, we consider there is a role for local authorities / Trading Standards to regulate the consumer-facing obligations that are placed on retailers.

The chapter provides examples of the typical offences that could be committed by different scheme participants and which regulator would be responsible for dealing with the offence. We also provide an indication of what penalties might be employed for those committing offences in the scheme, ensuring any enforcement response is proportionate and appropriate to the situation.

Summary of analysis

The consultation Impact Assessment on a deposit return scheme for drinks containers looks at three scenarios for the period 2023-2032[4]. For the purpose of the Impact Assessment, for the considered scheme options the assumed deposit level is 20p, with an 85% collection rate for the containers in scope.

There is a baseline 'Do nothing' scenario included as option 1 where there is no deposit return scheme for drinks containers, but it is assumed that reforms to producer responsibility for packaging and consistency of municipal recycling collections would proceed, and that drinks containers could fall into the scope of these.

[4] This Impact Assessment has been modelled on implementation of a deposit return scheme in 2023 for the purposes of this consultation. It was not possible to amend the analysis at short notice to reflect the update implementation date of late 2024. The Final Impact Assessment will reflect the proposed implementation date of the deposit return scheme.

Option 2 is a deposit return scheme for drink containers, including PET plastic bottles, glass bottles, aluminium and steel cans of any size (All-in). This would remove drinks containers from the wider producer responsibility packaging reforms, and the majority of drinks containers in scope would be expected to be collected via the deposit return scheme.

Option 3 is a deposit return scheme with drinks containers of the same materials as option 2 sold in single-format (i.e. not multipacks) and under 750ml in size in scope (on-the-Go).

Option 4 is a version of option 2 with glass containers not included (No Glass).

To note, the preferred economic option from the deposit return scheme Impact Assessment is an 'All-in' deposit return scheme to provide a baseline to inform the Impact Assessments for Extended Producer Responsibility and consistency. This is because the scope of a deposit return scheme will determine what is recycled at kerbside and what packaging is in scope of Extended Producer Responsibility. Fully assessing all possible options for consistency and Extended Producer Responsibility for different deposit return scheme outcomes was not feasible due to the number of scenarios it created. However, as mentioned the consultation remains open in scope to allow Ministers to further consider the scope of a final deposit return scheme. A decision on the scope of the deposit return scheme will be made in the summer of 2021.

The total net present value of these changes associated with the preferred economic option (option 2) is estimated at £5,885m over the appraisal period 2022-2032 (in 2018 prices and 2022 base year). The associated benefit to cost ratio equals 1.927, which is the highest of the options analysed in the Impact Assessment.

According to our analysis, the equivalent annual direct cost to business over the appraisal period (discounted 2018 prices, 2022 base year) will amount to £323m for the preferred economic option (All-in).

Background

England

In January 2018 the UK Government committed, in its *25 Year Environment Plan*[5], to reform producer responsibility systems (including packaging waste regulations) to incentivise producers to take greater responsibility for the environmental impacts of their products. The UK Government's commitment to introducing a Deposit Return Scheme forms part of Government's action towards meeting that commitment.

As part of the *Litter Strategy for England*[6] published in April 2017, Government established the Voluntary and Economic Incentives Working Group to report to ministers with advice on different incentives to improve recycling and re-use of packaging, and to reduce the incidence of commonly littered items. In autumn 2017 this working group held a call for evidence on measures to reduce littering of drinks containers and promote recycling. This included seeking evidence on; costs, benefits, and impacts of deposit and reward and return schemes for drinks containers.

A report by the working group[7], published in February 2018, recommended that Government further investigate the potential for using a well-designed deposit return scheme alongside a reformed packaging and responsibility system. It also suggested that a deposit return scheme could increase recycling rates by 20%. In March 2018, the UK Government confirmed that it will introduce a deposit return scheme for drinks containers in England, aimed at boosting recycling rates and reducing littering, subject to consultation[8].

In December 2018 Government published its *Resources and Waste Strategy for England*[9] detailing its commitment to tackling waste, unsustainable use of resources, and the consumption of materials in large quantities to encourage more sustainable resource use. In the strategy, the UK Government committed to introduce a deposit return scheme for drinks containers in England, aimed at boosting recycling rates and reducing littering, subject to consultation. The 2019 manifesto on which the current Government was elected committed to introduce a deposit return scheme to incentivise people to recycle plastic and glass.

Wales

In September 2017 the Welsh Government commissioned a study on Extended Producer Responsibility options for key food and drink packaging types in order to reduce waste, increase recycling and reduce litter. This included drinks containers, and a deposit return scheme was one of the options considered. The study included consultation with key stakeholders through a series of workshops. It concluded it would be preferable for the Welsh Government to work together with the UK Government for England and the

[5] https://www.gov.uk/government/publications/25-year-environment-plan
[6] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/630999/litter-strategy-for-england-2017-v2.pdf
[7] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694916/voluntary-economic-incentives-working-group-report-drinks-containers-final.pdf
[8] https://www.gov.uk/government/news/deposit-return-scheme-in-fight-against-plastic
[9] https://www.gov.uk/government/publications/resources-and-waste-strategy-for-england

Department of Agriculture, Environment and Rural Affairs in Northern Ireland in order to bring about a single UK-wide deposit return scheme for drinks containers. The Welsh Government subsequently agreed to consider a UK-wide deposit return scheme, taking account of the risks and benefits to existing provisions and recycling levels and to build on the progress in recycling already achieved in Wales.

During 2020, the Welsh Government undertook a consultation and engagement programme as a precursor to its next waste strategy – *Beyond Recycling – A strategy to make the circular economy in Wales a reality*[10]. The strategy set the ambition for Wales to become a zero-waste nation by 2050, meaning any discarded materials are recycled and re-circulated within the Welsh economy, with no loss of materials from the system – effectively a 100% recycling rate from all sectors. To support this, *Beyond Recycling* set out high level objectives to tackle littering and to increase the range of plastic materials collected for recycling and develop more recycling infrastructure in Wales to reprocess it, including developing markets for recycled plastic in Welsh manufacturing. It specifically identified Deposit Return Schemes as a key lever to achieve this and made the commitment to work with the other Governments of the UK in developing legislation for a deposit return scheme for drinks containers.

One of the key challenges for the deposit return scheme in Wales is its implementation within the existing mature and successful household waste collection and recycling infrastructure that is delivering high recycling rates of around 65%. Welsh Government believe that the deposit return scheme is required to push these recycling rates even higher, tackle littering and improve the quality of collected recyclate.

Northern Ireland

In 2015 a Departmental paper was commissioned on options on the desirability and feasibility of a deposit return scheme in Northern Ireland. The paper looked at various aspects of the introduction of a scheme including its impact on littering and its effect on waste management in general. The paper concluded that whilst deposit return scheme was desirable and had the potential to increase recycling and influence behaviour on a wider environmental scope, it was not feasible to introduce a scheme on a Northern Ireland only basis. Northern Ireland continue to support the development of a deposit return scheme alongside England and Wales.

The New Decade New Approach agreement includes a commitment by the Northern Ireland Executive to create a plan to eliminate plastic pollution. The Programme for Government in Northern Ireland includes an indicator on improving the percentage of household waste that is reused or recycled, and a well-designed scheme will contribute to this through collection of high quality recyclate. It will also help reduce littering and change consumer behaviour. In a recent litter survey of Northern Ireland drinks containers were identified in all land use areas, with rural roads being particularly high with 82% or transects having a least one drinks container present (plastic bottle, can, take away cup)[11]. Street cleansing in Northern Ireland currently costs around £29m per annum. Introduction of a deposit return scheme is also included in *The Waste Management Plan for Northern*

[10] Circular economy strategy | GOV.WALES
[11] https://keepnorthernirelandbeautiful.etinu.net/keepnorthernirelandbeautiful/documents/007934.pdf

Ireland 2019[12] and *The Waste Prevention Programme 2019 (Stopping Waste in its tracks*[13]).

Other consultations taking place

Respondents should also be aware that we are consulting for a second time on another adjacent policy proposal as part of the waste reforms.

- Introducing Extended Producer Responsibility for packaging across the UK. This consultation sets out plans to reform the existing UK packaging producer responsibility system that will see Extended Producer Responsibility for packaging established. This will require producers to meet the costs of managing packaging waste and support existing and improved packaging waste collection services for households and businesses UK wide. https://consult.defra.gov.uk/extended-producer-responsibility/extended-producer-responsibility-for-packaging

As the waste reform proposals form a package of measures the consultations are being run in parallel to give respondents the opportunity to consider the proposals together. We encourage you to look at the other consultations as you consider your response to this consultation. We also encourage you to respond to the other consultations.

Responding to this consultation

Please respond to this consultation in the following ways:

Online using the citizen space consultation at https://consult.defra.gov.uk/environment/consultation-on-introducing-deposit-return-scheme

By email: drs@defra.gov.uk

Or in writing to:

Deposit Return Scheme consultation,

Consultation Coordinator,

Defra 2nd Floor,

[12] https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Waste%20Management%20Plan%20for%20Northern%20Ireland%202019.pdf
[13] https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Waste%20Management%20Plan%20for%20Northern%20Ireland%202019.pdf

Foss House,

Kings Pool,

1-2 Peasholme Green,

York,

YO1 7PX.

Duration

This consultation will run for 10 weeks. This is in line with the Cabinet Office's 'Consultation Principles' which advises Government departments to adopt proportionate consultation procedures. The consultation opens on 24th March 2021. The consultation closes on 4 June 2021.

Please note, any responses sent by post must have **arrived** at the above address by the closing date of the consultation (4th June 2021) to be counted. Unfortunately, any responses received after this date will not be analysed. To ensure your response is included in the analysis, please consider responding online via Citizen Space.

Handling comments after the consultation

A summary of the responses to this consultation will be published at www.gov.uk/defra

The summary will include a list of names and organisations that responded, but not personal names, addresses or other contact details. However, information provided in response to this consultation document, including personal information, may be subject to publication or release to other parties, or disclosure in accordance with access to information regimes, such as the Freedom of Information Act 2000 and the Data Protection Act 2018.

If you want information, including personal data that you provide to be treated as confidential, please say so clearly in writing when you send you send your response to the consultation (if responding via mail or email) and explain why you need these details to be kept confidential. If responding via Citizen Space, you will be asked whether you would like your response to be treated as confidential or not. If we receive a request for a disclosure under the Freedom of Information Act 2000, we will take full account of your explanation, but due to the law we cannot provide any assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as a confidentiality request.

Defra is the data controller in respect of any personal data that you provide, and Defra's Personal Information Charter, which gives details of your rights in respect of the handling of personal data, can be found at

https://www.gov.uk/government/organisations/department-for-environment-food-ruralaffairs/about/personal-informati on-charter.

Defra has contracted the Office of Public Management Ltd, trading as Traverse, to support the analysis of responses to this consultation. Traverse will treat personal data they receive and analyse as confidential and will only have access to the response data for the period of the analysis, following which the data will be permanently removed from their system and supplied to Defra. Please find further information in the accompanying Privacy Notice for this consultation.

Compliance with the consultation principles

This consultation is being conducted in line with Consultation Principles set out in the Better Regulation Executive guidance, which can be found at: https://www.gov.uk/government/publications/consultati on-principles-guidance.

If you have any comments or complaints about the consultation process, please address them to:

By email: consultation.coordinator@defra.gov.uk

Or in writing to:

Consultation Co-ordinator

Defra 2nd Floor,

Foss House,

Kings Pool,

1-2 Peasholme Green,

York,

YO1 7PX.

About you

Q1. What is your name?

Q2. What is your email address?

This is optional, but if you enter your email address you will be able to return to edit your consultation on Citizen Space at any time until you submit it. You will also receive an acknowledgement email when you complete the consultation.

Q3. Which best describes you?

Please tick only one option. If multiple categories apply to you, please choose the one which **best describes you** and which you are representing in your response. (Required)

- ☐ Academic or researcher
- ☐ Business representative organisation/ trade body
- ☐ Charity or social enterprise
- ☐ Community group
- ☐ Consultancy
- ☐ Distributer
- ☐ Exporter
- ☐ Individual
- ☐ Local government
- ☐ Non-governmental organisation
- ☐ Product designer/ manufacturer/ pack filler
- ☐ Packaging designer/ manufacturer/ converter
- ☐ Operator/ Reprocessor
- ☐ Retailer including online marketplace
- ☐ Waste management company
- ☐ Other (please provide details…)

Q4. If you are responding on behalf of an organisation, what is its name?

Q5. Would you like your response to be confidential?

Yes / No

If you answered 'Yes' above, please give your reason.

What is a deposit return scheme?

A deposit return scheme is one example of producer responsibility. Producer responsibility is about making sure businesses that manufacture, import and sell certain products are responsible for their end of life environmental impact[14].

A deposit return scheme is where a consumer pays an up-front deposit on an item (the deposit item) at the point of purchase, which is redeemed on return of the deposit item to a designated return point. The provision of even a relatively small financial incentive can change consumer behaviour encouraging higher levels of recycling. We are seeking powers to introduce deposit return schemes in the Environment Bill[15], which can be set up to sustain, promote or secure an increase in recycling or reuse of materials, or to reduce the incidence of littering or fly-tipping.

This consultation refers solely to deposit return schemes for drinks containers.

First consultation

The UK Government for England published a consultation, with the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland, on introducing a Deposit Return Scheme in February 2019[16]. The consultation was broad in scope and covered scheme design, scope of materials, and deposit levels. The consultation ran from 18 February until 13 May 2019.

Government published the summary of consultation responses and next steps on 23 July 2019[17].

This set out that, given both the requirement to meet higher collection targets and the analysis of consultation responses, Government was minded to introduce a deposit return scheme for drinks containers in England, Wales and Northern Ireland from 2023 and that the introduction of a deposit return scheme would be subject to receiving additional

[14] https://www.gov.uk/government/collections/producer-responsibility-regulations
[15] https://publications.parliament.uk/pa/bills/cbill/58-01/0009/20009.pdf
[16] https://consult.defra.gov.uk/environment/introducing-a-deposit-return-scheme/
[17] https://www.gov.uk/government/consultations/introducing-a-deposit-return-scheme-deposit return scheme-for-drinks-containers-bottles-and-cans

evidence and carrying out further analysis on the costs and benefits of such a scheme. Updated information on the implementation timeline is provided later in this consultation.

The purpose of a deposit return scheme

The objective of a well-designed deposit return scheme for drinks containers is to make it easy for consumers to return drinks containers and to receive the deposit refund so that they can be recycled.

The primary objectives of a deposit return scheme are:

1. **Increasing recycling rates of in-scope containers**

Current recycling rates in the UK for in-scope drink containers are around 70%. This leaves approximately 4 billion plastic bottles, 2.7 billion cans and 1.5 billion glass bottles that are not recycled every year and demonstrates that there is still room for improvement. We consider that a well-designed deposit return scheme for drinks containers could achieve recycling rates of 90% or higher[18].

2. **Increasing the quality of recycled material to encourage closed loop recycling and circularity to ensure materials remain in use for as long as possible**

The operational contamination rates at UK reprocessors are about 5.85% (2012). The cost impact of poor and inconsistent quality of recyclate for a group of nine UK reprocessors was £51 million annually representing an average cost per tonne of £15.67. This prevents reprocessors from investing in infrastructure. Moreover, contamination of materials means that they cannot be recycled to the highest quality and may be downcycled to make other products like textiles rather than keeping the same materials in use for a long period of time as drinks containers.

Deposit return schemes can create a segregated waste stream of in-scope drinks containers resulting in lower levels of contamination with other materials. As such the collected recyclate from a deposit return scheme can command higher prices due to its higher quality. We would also envisage that securing higher quality material from the system could create a competitive advantage for UK producers by having a steady supply of high quality recycled material available, rather than relying on the import of material from competitors abroad.

3. **Reduce littering of in-scope containers;**

It is estimated that 80% of man-made debris in the marine environment originated on land before being thrown, blown or washed into rivers, canals and the seas. Keep Britain Tidy surveys have found high levels of drinks related litter, including 52% of surveyed sites

[18] See annex D summarising reported rates of packaging recycling in international deposit return scheme - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694916/voluntary-economic-incentives-working-group-report-drinks-containers-final.pdf

containing non-alcoholic drinks related litter and 20% of litter on beaches demonstrated to be as a result of food and drinks packaging.

There are also some secondary benefits which should be maximised during the design of a deposit return scheme:

- *Job creation.* Studies have shown that the introduction of a deposit return scheme could increase the number of jobs available by between 3,000 and 4,300[19]. These new jobs would all be part of a Green Recovery from the current pandemic.

- *Increase in UK reprocessing capacity.* The *Resources and Waste Strategy for England* clearly states Defra's intention to increase the domestic reprocessing capacity to prevent reliance on waste exports and become more self-sufficient. A guaranteed supply of high-quality deposit return scheme materials should incentivise investment in the industry. There are some risks we have identified in terms of high-quality deposit return scheme material being exported which could undermine these first two secondary benefits.

- *Financial benefits to the voluntary sector and social enterprises*. International experience demonstrates that voluntary sector organisations have been able to benefit from the introduction of a deposit return scheme. Either, reverse vending machines can offer the opportunity to donate deposits to charity or charities/community organisations can set up and operate return points in order to reclaim deposits that might otherwise remain unredeemed.

- *Wider behaviour change.* A deposit return scheme targets consumer's behaviour rather than solely producers or delivery bodies. These changes could have wider effects on society in terms of environmental awareness.

A deposit return scheme in a post-Covid context

The Covid-19 pandemic has disrupted countries all over the world. The economic costs and the social sacrifices that have reached every single person have disrupted life as we knew it, and there is no question that life as we knew it will have changed considerably for many people. We are only too aware of this, and therefore recognise the importance of consulting again on a deposit return scheme, not just to present and take views on the proposed final scheme design, but to also ensure that introducing a deposit return scheme in England, Wales and Northern Ireland is still the right approach for achieving the primary objectives set out above.

We have engaged with contacts involved in deposit return schemes in other countries to understand how Covid-19 has affected these existing schemes. Reassuringly, the feedback suggests that deposit return schemes continue to function well throughout the pandemic, whilst taking into account the health and safety guidelines of respective Governments, particularly for consumers when returning containers at return points. The

19 https://www.cpre.org.uk/wp-content/uploads/2019/11/from_waste_to_work.pdf

feedback suggested that during the pandemic, whilst deposit return schemes did not stop functioning, consumer behaviour changed in the way purchases were made (e.g. increased online purchases) and the nature of returns. Some consumers were more inclined to store up their containers at home over longer periods, and then return in bulk but less frequently. Our consumer research has suggested such behaviour could occur anyway when introducing a deposit return scheme, with people incorporating returns into their weekly supermarket shop for example. However, this behaviour is perhaps more pronounced in the midst of a pandemic.

We have also engaged with Public Health England on the implementation of a deposit return scheme in light of Covid-19, and no concerns have been raised aside from pointing us to the relevant guidance for retailers and other industries operating under such restrictions. Taking into consideration the timeline we have set out in this consultation for implementing the deposit return scheme, one would hope that any lingering effects of the pandemic, at least in terms of social restrictions, will no longer be required. However, there are lessons we can of course learn and incorporate into the scheme.

That said, in the present moment, we recognise the possible impact of introducing a deposit return scheme given the process of economic recovery for businesses, particularly those in the retail and hospitality sector, and the additional hardships facing consumers. Government is committed to a green recovery from the pandemic, but also wants to ensure that the final design of a deposit return scheme, including the types of drinks containers that would be covered by such a scheme, is most appropriate given the current climate. It should be noted that the Welsh Government's preferred option for Wales is an all-in scheme but remain committed to working in partnership with the UK Government for England and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland so that the scheme is as consistent as possible across Wales, England and Northern Ireland. This is explored further in Chapter 1: Scope of the deposit return scheme.

6. **Given the context of the Covid-19 pandemic we are currently experiencing, do you support or oppose our proposals to implement a deposit return scheme for drinks containers in 2024?**
   a.) Support
   b.) Neither support nor oppose
   c.) Oppose
   d.) Not sure

Please elaborate on your answer if you wish.

7. **Do you believe the introduction of a deposit return scheme will have an impact on your everyday life?**

   a.) Yes, a detrimental impact
   b.) No, there will be no impact

If you answered yes the scheme would have a detrimental impact, how significant would this impact be?

a.) No significant impact
b.) Some impact but manageable
c.) Large impact but still manageable
d.) Large impact and impossible to comply with

8. Have your views towards implementation of a deposit return scheme been affected following the economic and social impacts of the Covid-19 pandemic?

a) Yes – because of economic impacts
b) Yes – because of social impacts
c) Yes – because of both economic and social impacts
d) No
e) Not sure

Please elaborate on your answer if you wish.

Chapter 1: Scope of the deposit return scheme

This chapter sets out the participants in a deposit return scheme, their obligations and the scope of a deposit return scheme for drinks containers.

Scheme participants

Producers

Producers are those who place on the market branded beverage products in drinks containers within the scope of the deposit return scheme (the brand owner). Retailers are not included, unless they place own-branded drinks on the market, in which case they would be obligated producers under the scheme. This would include those who import beverage products to put on the market in England, Wales and Northern Ireland. This does not include those who manufacture the physical containers.

Retailers

Retailers are all retailers selling in-scope drinks containers in England, Wales or Northern Ireland.

Scheme Administrator

Any deposit return scheme requires a central scheme administrator to manage its operation. We envisage that this will be a new not-for-profit body, the Deposit Management Organisation, which will be appointed by Government to set-up and manage the operation of the deposit return scheme. Further details on scheme governance and the obligations that will be imposed on the Deposit Management Organisation is set out in chapter 3.

Producer obligations

As a form of producer responsibility, a deposit return scheme ensures that those responsible for placing packaging on the market are also responsible for the costs of collection and treatment. All drinks producers/importers will be obliged to sign up to the Deposit Management Organisation before they can place in-scope products on the market. This will include reporting obligations to the Deposit Management Organisation to allow it to carry out its functions and responsibilities, including reporting on the number of containers placed on the market.

Producers will be responsible for funding the set up and ongoing operational costs of the deposit return scheme through payment of a producer registration fee to the Deposit Management Organisation. Further details on the producer registration fee can be found in chapter 4.

Producers will be obliged to place a redeemable deposit on in-scope drinks containers (the deposit item) that they place on the market. The deposit value is added on top of the price of the drink, and this cost would be passed through the supply chain (consumer, retailer, distributor, producer).

The producer will pay the deposit value to the Deposit Management Organisation. This will allow the Deposit Management Organisation to pass the deposit amount on to retailers or those running return points to directly match the amount being refunded to consumers when they return empty drinks containers. This ensures that the paying of the deposit amount is transferred through the supply chain from producer to distributor, retailer and then consumer.

Producers will be required to label drinks containers to ensure the effective running of the scheme and to provide clarity for consumers. Further details on labelling requirements are set out in chapter 6.

Retailer obligations

Retailers selling in-scope drinks containers will be obligated to accept all deposit return scheme container returns to their store and refund the deposit amount to the consumer when an item is returned. In addition, retailers will be required to add the deposit price to the purchase price of the drink at the point of sale and ensure pricing information clearly demonstrates the price of a drink and the deposit attached to that container.

Further detail on retailer obligations in relation to return points are set out in chapter 5.

In-scope containers

Deposit Item

A deposit item is a one way single-use drinks container that is supplied by way of sale. The cap and label would also be included as part of the deposit item. Although, unlike most labels, the cap is not attached to the container and can be easily removed by hand, we consider that this would best be returned along with the drinks container under a deposit return scheme, rather than obligating the bottle cap under the reformed producer responsibility regime (Extended Producer Responsibility).

9. **Do you agree that the cap should be included as part of the deposit item in a deposit return scheme for:**
   a) Plastic bottle caps on plastic bottles – yes/no
   b) Aluminium bottle caps on glass bottles – yes/no
   c) Corks in glass bottles – yes/no
   d) Foil on the top of a can / bottle or used to preserve some drinks – yes/no

Any secondary or tertiary packaging (for example, the sleeve of a multipack) would be obligated under the reformed packaging producer responsibility regime.

This definition does not include refillable containers. Containers that are part of a refillable scheme would be exempt from the deposit return scheme.

Size of container

In the first consultation, two options were given for a deposit return scheme; an ‘all-in’ scheme, which would not have any restriction on the size of drinks containers in scope; and an ‘on-the-go’ scheme, which would restrict containers in-scope to those less than 750ml and exclude multipacks. An on-the-go scheme would target drinks which are

potentially more commonly consumed away from home and is considered following a report in 2019 by The Voluntary and Economic Incentives Working Group which covered deposit return scheme[20]. The report stated "…the scope of a deposit return scheme could focus on smaller drinks containers more likely to be used outside the home. Changing behaviour in relation to recycling outside the home is also an area that, arguably, could have a large impact on reducing litter".

Respondents to the first consultation were asked to state their preferred option between an 'all-in' and on-the-go scheme.

The majority (69%) of the respondents to this question preferred the 'all-in' option, compared with 15% who preferred an on-the-go scheme. Over 200,000 campaign responses from Greenpeace, the Marine Conservation Society and 38 degrees were in support of an 'all-in' option.

Wales

In 2020 Welsh Government's consultation Beyond Recycling: a strategy to make the circular economy in Wales a reality further committed Welsh Government to work with the UK Government for England and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland on a deposit return scheme. The upcoming final version of the Beyond Recycling Strategy makes the commitment to introduce a deposit return scheme.

As waste management policy is devolved to the Senedd the design of any deposit return scheme needs to fit with the policy needs of Wales and therefore work within the devolved framework of the UK.

There has been consistent interest in a deposit return scheme in Wales reflected in the Welsh Youth Parliament Report in 2020 on plastics and littering along with debates in the Senedd and through scrutiny committee reports and feedback. In particular, the Senedd's Climate Change, Environment and Rural Affairs Committee June 2019 report[21] on plastic pollution noted:

The Welsh Government should introduce a deposit return scheme that applies to the broadest variety of containers, so that no restrictions are placed on the size of containers eligible for the scheme. If the UK Government decides to introduce a scheme with a narrower scope, the Welsh Government should consult on a specific scheme for Wales, with a deposit return scheme with the broadest scope as its preferred and recommended option.

Welsh Ministers recognise the value of a deposit return scheme in pushing recycling rates even higher as well as helping tackle littering of deposit return scheme materials. Supporting the move to a circular economy, where less waste is produced, means

[20] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694916/voluntaryeconomic-incentives-working-group-report-drinks-containers-final.pdf

[21] Report on policies and proposals relating to plastic pollution and packaging waste - Climate Change, Environment and Rural Affairs Committee - June 2019

resources are kept in use longer, tackling the associated carbon emissions and helping Wales achieve a 100% recycling rate by 2050.

Given the ambitions and commitments in this area for Wales, the Welsh Government's position for this consultation is that the scope of the deposit return scheme in Wales should be for an "all-in" scheme capturing containers up to 3L in size.

Recognising the challenges to business that will be obligated under the deposit return scheme with integrated cross border supply chains, the practical challenges of implementation and to minimise confusion for consumers living near the boundaries of Wales/England and England/Scotland, the Welsh Government remains committed to working in partnership with the UK Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland so that the scheme is as consistent as possible across Wales, England and Northern Ireland.

England and Northern Ireland

Consumer research has been clear that keeping things simple when designing the scheme will be critical to successful delivery. The scope of the scheme is therefore a crucial aspect of the deposit return scheme, and the UK Government for England and Department of Agriculture, Environment and Rural Affairs believe it appropriate to keep options open for an all-in (drinks containers up to 3 litres in size) or on-the-go (drinks containers under 750ml excluding multipacks) scheme in England and Northern Ireland, seeking further views in this consultation.

The table below summarises the costs and benefits of implementing an all-in or on-the-go deposit return scheme. You will see that whilst the costs of an on-the-go scheme are lower than an all-in scheme, the benefits of implementing the all-in model are considerably greater. Therefore, an all-in deposit return scheme would provide a higher net benefit, leading to higher levels of recycling, increased litter reduction and greater carbon savings.

	All-in deposit return scheme (latest estimates)	**on-the-go deposit return scheme (latest estimates)**
Total Costs (Present Value)	£6,346m including set-up costs, changes in labelling, logistics costs, handling fees, reverse vending machine costs.	£3,503m including set-up costs, labelling costs, reverse vending machine costs, handling costs, logistic costs.
Total Benefits (PV)	£12,231m including material revenue to Deposit Management Organisation, litter disamenity reduction, greenhouse gas emissions	£3,785m including net material revenue, reduction in litter disamenity, greenhouse gas emission savings, litter clean-up cost reductions

	savings, litter clean-up cost reductions.	
Net Present Value	**£5,885m**	**£282m**

We remain neutral to whether the proposed deposit return scheme should be all-in or on-the-go, and therefore want to consider the appetite for each scope model further. The rationale for each model, and a summary of the key pros and cons for each model are further explored below.

All-in deposit return scheme

We acknowledge the support in responses to the first consultation for an 'all-in' model. This is also supported by consumer research commissioned by the Department for Environment, Food and Rural Affairs in 2019, which found that simplicity is essential to the success of a deposit return scheme. It recommended an 'all in' model in order to reduce the cognitive load on the public, to help instil habitual behaviours and to minimise any impacts on purchasing behaviour. 80% of respondents to this study preferred a deposit return scheme that included containers of all sizes.

The benefits for an 'all-in' model include:

- The potential to drive the highest recycling rates for drinks container materials as all formats/sizes are covered. A key objective of a deposit return scheme is to produce higher quality recyclate via an uncontaminated waste stream, and an all-in deposit return scheme gives the greatest potential for this.
- An 'all-in' model would account for 23.7 billion drinks containers placed on the market per year, whilst an on-the-go would only account for 7.4 billion bottles. Therefore, an on-the-go system would limit the amount of high-quality material that could be recycled into another bottle.
- Higher net social benefits, particularly leading to a reduction in litter disamenity and carbon emissions.
    - A litter disamenity reduction of £11,198m compared to £3,614m with an on-the-go model (latest estimates for litter disamenity reductions for an 'all-in' deposit return scheme are £1,452m per annum by year 3).
    - Our Impact Assessment estimated that: Net Carbon savings of £6m pa by year 11 of the scheme compared to £1m pa with an on-the-go model.
- Less consumer confusion and complexity in the system means it is likely to drive higher engagement and send clearer messages to consumers about recycling drinks containers through a deposit return scheme as being 'the norm'. Therefore, having an all-in scheme avoids consumers questioning what / why a product may or may not be in scope of the deposit return scheme.
- An 'all-in' deposit return scheme reduces issues related to consumer purchasing habits changing, and industry choices for certain formats/sizes resulting in unintended market distortions.
- Greater secondary market impacts resulting from an all-in deposit return scheme include:
    - An increase in value of £48m a year from materials recovery in the UK.

- Additional value of exports £34m a year, on average – a positive contribution from materials recovery to the UK's balance of trade.
- Additional value of £47m a year generated by the UK reprocessing sector. UK supply of recycled plastics increased in value by £17m per year with the glass and aluminium industries contributing an additional value of £13m and £14m a year.

However, disadvantages with implementing an all-in scheme include:

- The total costs to business for implementing an all-in scheme are greater than with an on-the-go deposit return scheme, due to the higher volumes of material collected through an all-in scheme. The net cost to business, based on current assumptions and an 85% return rate, will be £266m per annum for all in vs £183m for on-the-go. The final net cost to business will be dependent on to what extent unredeemed deposits can be used to part-fund the system.

- An all-in scheme will remove more valuable material from local authority collections at kerbside. However, it is worth considering that a deposit return scheme would be introduced alongside Extended Producer Responsibility for packaging which will deliver significant savings to local authorities in England of around £976m once the scheme is fully operational as producers meet the costs. The deposit return scheme will also ensure that scheme producers cover the costs of any scheme material that appears in local authority waste streams (where the consumer has chosen not to redeem their deposit).

- Consumers who place in-scope containers in their household recycling to be collected will lose their deposit since this is not recognised as a return point within the scheme. Consumers will be required to take their drinks containers to a return point to be recycled and reclaim their deposit, for drinks consumed both on-the-go or in the home.

Depending on the final decision taken for the scope of the scheme, we may need to consider the impact this will have on local authorities. Proposals for how the Deposit Management Organisation could make payments to ensure that the costs of collection and treatment of any scheme material appearing in local authority waste streams does not fall to local authorities is included in chapter 7.

Upper limit

If the final decision on the scope of the deposit return scheme was for an all-in scheme, we would need to make a decision on the upper size limit for containers. In the first consultation we asked respondents if containers over a certain size should be excluded from an 'all-in' deposit return scheme.

There were mixed views about the inclusion of larger containers, with 51% stating that certain sizes of containers should be excluded. 38% stated that these containers should not be excluded from the scheme.

We also asked respondents what the maximum size cut-off should be. Three size options of '3 litres', '4 litres' and '5 litres' were given, together with an option for no maximum. Of the three size options, there was most support for a cut-off size of 3 litres (32%).

Almost half (49%) stated there should not be a maximum size cut-off. However, there would be implications on return points if there is no maximum size-cut off as there is a limit on the size of containers that can be accepted through reverse vending machines and at return points.

In line with consultation responses we propose that the upper limit should be 3 litres in volume.

On-the-go deposit return scheme

As part of our consumer research, some participants who took part in focus groups came to question elements of a deposit return scheme. They felt it asked a lot from consumers with no strong environmental benefit given the existence of kerbside recycling, though our economic research indicates potential for large increases to recycling and amenity benefits from reduced litter. The consumer research also demonstrated that older people, those in lower socio-economic grades and those without access to a household car may be less able to engage with a deposit return scheme for practical and financial reasons.

An on-the-go deposit return scheme could therefore address these concerns by having a minimal impact on current kerbside collections, since only small containers sold individually would be diverted from household collections to be collected via a deposit return scheme. There is also evidence[22] that demonstrates smaller drinks containers are more commonly littered than larger containers, so we consider a more targeted on-the-go deposit return scheme focussed on collecting these smaller containers specifically could have a sizeable impact, whilst reducing the cost of the scheme compared to an all-in one.

In addition, we recognise the possibility for confused messaging that introducing an all-in deposit return scheme alongside the other waste reforms would have on consumers, where those who put an in-scope container in their kerbside recycling would effectively be penalised for doing so by foregoing their deposit, whilst still acting responsibly.

In a post Covid-19 context, with the worst economic impacts of the pandemic perhaps still to be felt, we are conscious of not imposing further burdens on those consumers who may find it difficult to engage with a deposit return scheme, particularly when existing recycling infrastructure at home is already in place. It is therefore appropriate that we consider the merits of an on-the-go scheme in this consultation too.

The benefits for an on-the-go model include:

- An on-the-go deposit return scheme would have lower net costs, based on current assumptions on treatment of unredeemed deposits. However, producers will still be meeting the costs of collection and treatment of those products excluded from the deposit return scheme (drinks containers 750ml in volume or greater) under Extended Producer Responsibility instead.

[22] KBT Litter Composition Analysis March 2020

- There may be potential to implement this model quicker than an all-in deposit return scheme. However, this is unlikely to be by much as the process to appoint a scheme administrator and number of return points (to ensure ease of returns for consumers) will be the same under the all-in or on-the-go model.
- Consumers would be able to continue to put larger containers which don't have a deposit attached to them in their kerbside collections, reducing the inconvenience and change in behaviour required for drinks that may be more likely to be consumed from home. This reduces the risk of consumers losing their deposit if they decided to dispose of drinks container in their household recycling. In our current modelling for an all-in scheme, we expect approximately 7% of all deposit return scheme containers placed on the market to continue to be collected by kerbside collections.
- This would have minimal impact on current household collections, including current contractual arrangements in place for local authorities with waste management companies, that are based on tonnages of material collected.

However, disadvantages for implementing an on-the-go scheme include:

- Difficulty implementing an on-the-go scheme, as drinks of 750ml or less may not be consumed 'on-the-go' in practice. We can't predict where consumers will consume their drinks – they might purchase a typically ' on-the-go' drink, but evidence shows that smaller drink containers are still consumed at home, in which case people will still have to store and return these containers via return points if they wish to redeem their deposit.

  As part of the consumer research conducted, survey participants who consumed drinks at home or away from home were asked what type of container the drinks came in. Generally, people were more likely to consume drinks in all types of containers at home than away from home. It was only small plastic bottles that consumers were more likely to consume away from home. This pattern was mirrored in the qualitative research, where participants completing online diaries were frequently consuming cans of soft drinks or small plastic bottles of water or soft drinks at home.
- Building on the above, there is a general issue of confusion amongst consumers questioning which products are in / out of the deposit return scheme. Clear labelling and comms would be essential to mitigate this, but concerns remain over public confusion which risks diminishing consumer engagement with the system. This would be contrary to the consumer research findings, which demonstrate that consumers are more likely to engage in a deposit return scheme if it is simple in design and applies to all drink containers.
- As mentioned in the all-in analysis above, an on-the-go deposit return scheme would limit the amount of high-quality material that could be recycled into another bottle. An 'all-in' model would account for 23.7 billion drinks containers placed on

the market per year, whilst an on-the-go scheme would only account for 7.4 billion containers.

- Considering the upcoming implementation of an all-in deposit return scheme in Scotland, we recognise issues for producers if an on-the-go scheme was in place across the rest of the UK. Producers placing drinks on the market across the UK will then be subject to different obligations for the same products (large drinks containers) depending on where this is placed on the market (the Scottish deposit return scheme in Scotland and Extended Producer Responsibility in England).

- An on-the-go deposit return scheme may introduce the potential for producers to change product sizes dependent on a size benchmark for in/out of the on-the-go scheme (currently proposed as under 750ml). There may also be implications for consumer purchasing habits, which may shift from preferring to purchase smaller drinks containers with the deposit on, to instead purchasing larger containers which do not have the deposit attached. We are concerned such a shift could see associated health implications of purchasing certain drinks in larger volumes.

- An on-the-go scheme has implications for the creation of secondary jobs, given difference in container tonnages handled in this type of scheme[23].

Questions

Note: For questions 10, 12, 13, 14, 15 respondents should note that these questions are only applicable to the outstanding decision on the final scope of a deposit return scheme to be made in England and Northern Ireland, since the Welsh Government have already presented a preference for an all-in deposit return scheme.

10. **Do you believe we have identified the correct pros and cons for the all-in and on-the-go schemes described above?**
    a.) Yes
    b.) No
    Please elaborate on your answer.

11. **Do you foresee any issues if the final scope of a deposit return scheme in England and Northern Ireland does not match the all-in decision taken in Wales? E.g. an on-the-go scheme in England and an all-in scheme in Wales.**

a) Yes
b) No

Please elaborate on your answer.

[23] https://www.cpre.org.uk/wp-content/uploads/2019/11/from_waste_to_work.pdf

12. **Having read the rationale for either an all-in or on-the-go scheme, which do you consider to be the best option for our deposit return scheme?**
    a) All-in
    b) on-the-go

    Please elaborate on your answer.

13. **Given the impact Covid-19 has had on the economy, on businesses and consumers, and on everyday life, do you believe an on-the-go scheme would be less disruptive to consumers?**
    a) Yes
    b) No

14. **Do you agree with our proposed definition of an on-the-go scheme (restricting the drinks containers in-scope to less than 750ml in size and excluding multipack containers)?**
    a.) Yes
    b.) No

b) If no, how would you change the definition of an on-the-go scheme?

15. **Do you agree that the size of containers suggested to be included under an on-the-go scheme are more commonly consumed out of the home than in it?**
    a) Yes
    b) No
    c) Difficult to say

Materials

First consultation

The previous consultation proposed that the materials included in a deposit return scheme could be:

- Polyethylene terephthalate and High-Density polyethylene plastic bottles
- Steel and aluminium cans
- Glass bottles

In the first consultation the majority of respondents wanted all materials included in a deposit return scheme. The large majority of respondents considered that Polyethylene terephthalate bottles (94%), High-Density polyethylene containers (84%), aluminium (94%), steel cans (90%), and glass (86%) should be included in the deposit return scheme. All campaign responses from Greenpeace, Marine Conservation Society and 38

Degrees expressed a preference for all materials to be included in a deposit return scheme.

Stakeholders that supported inclusion of all materials were of the view that it would reduce littering and support recycling rates.

The consultation also included proposals regarding the type of drinks that could be included in a deposit return scheme. These included:

- soft drinks (including water and juices)
- alcoholic drinks
- drinks containing milk and plant-based drinks
- milk
- plant based drinks

Across all types of drink, the large majority of respondents wanted all types of drinks included but there was less support for milk and plant-based drinks to be included in a deposit return scheme. Campaign responses from Greenpeace, Marine Conservation Society and 38 Degrees were also in favour of including all drink types.

The reasons for the inclusion of all these drinks types were; increase in recycling rates, reduction in consumer confusion about what is and is not included and promoting behavioural change among drinks producers.

Position

We consider that the scope of a deposit return scheme should be determined based on material rather than product. From consultation responses, the key issue for respondents was not what the containers have in them, but the containers themselves, which is related to their environmental performance.

We propose that the scope of the deposit return scheme should include the following materials:

- Polyethylene terephthalate bottles
- Steel and aluminium cans
- Glass bottles

There was overwhelming support for inclusion of polyethylene terephthalate bottles (94%) and aluminium (94%) and steel (90%) cans,

There was also strong support for the inclusion of glass bottles in the first consultation (86%). Developing a deposit return scheme which captures glass bottles within its scope is part of the manifesto commitment upon which Government was elected. However, we recognise concerns raised by industry regarding the inclusion of glass in a deposit return scheme. The main concerns raised were the significant increase in handling costs and equipment complexity due to the weight of glass; that given the weight of glass packaging consumers may prefer not to take their glass packaging back to return points and that, by

taking the majority of glass out of kerbside recycling, the recycling of the remaining glass collected at kerbside could be undermined.

We have conducted further cost benefit analysis of the inclusion of glass in a deposit return scheme. This analysis demonstrates that the inclusion of glass in a deposit return scheme has a higher value over the long term than not including glass given the potential for increased collection and recycling and the resulting greater reduction in greenhouse gas emissions.

In terms of the present values, a deposit return scheme with glass has a present value of benefits of £12.23 bn. compared to a present value of benefits of £9.07 bn without glass over a ten-year period. In terms of the benefits/cost ratio, that for a deposit return scheme with glass is 1.93, whilst that of excluding glass is 1.65. The assessment is conducted on the basis that the currently available reverse vending machines, which will be the main receptor for returned containers, will be readily capable of compacting glass into suitable pieces.

The compaction will involve breaking glass bottles into 4, 5, or 6 separate parts and is to be clearly distinguished from crushing glass. The advantage of such compaction is that it substantially reduces the volume and thereby the storage and transport costs compared to whole, “soft drop”, bottles. It also avoids the difficulties involved with crushing glass on collection which results in material loss as well as impacts on the ability to separate different types (e.g. colours) of glass. This analysis is set out in the accompanying Impact Assessment[24].

The higher net present value for the inclusion of glass would only be the case if we introduce glass from the outset. If we decided to expand the scope of a deposit return scheme to subsequently include glass, then this would result in increased costs in terms of having to retrofit or replace reverse vending machines collecting plastic bottles and cans. This would also include finding additional space in stores to host these reverse vending machines given the need for additional storage space. Further communications would also be required if we were to change the scope of the scheme once it was in operation to make consumers aware of any change, which would be another additional cost of the scheme.

Question

16. **Please provide any information on the capability of reverse vending machines to compact glass?**

Exclusions

We have carefully considered the implications and impacts of excluding a number of materials and container types from a deposit return scheme. As set out above, we

[24] Impact Assessment for Introducing a Deposit Return Scheme on beverage containers

consider that the scope of a deposit return scheme should be determined based on material rather than product. Any materials not included within the scope of a deposit return scheme will be included under the reformed packaging producer responsibility regime.

High-Density Polyethylene

We are proposing that High-Density polyethylene should be excluded from the scope of a deposit return scheme. We consider that the scope of a deposit return scheme should be determined based on material rather than product and recognise that the majority of High-Density polyethylene drinks containers contain milk (88.1%).

Our first consultation proposed excluding milk and plant-based alternatives as these are considered by many as an essential product. The majority of respondents wanted to see all or some of these drinks included in a deposit return scheme, though this was lower for milk (65%) than milk-based alternatives (73%) and noticeably lower than support for inclusion of other types of drinks, e.g. alcoholic drinks (89%) and soft drinks (84%). Concerns raised by consumers on the inclusion of milk included the impact on lower socioeconomic groups, the potential impact on the dairy sector and issues with hygiene.

Beverage Cartons

73% of consultation respondents were in favour of including cartons in the scope of a deposit return scheme. The carton industry indicated that they supported the inclusion of beverage cartons so that a wide range of products and of lightweight materials are included to reduce consumer confusion, to increase system efficiency and to create a level playing field for all materials. We consider that including cartons in a scope of a deposit return scheme could have environmental benefits. However, a full feasibility study would need to be completed, including how dealing with the additional volume of cartons would impact the current recycling infrastructure and the available end markets for this material. We propose that beverage cartons should be excluded from the scope of a deposit return scheme. Instead, the consultation on consistent household and business collections will propose including food and drinks cartons in the core list of materials to be collected in the dry recyclable waste streams.

Sachets and pouches

In the first consultation 61% of respondents supported including sachets and pouches in a deposit return scheme. However, concern was raised on the practicality of including these materials due to the high levels of contamination caused from product residues likely in pouches and sachets- which will make deposit return scheme return points difficult to keep clean and less appealing for consumers to use. Due to this, we consider that these materials will be better dealt with under the reformed producer responsibility system for packaging, which will include modulated fees to disincentivise the placing on the market of n on-recyclable or difficult to recycle packaging.

Disposable single-use cups

Whilst the inclusion of disposable single-use cups received support from industry, concerns were expressed about the practicality of including disposable cups, which are often contaminated and would need separate machines to other containers if included in the deposit return scheme.

In the parallel consultation on reforming the packaging producer responsibility system, we asked whether disposable cups would be best included in the packaging producer responsibility system (Extended Producer Responsibility) or in a deposit return scheme. 47% of respondents preferred Extended Producer Responsibility, while 33% said both, and less than 10% said deposit return scheme.

Given the widespread support for disposable cups being encompassed into Extended Producer Responsibility, and the practical barriers to including them in a deposit return scheme, we propose including them in Extended Producer Responsibility. In our summary of responses to the consultation on reforming Extended Producer Responsibility, published in July 2019, we supported the introduction of a recycling target for disposable cups, whether by product or material type. Further detail on proposals to manage disposable cups through Extended Producer Responsibility is provided as part of the second Extended Producer Responsibility consultation.

17. **Do you agree that the scope of a deposit return scheme should be based on container material rather than product?**
    Yes / No

18. **Do you agree with the proposed list of materials to be included in scope?**
    Yes / No

19. **Do you consider there will be any material switching as a result of the proposed scope? Please provide evidence to support your response.**
    Yes / No

Chapter 2: Targets

The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland want to achieve more ambitious recycling targets and reduce littering. These are key aims of introducing a deposit return scheme and setting high collection targets is the main driver to ensure that the objectives of the scheme are met.

First consultation

In our first consultation we proposed that the Deposit Management Organisation should be responsible for meeting the high collection targets set by Government for drinks containers within scope of the deposit return scheme. This position was supported by 67% of respondents to the consultation. High collection targets will ensure there is a stream of high-quality material which should, as a result, ensure higher levels of recycling.

We also asked whether high recycling targets should be imposed, and this was supported by 66% of respondents.

Collection targets

Legislation will set out targets for a proportion of drinks containers (deposit items) placed on the market to be collected for recycling. We consider that the obligation to meet the collection target should be placed on the Deposit Management Organisation. As the Deposit Management Organisation will manage the day to day logistics of the deposit return scheme, the Deposit Management Organisation has the greatest ability to make changes to the scheme in order to increase collection rates and ensure collection targets are met. For example, by ensuring adequate provision of return points, setting the deposit level and through communication campaigns to encourage consumers to participate in the scheme.

To ensure all producers are participating in the scheme, we consider there should be an obligation for producers to join the Deposit Management Organisation. Producers will already be obligated to place a deposit on drinks containers and meet labelling requirements. In comparison to the Deposit Management Organisation, if the obligation to meet high collection targets is placed on producers, there is potentially little impact they, as individual producers, will be able to have on the collection rate of the scheme.

Return rates

For the purpose of analysis, our Impact Assessment assumes that a deposit level of 20p will produce a return rate of 75% in the first year, 80% in the second year and 85% from the third year (see chapter 10).

We do, however, consider that these are conservative estimates and that a well-designed, well-performing scheme could result in return rates of 90% or higher (especially if it is an all-in scheme). Our aim is to introduce a deposit return scheme that is ambitious across these parts of the United Kingdom .

We propose there should be an obligation placed on the Deposit Management Organisation to achieve a 90% collection rate after three years from the introduction of the scheme. This collection target will need to be met in England, Wales and Northern Ireland in order to ensure high performance of the scheme.

We consider that this collection target will be phased in over a period of three years and we are seeking views on how the targets should be effectively implemented.

20. Which of the following approaches do you consider should be taken to phase in a 90% collection target over 3 years?

a) 70% in year 1, 80% in year 2, 90% in year 3 and thereafter
b) 75% in year 1, 80% in year 2, 90% in year 3 and thereafter
c) 75% in year 1, 85% in year 2, 90% in year 3 and thereafter
d) 80% in year 1, 85% in year 2, 90% in year 3 and thereafter

Collection targets will not be set by material, but we consider that a minimum collection target, for example 85%, should be achieved for each material. This will ensure that high collection rates are achieved across all materials rather than the target being met as a result of achieving very high collection rates for some materials.

21. What collection rate do you consider should be achieved as a minimum for all materials after 3 years?

a) 80%
b) 85%
c) 90% collection rate should be achieved for all materials

22. Is it reasonable to assume that the same collection targets could be met with an on-the-go scheme as those proposed for an all-in scheme for in-scope materials?

Yes / No
Please provide any evidence to support your answer

Targets by England, Wales and Northern Ireland

England, Wales and Northern Ireland will have the same statutory targets set out either in regulations for England, Wales and Northern Ireland or separate parts of the United Kingdom (England, Wales and Northern Ireland) specific regulations. The Deposit Management Organisation will therefore be required to report on the number of containers collected in each part of the United Kingdom (England, Wales and Northern Ireland) captured under our deposit return scheme.

This will also require data on the number of containers (or tonnages of material) placed on the market in England, Wales and Northern Ireland. We are considering where this obligation should be placed. This will either involve an obligation placed on producers to report volumes of deposit return scheme material to the Deposit Management Organisation placed on the market in each part of the United Kingdom (England, Wales and Northern Ireland), or an obligation placed on the retailer.

23. **Who should report on the volumes of deposit return scheme material placed on the market in each part of the United Kingdom (England, Wales and Northern Ireland) for the proposed deposit return scheme, and what would be the implications of these obligations?**
    a) The producer/importer
    b) The retailer
    c) Both the producer/importer and retailer

Counting centres and reprocessors

Material collected through the scheme's return points (especially through manual return points) will be collected and transported to counting/sorting centres so that the collected material can be accurately recorded and sorted into separate material types where required. The Deposit Management Organisation will oversee this operation. The material will then be sold to reprocessors who will pay the Deposit Management Organisation for the high-quality material which can then be recycled. These reprocessors may be based in the UK or alternatively act as exporters who sell the material to oversees reprocessing markets (this is explored further below in this chapter). One of the benefits of a deposit return scheme that we want to ignite is an increase in UK reprocessing capacity as a result of this new high-quality material stream in the UK.

Evidence of recycling

As the material that is collected through a deposit return scheme is of a high-quality, separately collected material stream we consider that this material will go on to be recycled. However, we want to ensure that this is the case as well as being able to measure how much deposit return scheme material is recycled.

We discussed in the first consultation whether, as well as a collection target, a recycling target should be imposed on the Deposit Management Organisation. Although this position was supported, difficulties were raised in response to the consultation and through further stakeholder engagement on how the Deposit Management Organisation would be able to ensure that material is recycled once it has been sold on to a reprocessor.

We therefore do not propose that recycling targets should be imposed on the Deposit Management Organisation in addition to collection targets. Instead, in order to ensure that all material collected through a deposit return scheme will be recycled, we propose that there should be a legal obligation on the Deposit Management Organisation to ensure that the material that is collected via a deposit return scheme is passed on to a reprocessor and provide evidence of this. The point at which material will be counted towards recycling targets (deemed to have been recycled) will be the point at which it reaches already established end of waste criteria (where they exist) or the point at which no further sorting, cleaning or processing is required before entering the final recycling process – this is the "front of furnace" point. This reflects the current point at which evidence is generated in the existing packaging regime and the proposed approach for measuring recycling under Extended Producer Responsibility for packaging.

Therefore, we consider the point of recycling is when the Deposit Management Organisation passes deposit return scheme material to a reprocessor. Evidence will therefore be required from the Deposit Management Organisation to demonstrate that deposit return scheme material has reached the point of recycling where no further sorting, cleaning or processing is required.

24. What evidence will be required to ensure that all material collected is passed to a reprocessor for the purpose of calculating the rate of recycling of deposit return scheme material?

Exports

The Deposit Management Organisation will need to provide proof of recycling or reprocessing for material that is exported. Government recognises there are difficulties in obtaining this information from overseas sites and proposals to strengthen reporting and monitoring arrangements for packaging waste exports are discussed as part of the consultation on Extended Producer Responsibility for packaging. Any requirements on exporters for packaging waste will also apply to those exporting materials for recycling or reprocessing that are part of the deposit return scheme.

Overall packaging recycling rates

Collection targets under a deposit return scheme will contribute to national recycling targets for packaging.

Under the current packaging waste regulations obligated producers are required to meet annual recycling targets (known as business targets), with overall packaging waste recycling rates reported annually by Government. In future, producer responsibility for packaging will be managed through three producer-led schemes (A deposit return scheme for England, Wales and Northern Ireland, the deposit and return scheme for Scotland Regulations, and UK-wide Extended Producer Responsibility for packaging).

It is therefore proposed that an obligation is placed on each Government to report overall packaging recycling rates in England, Wales and Northern Ireland in 2025 and 2030. This reporting would reflect the packaging recycled through both Extended Producer Responsibility and the deposit return scheme.

Chapter 3: Scheme governance

The Deposit Management Organisation is the central body whose role is to manage the operation of the deposit return scheme. As set out in chapter 2, the Deposit Management Organisation will be responsible for meeting high collection targets set out in legislation for drinks containers within scope of the deposit return scheme and report evidence of meeting these. The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland will appoint an organisation to be the Deposit Management Organisation via a competitive tender process. The Deposit Management Organisation will operate across these parts of the United Kingdom and functions will be conferred on it via a combination of regulations and a contract, managed jointly by the UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland .

There has been strong support for the Deposit Management Organisation to be an independent, not for profit and private organisation. This is a model that has been successfully utilised internationally and ensures that the scheme can be managed in the most cost-effective manner. The Deposit Management Organisation will have control over the critical levers that will allow it to drive optimal performance whilst also being held to account for delivering the primary and secondary benefits of the scheme.

First consultation

During the first consultation, Defra consulted on a number of functions, asking respondents to determine whether they thought the Deposit Management Organisation should be responsible for those aspects of the scheme.

The majority of respondents thought that the Deposit Management Organisation should be responsible for meeting Government targets and that accountability for these targets sitting with one organisation was more effective than resting with individual drinks producers. Moreover, respondents were clear that both the Deposit Management Organisation and the regulatory body should be not-for-profit and entirely independent from central Government. The majority of respondents agreed with the areas of responsibility set out in the first consultation.

The role of the Deposit Management Organisation

The purpose of the Deposit Management Organisation is to support, manage and oversee the deposit return scheme. The responses to the first consultation coupled with further engagement through a deposit return scheme Industry Working Group, sector forums and bilateral meetings have led to us proposing the Deposit Management Organisation holding responsibility for the following functions.

a. **Be legally responsible for high collection targets set by Government.**

As set out in chapter 2, regulations will set targets specifying that the Deposit Management Organisation must collect a percentage of deposit return scheme drinks containers placed on the market. To meet these targets, the Deposit Management Organisation will have to manage the day to day operations of a deposit return scheme, making key design decisions. For example, decisions regarding the deposit level, the required infrastructure,

communications campaigns, utilisation of technology and setting the appropriate fee levels.

b. Set producer/importer fees.

The Deposit Management Organisation will be responsible for setting producer registration fees. Further details on the producer fee is set out in chapter 4.

c. Be responsible for tracking deposits and financial flows in the deposit return scheme.

The Deposit Management Organisation will collate the necessary data to ensure a clear understanding of the material flows around the deposit return scheme. Moreover, it will monitor the movement of the deposits around the scheme and manage its revenue streams to ensure a high performing deposit return scheme system can be financed. The management of financial flows across the system is set out in chapter 4.

d. Set and distribute the handling fees for return points.

Regulations will outline what a reasonable handling fee, paid from the Deposit Management Organisation to return point hosts, should cover (outlined in chapter 5). There will be an equivalent fee for online takeback services. The Deposit Management Organisation will be responsible for calculating reasonable handling fees accordingly. Organisations bidding to be the Deposit Management Organisation will be asked to outline their methodology for calculating handling fees as part of the tender process.

e. Own the material returned by consumers.

The Deposit Management Organisation will own the material that is returned to return points. This provides a clear incentive for the Deposit Management Organisation to seek to collect as many deposit return scheme containers as possible as the sale of deposit return scheme material to recyclers will constitute a revenue stream for the organisation.

f. Reimburse and manage the contracts of those transporting drinks containers to recycler/counting centres.

The Deposit Management Organisation will have to source and identify the best organisations to service return points to ensure timely collections, accessibility for consumers and a smooth flow of materials through the system.

g. Measure and report recycling rates to Government.

Beyond reporting the collection rates, the Deposit Management Organisation will have to provide evidence that materials collected have been recycled. We view this as an obligation to provide evidence that material collected has been passed to a reprocessor. (as outlined in chapter 2).

h. Setting deposit levels within parameters set by Government.

The first consultation proposed that the Deposit Management Organisation should advise Government on the setting of deposit levels. However, we consider the setting of the deposit level is a key lever for the Deposit Management Organisation to ensure that it can operate a high performing scheme. We propose that Regulations will set parameters within

which the Deposit Management Organisation will be able to set the deposit level. This will also allow the Deposit Management Organisation to decide whether to have a fixed or variable deposit. A methodology for changing the deposit level will be set out in legislation to ensure due process is undertaken when changing the deposit level post implementation. Further details regarding the deposit level is set out in chapter 4.

i. **Run communications campaigns to aid consumer and retailer understanding of the deposit return scheme.**

Social research studies carried out in England and Wales by Kantar have demonstrated that communications campaigns will be essential to the success of the deposit return scheme.[25] Consumers need to understand why they are being asked to return deposit return scheme containers and how they can do this most efficiently. This responsibility has been amended since the consultation to also include communications to retailers as it is important that retailers understand their own role in this process, in particular regarding the set-up of return points and exemptions. The Deposit Management Organisation will be held to account for the effectiveness of its communications through contractual arrangements. If the scheme in England or Northern Ireland is an on-the-go model, then having clear and extensive communications to the public will be even more important to ensure consumers understand what is in and out of scope.

j. **Be responsible for ensuring that there are appropriate provisions for drinks containers in place and that these are accessible to all populations.**

This responsibility has been updated since the first consultation to make it clear that the Deposit Management Organisation will be responsible for ensuring that return points are accessible 'to all populations'. This is particularly important for communities that do not live within a reasonable distance of in-scope retailers acting as return points. The Deposit Management Organisation will have to work with alternative return point hosts like businesses, the third sector and/or local authorities to ensure ease of access to consumers.

The following two responsibilities have also been added since the first consultation:

k. **Ensure financial provisions are made available to pay local authorities for deposit return scheme material appearing in kerbside.**

The Deposit Management Organisation 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 deposit return scheme containers that are collected through local authority waste streams. The recipient of these funds will depend on the methodology chosen as outlined in chapter 7 regarding local authorities. If the final scheme design is for an on-the-go deposit return scheme, then this responsibility may not be required due to the lack of deposit return scheme containers collected through local authority waste streams.

l. **Interact with other scheme administrators.**

[25] Kantar Social Research Study - http://sciencesearch.defra.gov.uk/Default.aspx?Menu=Menu&Module=More&Location=None&Completed=220&ProjectID=20253

The Deposit Management Organisation will have to interact with scheme administrators of other deposit return schemes to minimise fraud and maximise learnings. Moreover, it will have to communicate with the Extended Producer Responsibility scheme administrator to ensure the schemes remain aligned post implementation.

After further analysis and engagement, the Deposit Management Organisation being 'responsible for the maintenance of reverse vending machines and the provision of containers to those running manual return points' was removed. Depending on decisions taken by the Deposit Management Organisation, there may be different ownership structures for reverse vending machines or alternative return point infrastructure rolled out (e.g. smart bins) and therefore this should be left to the Deposit Management Organisation. The cost of any return point will be covered by producers through retailer handling fees.

Appointment of the Deposit Management Organisation

The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland will run a competitive tender to appoint the Deposit Management Organisation. A competitive tender will:

- Incentivise the best designed scheme possible, encouraging bidders to take into account the primary and secondary benefits of a deposit return scheme;
- Provide greater flexibility by having a contract that can be changed and reviewed more regularly than legislation;
- The combination of regulations and contractual agreements will set out in more detail how a deposit return scheme will be expected to work, creating greater certainty. Moreover, where responsibility lies for the delivery of different aspects of a deposit return scheme will be more transparent;
- A competitive tender can help to deliver a well-designed scheme whilst ensuring the Deposit Management Organisation is appointed as an independent organisation.

25. What length of contract do you think would be most appropriate for the successful bidder to operate as the Deposit Management Organisation?

a) 3-5 years
b) 5 – 7 years
c) 7 – 10 years
d) 10 years +

Composition of the Deposit Management Organisation

The leadership of the Deposit Management Organisation would need to be representative of and trusted by drinks producers and by retailers, as well as by consumers. The Deposit Management Organisation will be an industry-led organisation and is likely to be made up of a number of individual companies or trade associations which represent some/all of the following industries: drinks producers, retailers, importers and logistics.

Given that a deposit return scheme is a method of producer responsibility for drinks beverage producers, it is our preference that some relevant drinks producers associations are involved in any successful bid. It is equally important that retailers or trade associations representing retailers are involved, as this will be a return to retail deposit

return scheme. There will be an obligation in the tender process that any successful bid must be made up of or demonstrate the support of the relevant drinks producers and retailer trade associations. There are of course other stakeholder groups impacted by the deposit return scheme, and bidders may need to also demonstrate their support and/or representation in the Deposit Management Organisation.

Accountability

Holding the Deposit Management Organisation to account for its performance will be essential to the success of the scheme. There will be three formal mechanisms by which the Deposit Management Organisation will be held to account in the form of regulations, the tender process and contractual performance indicators. There is still some further scoping work to be done to ensure the right balance of accountability between the three.

Regulations

In regulations you can expect to see the following obligations placed on the Deposit Management Organisation:

- Collection targets
- The scope of producer registration fees and handling fees will be defined for the Deposit Management Organisation to set.
- Data and reporting requirements
- The parameters within which the Deposit Management Organisation can set the deposit and the methodology to change the deposit level.
- The Deposit Management Organisations revenue streams will be defined including the ownership of materials within the scheme.
- Functionality of the deposit return scheme system to ensure it is easy for consumers and householders to interact with the scheme, wide availability of return points, need to minimise fraud and rapid processing of deposit reimbursement back to retailers.

Tender Process

As part of the tender process, bidders will be asked to answer questions regarding how they plan to run the deposit return scheme. These questions could include topics such as:

- Outlining a plan to demonstrate how the organisation will meet the stated objectives of the scheme.
- Ensuring representation and feedback from a wide variety of affected stakeholders throughout the decision-making process.
- Ensuring clear dispute resolution pathways are set out and accessible to all affected parties.
- Outlining a clear communications strategy and how its performance would be evaluated, including wider messaging such as anti-littering and behaviour change campaigns.
- Outlining a methodology for how handling fees and producer fees would be determined.
- Outlining the environmental ambitions of the operation of the scheme itself.

- Overall cost plan for the scheme and how you will maximise value for money, including proposals for using unredeemed deposits effectively – how to achieve the outcomes at the best cost.
- How the consumer experience will be managed and enhanced ensuring deposits are as easy to redeem as it is to purchase the drink in the first place.
- How innovation could be deployed to maximise the effectiveness of the scheme.
- How existing collection and recycling infrastructure could be utilised to provide greater value for money.
- What fraud prevention measures will be included and how fraud will be managed and minimised.
- Demonstrating the social value that the scheme will deliver, and specific initiatives bidders would employ to maximise this value.

26. Do you agree that the above issues should be covered by the tender process?

Yes / No

Please list any further issues you believe should be covered as part of the tender process.

Contract management

As part of the contract, a contract management team will sit within Defra with support and governance oversight jointly with Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland. They will assess the performance of the Deposit Management Organisation against the agreed contract. The purpose of Key Performance Indicators will be to identify areas of improvement for the Deposit Management Organisation. Key Performance Indicators within that contract could include:

- Assessing the speed and efficiency of registering and on boarding in-scope drinks producers to the deposit return scheme.
- Assessing the speed and efficiency of payment flows between the Deposit Management Organisation and key figures within the scheme. For example;
    - How will the Deposit Management Organisation set out the process of paying handling fees to retailers and how is this process being adhered to in a timely manner.
    - How will the Deposit Management Organisation set out the process of paying the redeemed deposits back to retailers and how is this process being adhered to in a timely manner.
- Assessing the impacts that the deposit return scheme is having on the littering of in-scope containers.
- Assessing the effectiveness of the Deposit Management Organisation resolving technical problems which affect the consumers ability to utilise the service. For example:
    - How long does it take for broken machines to be repaired?
    - How long does it take to collect material from a full return point?
- Assessing consumer satisfaction with the scheme by a regular survey which offers feedback forums and consumer assessments of the usability of the scheme.
- Assessing the accessibility of the scheme from a geographical point of view as well as from a disability perspective.

- Assessing the carbon emissions created by the implementation of the scheme.
- Levels of fraud and effectiveness of fraud prevention measures.

27. Do you agree that the above issues should be monitored as Key Performance Indicators ?

Yes / No

Please list any further issues you believe should be covered by Key Performance Indicators .

Digital infrastructure for the deposit return scheme

Digital Design

The collection, handling and use of data required by deposit return scheme will need to be underpinned by digital infrastructure to support a range of activities. This digital infrastructure will need to be designed around the needs of its users. For deposit return scheme users this will include, but is not limited to, the Deposit Management Organisation, regulators in England, Wales and Northern Ireland, producers of packaging, and potentially local authorities, and organisations across the waste management chain.

Some of this digital infrastructure will be specified by the Deposit Management Organisation. In particular the funding and installation of reverse vending machines or alternative return point infrastructure should be left to the Deposit Management Organisation (this is explored further in chapter 5)as should the IT needed to support its core activities such as operation of the counting centres and the administration of financial flows.

Other aspects of the required digital infrastructure will be similar to that required by Extended Producer Responsibility (for example registration of producers, submission of evidence on packaging placed on the market). In these circumstances Governments will look for opportunities to provide simple, consistent digital services that could support the needs of users under both sets of reforms (e.g. potentially a single registration portal, and a single way of submitting packaging and container information).

Government is minded to lead on the design and development of digital infrastructure where it could provide a simple and consistent experience for users across Extended Producer Responsibility and the deposit return scheme. The costs of running these digital services would be recovered from Extended Producer Responsibility and deposit return scheme charges on the Deposit Management Organisation. Data collected through these services would be made accessible to users such as the Deposit Management Organisation and regulators to process and utilise in accordance with their roles.

In parallel to work on Extended Producer Responsibility and deposit return scheme Government is progressing work to introduce the electronic tracking of waste, and this will

be subject to a separate consultation. Consideration will be given to the extent to which waste tracking can support any elements of deposit return scheme.

Questions

28. **Do you agree that Government should design, develop and own the digital infrastructure required to register, and receive evidence on containers placed on the market on behalf of the Deposit Management Organisation and regulators?**

    Yes / No
    Please elaborate on your answer

29. **Government will need to understand the needs of users to build digital services for deposit return scheme. Would you like your contact details to be added to a user panel for deposit return scheme so that we can invite you to participate in user research (e.g. surveys, workshops interviews) or to test digital services as they are designed and built?**

    Yes / No

Chapter 4: Financial flows

This chapter will outline how the financial flows will work throughout the deposit return scheme.

First consultation

The first consultation endorsed support for the principle of full-net cost recovery, meaning that producers cover the net cost of managing their products at the end-of-life stage. Producer responsibility is about making sure businesses that manufacture, import and sell certain products are responsible for their end-of-life environmental impact.

The majority of respondents stated that the producers should cover the Deposit Management Organisation set-up costs, with only 7% thinking that others should be responsible. Local authorities and waste management companies most strongly supported the proposals.

77% of respondents also thought that producers should cover the operational costs of the scheme. The majority of those who provided a reason for their view were clear that the 'polluter should pay'.

There were a small number of respondents who argued that smaller producers should not be expected to contribute to the scheme's operational costs, as doing so could limit their competitiveness and their willingness and/or ability to invest in alternative packaging materials.

Deposit Management Organisation revenue streams

The Deposit Management Organisation will be funded by three revenue streams:

Material revenue

The material collected by the Deposit Management Organisation will be sold to reprocessors for recycling. The sale of this material has a value associated with it which is determined by its quality. As deposit return scheme material is separately collected and of high quality, it is therefore expected to attract high prices. By providing a revenue stream for the Deposit Management Organisation, this provides a clear incentive for the Deposit Management Organisation to collect as much high-quality material as possible in turn leading to greater circularity of materials.

Producer registration fees

As a form of producer responsibility, a deposit return scheme ensures that those responsible for placing packaging on the market are also responsible for the costs of collection and treatment. All drinks producers/importers will be obliged to sign up to the Deposit Management Organisation before they can place in-scope products on the market.

Producer registration fees will be set by the Deposit Management Organisation. The producer registration fee will be expected, along with the other revenue streams, to cover the costs to the Deposit Management Organisation of operating the scheme

(administration costs and the costs of treating the different types of material that producers place on the market) and the costs incurred by the regulator (with duties of the regulators explored further in chapter 8). We consider producers should pay costs proportionate to the types of materials they place on the market to reflect the different costs involved in collecting, separating and treating different material types. This would be reflected in the producer registration fee set by the Deposit Management Organisation.

No producer will be able to opt-out from the scheme. That said, we want to protect the smallest drinks producers from the cost burden associated with the introduction of a deposit return scheme. Whilst all producers will still have to comply with statutory obligations imposed on drinks producers, for example the mandatory placing of a deposit on container and labelling requirements, we want to minimise the burden on the smallest drinks producers. This can be achieved, for instance, by allowing them to pay minimal or no annual registration fees, as a form of exemption to producer obligations.

We have a clear expectation that producer fees will be transparently calculated and shared publicly.

30. What is an appropriate measure of small producers for the purposes of determining the payment of registration fees?

- Taxable Turnover
- Drinks containers placed on the market
- Any other

Unredeemed deposits

No deposit return scheme is able to achieve a 100% return rate. There are always a number of consumers who choose to forego the deposit value. These consumers pay the deposit value of the container yet leave that money in the system rather than recovering it. This is a potentially significant value stream for the Deposit Management Organisation and can help contribute to making improvements to the design of the scheme. The risk to be considered is the creation of a perverse incentive whereby the Deposit Management Organisation gains more revenue from unredeemed deposits whilst the scheme fails to meet its collection targets as a result of lower return rates.

The first consultation asked respondents whether unredeemed deposits should be used to part-fund the costs of the deposit return scheme system.

- 68% agreed that unredeemed deposits should part-fund the scheme whilst 21% disagreed.
- Local authorities provided the most vocal opposition to this approach and argued that unredeemed deposits would be better spent on other things like funding kerbside collections and being donated to charitable organisations with an environmental focus.
- 63% of respondents agreed that unredeemed deposits should not be passed onto Government if they are not used to part fund the scheme.

Our analysis demonstrates that if unredeemed deposits are used to part-fund the system, this will have a significant impact on the level of producer fees. For example:

1. At an 85% return rate, unredeemed deposits would constitute £739M per year. Based on current analysis this would mean that if unredeemed deposits were allocated to cover all the costs, producer fees would not be necessary.
2. At a 90% return rate, unredeemed deposits would constitute £492M per year, meaning that producer fees are estimated to be approximately £170.6M.

31. Is a high level of unredeemed deposits funding the scheme problematic?

Yes / No. Please explain your answer.

It is unlikely that producer fees will ever be set at zero, as there is no time limit on when containers can be returned into the system. International experience demonstrates that deposits can be reclaimed on bottles up to 10 years after it was placed on the market. Unredeemed deposits, however, will lower producer fees and could be a significant annual revenue stream.

Whilst unredeemed deposits will have a part to play in funding the system, there are several considerations to ensure they are not misused or misinterpreted for running the scheme:

- The purpose of the scheme is to achieve high recycling rates, reduce littering and increase the circularity of drinks bottles. Therefore, the priority is ensuring that collection targets are met.
- The role of enforcement is essential to ensure that fines are imposed if the Deposit Management Organisation misses those targets.
- It is a consumer choice if deposits are not being redeemed. However, the scheme has a duty to ensure provisions are made to make returning containers as accessible as possible for consumers. The deposit return scheme must avoid any situation where that choice a consumer has for redeeming a deposit is taken away from them unfairly.
- The Deposit Management Organisation will be not-for-profit so there will be no incentive for the Deposit Management Organisation to hoard money to pay shareholders for example.

Our Impact Assessment currently assumes that 50% of the net costs (after material revenue has been deducted) will be covered by producers with the remaining 50% covered by unredeemed deposits. Any surplus funds from unredeemed deposits would be for the Deposit Management Organisation to reinvest into improving the system. The tender process would ask how the Deposit Management Organisation would utilise any excess funds, if there are any. Should there be funds that go above and beyond the required annual spend to meet collection targets, the contract management team can then hold the Deposit Management Organisation to account.

This results in the following level of producer fees and surplus funds:

1. At an 85% return rate, with unredeemed deposits at £739m, producer fees would be set at £295m and there would be surplus unredeemed deposits of £444m.
2. At a 90% return rate, with unredeemed deposits at £492m, producer fees would be £359m and there would be surplus unredeemed deposits of £133m.

Option 1: We allow unredeemed deposits to part-fund the scheme (preferred option)

We propose that we should allow unredeemed deposits to part fund the scheme to whatever extent they are collected.

As unredeemed deposits are only attained when the scheme is not operating most effectively (where containers are not being returned into the system) there is an opportunity to create perverse incentives. Government would therefore need to prevent the Deposit Management Organisation from gaining financially when unredeemed deposits increase to a level where the scheme is not meeting its legal obligations.

The Deposit Management Organisation would be held to account for meeting high targets via:

- Legal obligation set out in regulations to meet high collection targets.
- Sufficient monetary penalties set out in regulations being imposed on the Deposit Management Organisation for not meeting its collection targets. We would like this to counteract any potential financial gains made by the Deposit Management Organisation as a result of not meeting its obligations. For example, if the collection target is not met in one or more part of the United Kingdom (England, Wales and Northern Ireland), the fine imposed on the Deposit Management Organisation could equate or be more than the amount of revenue that it would have received from unredeemed deposits up to the collection target.

As explained previously, we assume it is unlikely that producer fees would ever be set at zero due to the potential for containers to be returned into the system in the future. In addition, there is the need for the Deposit Management Organisation to ensure it can fund the system should there be a fall in revenue from unredeemed deposits. The system should not operate with surplus funds since revenue should always be invested back into the system.

Option 2 – unredeemed deposits part fund the system but there is a minimum producer fee per annum and excess funds are asked about during tender

Alternatively, regulations could stipulate that producer fees could be set so they have to cover a minimum amount of the Deposit Management Organisation's annual operational spending. This would mean that no matter what the collection rate is, producers would have to contribute to a set proportion of the costs of running the scheme. The challenge would be finding the correct level whereby there are still incentives for the Deposit Management Organisation to make the scheme as cost effective as possible but also ensuring a meaningful contribution.

Under the option:

- We allow unredeemed deposits to part fund the scheme but place a floor on the producer fees (e.g. 50% of net costs) that have to be raised in order to meet a set proportion of the annual costs of the scheme.
- We ask a question in the tender process regarding the utilisation of any excess funds so that that contract management team within Defra can hold the Deposit Management Organisation to account should there be funds that go above and beyond the required annual spend to meet the targets.

Any surpluses that might remain from unredeemed deposits, over and above the costs of the scheme, would be for the Deposit Management Organisation to spend. Engagement to date has demonstrated a desire to reinvest into the performance of the scheme as well as paying off the initial loan needed to fund the set-up costs of the deposit return scheme. There is no reason the Deposit Management Organisation could not put this money towards environmental causes in general.

The purpose of the percentage floor would be to ensure that producers continue to contribute to the scheme. However, we want to avoid a level of fees whereby the producers have no incentive to encourage a cost-efficient system.

Questions

32. Which option to treatment of unredeemed deposits do you support?

Option 1 / Option 2

33. With option 2, do you foresee any unintended consequences of setting a minimum percentage of the net costs of the deposit return scheme that must be met through the producer fee?

34. If a floor is set do you consider that this should be set at:

a) 25% of net costs
b) 33% of net costs
c) 50% of net costs
d) Other

Please provide any evidence to support your response.

35. Do you agree that any excess funds should be reinvested in the scheme or spent on other environmental causes?

Invested in the scheme/ other environmental causes

Start-up costs and operational costs

Following the principle of full net cost recovery, we believe that packaging producers and importers should be responsible for funding the collection, transport, sorting and treatment of packaging waste. By registering with the Deposit Management Organisation, producers would be meeting their full-net cost recovery obligations.

The Deposit Management Organisation will finance the start-up costs that will allow the scheme to be operational from day one. We expect this to include for example, the organisational set-up costs and roll out of counting and bulking centres, IT set up and development, and the roll out of collection centres. These costs are explored more in the accompanying Impact Assessment to this consultation.

Once bottles have been deposited at return points, they will need to be collected and transported to bulking points and sometimes on to counting centres. There will likely be opportunities for backhauling or reverse supply chain logistics to be utilised to reduce costs of transportation. Either way, the Deposit Management Organisation will likely contract distribution and transportation companies to deliver services on their behalf.

The Deposit Management Organisation will be expected to secure private loans to meet such costs.

The Deposit Management Organisation will also be responsible for funding the operational costs of the scheme. These costs will include funding the collection, transport, sorting and treatment of packaging waste. Moreover, they include funding consumer and retailer communication campaigns and the clean-up costs of deposit return scheme containers that still go through local authority waste streams. These costs are clearly set out in the impact assessment.[26]

The deposit level

First consultation

The first consultation asked for views on the optimum deposit level and received a mixture of responses with the most popular range being between 20 and 50p. It also put forward the question around flat rate and variable rate deposits. 57% of respondents thought that the deposit level should be a flat rate. Reasons given included financial and revenue forecasts being easier to calculate and less confusion for consumers. Of the respondents that were opposed to a flat rate, 34% viewed a variable deposit set by container size as the best mechanism for setting the deposit level and 75% were clear that the deposit level should be the same for both single and multipack containers.

Position

The deposit level will not be fixed in legislation as it has been in comparable schemes. In contrast, we propose to set out a minimum and, possibly, maximum deposit within secondary legislation, which will describe the methodology to be used for altering the deposit level. We want the Deposit Management Organisation to have the flexibility and control to ensure it is able to meet its statutory collection targets. We believe the ability to set and then change the deposit level is a critical lever to ensure the Deposit Management Organisation can meet these targets.

[26] Impact Assessment for Introducing a Deposit Return Scheme for drinks containers

As a result, the Deposit Management Organisation will have the ability to set either a fixed rate or a variable rate deposit level. In a fixed system, all drinks container in scope will have the same deposit placed on them. This would be a simpler design and might be easier for consumers to understand. In a variable system, different drinks containers in scope will have different deposit levels placed on them. The most popular way of placing a variable deposit in response to the first consultation was by size. This could be more complicated to administer but might prevent significant shifts in consumer behaviour to reflect the greater proportion of multipacks sold in the UK for example.

Drinks containers sold in mutlipacks are regularly purchased by consumers, and the additional charge of a deposit on each container sold in the multipack could mean consumers pay significantly more for these purchases, with the deposits adding up to what some may view as a disproportionate additional cost compared to the retail price of the items.

Providing the Deposit Management Organisation with flexible deposit levels will also future proof the system with respect to technology innovation. For example, as technology develops it may be possible for variable deposits to be set at an individual container level, reducing the overall deposit charge on multipack purchases in comparison to an individual bottle.

Regarding deposit level, the social research conducted by Kantar[27] showed clearly that the deposit level needs to be high enough to motivate use without influencing affordability. Moreover, it found that a round number would help to increase the sense of value from the scheme. For example, 5 containers (20p) equate to £1 or 10 containers (10p) equate to £1. The quantitative study found equal support for a 10p and a 20p deposit, but the qualitative evidence pointed towards a deposit level in the region of 15p to 25p. The important points to consider were how deposits could accumulate, framing the deposit from a loss averse perspective and the importance to consumers of clearly being able to track the deposit.

A methodology will be set out in secondary legislation which outlines the process that the Deposit Management Organisation would be expected to undertake to make a change to the deposit level. In setting and amending the deposit level, the Deposit Management Organisation should give specific consideration to the impact of the deposit with regards to affordability for consumers.

Allowing for a flexible approach to setting the deposit level will also provide the opportunity for the Deposit Management Organisation to set deposit levels for different product types or groupings. This would support integration with other policies such as minimum unit alcohol pricing

36. What should be the minimum deposit level set in legislation?

a.) 10p
b.) 15p
c.) 20p
d.) Other

37. Do you agree that there should be a maximum deposit level set in legislation?

[27] Defra Consumer Research to Inform Design of an Effective Deposit Return Scheme Inform

Yes / no

If yes, what should be the maximum deposit level set in legislation?
a.) 30p
b.) 40p
c.) 50p
d.) Other

38. Recognising the potentially significant deposit costs consumers could pay on a multipack purchase, how best can we minimise the impact of the scheme on consumers buying multipacks?

39. Do you agree with our approach to letting the Deposit Management Organisation decide on whether to adopt a fixed or variable deposit level, particularly with regards to multipacks?

Please provide evidence to support your answer

Chapter 5: Return points

This chapter sets out further details of retailer obligations in the deposit return scheme, and the proposed policy for how return points will be made available under the scheme. It is our view that the proposals below would remain the same whether it is an all-in or on-the-go deposit return scheme (recognising Welsh Government's preference for an all-in deposit return scheme), with a few nuances explained in some sections.

To ensure the deposit return scheme is as successful as possible, we need to make sure that the network of return point infrastructure is as comprehensive and accessible as possible. Consumers should be able to redeem their deposit as simply as possible and to easily return their drinks containers to either the place they brought it, or an alternative return point.

We recognise there are nuances to how different industries and retailers operate, but are confident that our proposed policy position provides an effective framework that reflects the needs of all businesses required to operate a return point, whilst also providing reasonable grounds for exempting businesses where it would not be possible or effective to host a return point.

First consultation

In the previous consultation we argued that in a well-functioning deposit return scheme it will be easy for consumers to return drinks containers and obtain their deposit refund, proposing that all retailers would be obligated to host a return point unless they fell below a potential de minimis which would exempt them from hosting a return point.

75% of respondents to the first consultation agreed that businesses selling in-scope containers should host return points. 90% of respondents also thought that retailers who do not stock in-scope drinks containers should be able to opt-in and offer return points. The majority of respondents however believed that there should not be a de minimis below which retailers should be exempted to host a return point.

We outlined the payment of a handling fee to retailers hosting a return point, and the possible additional range of places return points could be hosted, such as transport hubs, leisure facilities and stadiums. We also set out the need for return point provisions for those not easily able to access a physical return point, perhaps due to mobility issues or a reliance on online shopping due to geographical factors, and a need for a pick-up service in remote and rural areas.

In the responses, concerns were raised regarding floor space, impracticalities and costs for small and medium enterprises of hosting return points, which we have considered as part of the limited exemption criteria discussed below. However, the social research was clear, reinforced by consultation responses, that accessibility would be the key factor in the success of a deposit return scheme. Ensuring deposit and container returns for the consumer are quick and easy will reduce the demands for behavioural change in consumers.

We also noted the practicalities of applying a deposit and return scheme when the sale of in scope containers takes place on the premises of on-trade businesses such as hotels, bars and restaurants, and where the nature of the consumption is on the site itself. Many

respondents noted that, whilst the pub/bar should pay the deposit on the in scope items, so long as consumption stayed on site then the staff could collect the bottle once empty and redeem the deposit themselves, without having to pass the deposit onto the consumer.

Retailer obligations

As set out above, the fundamental principle underpinning the proposed deposit return scheme is that returning an in-scope drinks container should be as easy as purchasing one in the first place. To meet this ambition, and considering the responses received to our first consultation, legislation will set out an obligation on all retailers selling in-scope drinks containers to accept all deposit return scheme container returns to their store, and refund the deposit amount to the consumer when an item is returned. In addition, retailers will be required to add the deposit price to the purchase price of the drink at the point of sale. We propose this obligation on retailers to accept all deposit return scheme container returns would remain the same in both an all-in and on-the-go scheme.

These obligations extend to online retailers, who must also ensure the deposit price is added to the purchase price when advertising an in-scope material online, and we are considering whether such retailers should be obligated to offer consumers a take-back service for the container purchased.

The obligation will be for retailers to accept returns of deposit return scheme containers. This means retailers can choose to host a return point with a reverse vending machine or a manual return point. The return point type would be agreed with the Deposit Management Organisation. If the scheme in England/Northern Ireland was an on-the-go scheme, then retailers (especially larger supermarkets) may reconsider how many reverse vending machines they would require, to reflect the quantity of material being returned in that type of scheme compared to an all-in model.

By imposing the obligation on retailers to purely host a return point, and not specifying what type of return point this might be, we are endeavouring to leave it open for other technological innovations (e.g. smart bins, or scanning containers and placing in your household waste bins for collection) that might be available to be incorporated into the scheme as additional return points for consumers to use.

The funding and installation of return points across retailers will be a decision for the Deposit Management Organisation to make. Depending on decisions taken by the Deposit Management Organisation, there may be different ownership structures of the reverse vending machines (or alternative return point infrastructure) and therefore this should be left to the Deposit Management Organisation. Options may include the Deposit Management Organisation bulk purchasing reverse vending machines and leasing them out to retailers, or alternatively the Deposit Management Organisation may prefer to provide guidance to retailers regarding what type of reverse vending machines would be acceptable for them to host, and the retailer can then choose the reverse vending machine most suited to their needs. In both instances, and as clarified under The Role of the Deposit Management Organisation within the Scheme Governance chapter of this consultation (chapter 3), the Deposit Management Organisation would be liable to cover the costs of the reverse vending machines, most likely refunded through the handling fee.

Question

40. **Do you agree that all retailers selling in-scope drinks containers should be obligated to host a return point, whether it is an all-in or on-the-go deposit return scheme?**

    Please provide any evidence to further explain your answer.

41. **Given the proposed extensive distribution and availability of return points for consumers to return bottles to, do you think customers would be likely to experience delays / inconveniences in returning drinks containers? If so, how long or how frequently would such delays be likely to arise for?**

Online purchases of in-scope drinks containers

Online retailers

As mentioned, accessibility and ease of return is an essential principal for our return points policy, and subsequent success of the scheme. We are considering how this principle should extend to purchases of in-scope drinks containers made online, whilst also ensuring the scheme is working effectively and does not result in unintended consequences, such as additional journeys to collect material.

On this basis, we are considering whether to obligate online retailers who sell in-scope drinks containers to offer a take-back service for the empty drinks containers free of charge to the consumer. The takeback would be like for like and there would be no time limit placed on when the collection would need to take place by. We believe this is an important obligation to consider, ensuring consumer convenience and inclusivity in the scheme, where they may otherwise struggle to return containers and redeem deposits (such as for mobility reasons or living in rural locations creating a reliance on online grocery shopping).

Where major retailers have a widespread delivery system in place currently, we would expect that this takeback service could be fitted into the current operation to avoid additional journeys being made. We also expect that many consumers would generally choose to decline the offer of a takeback service if they make a purchase online, since they would likely find it easier to return any containers they purchase through this sale to a physical return point during the course of their daily lives. Consumer research showed that 84% of respondents visited a large supermarket regularly, suggesting it should be relatively simple for consumers to return bottles as part of these trips. Whilst the provisions above might apply naturally to those receiving regular online grocery deliveries, we appreciate that this might not be proportionate for all online purchases of in-scope drinks containers. There are concerns that the environmental benefits obtained by collecting the container back into the system could be offset by the logistics and individual and/or additional journeys required to collect the containers from the consumer. Unlike a consumer receiving a regular grocery delivery where they can simply hand over their old drinks containers, the ad-hoc nature of some purchases, particularly from small and independent retailers, could result in complex logistics and additional journeys made in silos to collect individual containers.

At the same time however, there is a need to ensure the scheme is not discriminatory towards consumers who make this type of purchase and are not able to easily access a return a point to return their containers and redeem the deposits. Such consumers would be reliant on a takeback service being offered to ensure they are able to fairly participate in the scheme.

Takeaway meal delivery services

Many consumers will purchase in-scope containers as part of a take-away meal which may be purchased directly through the retailer, or alternatively by ordering through a third-party food order and delivery service. Containers purchased by the customer which fall in scope of the deposit return scheme will still have a deposit placed on them, which the consumer will pay on purchasing the product.

We are considering whether the retailer (e.g. restaurant) in this instance should carry the obligation to offer and provide a takeback service for the containers to any consumer who requires this, ensuring the scheme remains accessible to all. To make it clear, the responsibility for offering the takeback service would sit with the original retailer, and not with a third-party food order and delivery service. There may still be a role for such providers in retrieving containers from consumers.

However, we are again aware of the practicalities for these retailers in offering a takeback service given the logistical complexities required by the retailer to revisit the consumer to collect a single bottle. Again, we are conscious of the potential environmental impact of having to make many journeys to pick up a small number of containers.

Our position

Recognising the concerns mentioned in this section, we must carefully consider the right approach with regards to obligations on retailers selling in-scope containers via online transactions. We do not want to develop a policy which creates a significant number of additional journeys for collecting containers sold this way, or places a disproportionate burden on small and medium enterprise retailers and restaurants, if the environmental benefit of collecting the container is not proportionate to the effort and emissions released by a journey to collect that container.

Consumption of containers purchased this way may therefore benefit from a more centralised take-back service where the Deposit Management Organisation could help facilitate the collection of containers purchased this way, in partnership with the retailers and food order and delivery service providers, if this could be made cost-effective and environmentally sustainable. This could be particularly helpful for small businesses and takeaway meal delivery services, who could be otherwise obligated to provide a takeback service. A centralised takeback system run by the Deposit Management Organisation could help remove the risk of inefficient collections taking place in silos, and therefore could be encouraged as part of the environmental credentials of the scheme, reducing individual journeys to collect containers and contributing to carbon emissions.

However, there is also the view that for many consumers purchasing in-scope containers via online transactions, it will still remain more convenient for them to return the container themselves at a time of their convenience e.g. as part of their weekly shop. In this scenario, consumers should be able to decline the offer of a take-back service for the container when they are making their purchase, to avoid unnecessary journeys and complex logistical solutions when not required.

We are therefore considering the following options with regards to online takeback obligations for retailers:

Option 1 – obligate all retailers selling in-scope containers online to offer a takeback service

Based on the principles of ensuring it is as easy to return an in-scope drinks container as it is to buy one in the first place, this option would mean an obligation is put in the regulations that means all retailers would be obligated to offer a takeback service. The Deposit Management Organisation could be encouraged to form a centralised take-back service to help facilitate the collection of containers purchased online and make the system as efficient as possible.

Option 2 – use a de minimis based approach to obligate qualifying retailers selling in-scope containers to offer a takeback service

To address some of the concerns regarding efficiency of online takeback, this option would mean that some form of de minimis or exemption is placed on certain retailers selling in-scope containers online. This could take the form of a de minimis based on the size of the business and / or the volume of in scope containers sold either in total or to a single customer, and retailers under a certain size or selling only low volumes would be exempt from offering a takeback service.

This should ensure that national retailers typically used by consumers for regular grocery shops would be captured by the obligation to provide a takeback service, which would be proportionate, like for like in terms of containers collected, and without a stipulated time limit on the collection taking place. However, purchases of in-scope containers from smaller retailers or restaurant/takeaway outlets, perhaps made on an ad hoc basis, may not be covered by the takeback obligation, so it would be up to the consumer to make provisions for the return of these containers to redeem their deposits.

The Deposit Management Organisation could also still be encouraged to consider forming a centralised take-back service to help facilitate the collection of containers purchased online, if this could be made cost-effective.

Option 3 – no obligation placed on retailers selling in-scope containers to offer a takeback service

This option would remove any obligation on retailers selling in-scope containers online to offer consumers a takeback service. This could mean some consumers find it more difficult

to return their containers and redeem their deposits. However, this option would avoid any unnecessary journeys being made to collect individual containers, which could be damaging (e.g. environmentally in terms of vehicle emissions) to the wider benefits of the scheme.

Question

42. **Do you have a preference, based on the 3 options described above, on what the schemes approach to online takeback obligations should be?** We welcome views from stakeholders on who this obligation should apply to, including if there should be an exception for smaller retailers or low volume sales. **Please explain your answer.**

Anyone transporting waste (in this case collected scheme articles) will need to determine if they require a waste carrier licence. We continue to engage with the environmental regulators in England, Wales and Northern Ireland on this and expect any business that is transporting empty scheme articles for treatment (i.e. to be sent for reprocessing) will need to have a waste carrier licence. This is likely to be a lower tier registration.

Handling fee

The retailer will receive a retailer handling fee from the Deposit Management Organisation to compensate them for any costs incurred in hosting a return point. The fee paid to retailers will be based on a series of criteria which will be set out in legislation. These criteria should take into account the requirements for:

- Costs of purchase, lease, maintenance or upkeep of any collection/storage infrastructure, including any vehicle used for collections.
- Costs of materials for collection/storage of containers
- Space requirements of return point
- Staffing
- Utility costs of operating the return point (e.g. electricity)

The calculation and modelling of the retailer handling fee will be left to the Deposit Management Organisation to determine.

Online retailers will also receive a handling fee to cover the costs involved to them providing a take-back service. This would only be paid to the retailer, not to couriers for example, who may be operating on behalf of retailers in making deliveries of their goods.

Questions:

43. **Do you agree with the proposed criteria for the calculation of the handling fee?**

Yes / No

Would you propose any additional criteria are included for the calculation of the handling fee?

Conditions of take-back

Whilst all retailers who sell an in-scope container will be obligated to offer a take back service for in-scope deposit return scheme containers, in certain circumstances the retailer will be exempted from having to accept a return. There are two instances in which this might be the case:

Condition of container

The retailer may refuse a return when the container being returned is:

- Not identifiable as within the scope of the deposit return scheme;
- Not empty;
- Not intact.

Reasonable

Retailers should only be obligated to take back what is considered reasonable. Our intention is to give a n on-exhaustive list of examples in legislation for what constitutes an unreasonable return, and for which the retailer could refuse to take back the consumer's containers. Example of what would breach the grounds of reasonable include:

- If a customer intends to return an amount of in-scope containers far greater than the quantity of containers sold by the retailers in a normal transaction, then the retailer may refuse to accept the return;
- If the Deposit Management Organisation has not collected materials and the retailer's storage of containers has reached capacity, then they should not have to offer a take-back service until a collection has taken place.
- A premise that doesn't stock a particular type of product in an in-scope container, such as alcoholic drinks for cultural reasons, wouldn't be obliged to accept returns of those containers.

By giving clear examples of what constitutes reasonable, this should then create a path to enforcement of the exemption to take-back containers. Retailers should be provided with clear advice, developed by the Deposit Management Organisation and appropriate enforcement agency, which sets out their obligations and rights to refuse to take back a container if it breaches the grounds of a reasonable return.

Exemptions to hosting a return point

All retailers selling in-scope drinks containers will be obligated to host a return point, regardless of their size and thus capturing both large supermarkets and small independent newsagents. However, in certain cases, retailers obligated to host a return point will be

able to apply to the Deposit Management Organisation for an exemption to hosting a return point, where they meet one of the two criteria below. Whilst we want to give all retailers the opportunity to host a return point, these exemptions may be of particular relevance to smaller, micro-sized retailers where they do not feel it appropriate or able to host a return point.

Exemptions for retailers that are in close proximity to one another

It will be the responsibility of the Deposit Management Organisation to ensure that there are appropriate return provisions for drinks containers in place and that these are accessible for all populations to return their containers to. Retailers wishing to apply for an exemption on the basis of close proximity may do so, where they consider it unnecessary to host a return point when an alternative return point is located within reasonable proximity to the premises.

The onus for applying for an exemption on the grounds of close proximity will fall on a retailer. Retailers would apply to the Deposit Management Organisation directly when seeking such an exemption, specifying why they believe they should be exempt from hosting a return point. In their application, they would be required to give various pieces of information, such as the location of the nearest alternative return point.

The Deposit Management Organisation may consider it appropriate to undertake direct liaison with retailers who wish to seek an exemption, giving consideration to the optimum number of return points to ensure continued accessibility for populations. Granting exemptions shall be the duty of the Deposit Management Organisation, who should consider factors such as locations consumers most frequent, and ultimately ensuring there are sufficient return point provisions for consumers.

If a retailer meets the exemption criteria and this causes accessibility issues to available return points then it will be the responsibility of the Deposit Management Organisation to mitigate this risk rather than the responsibility of the exempted retailer.

The Deposit Management Organisation may undertake strategic mapping projects for example, to support the assessment of exemption applications and ensure appropriate return point provisions are in place. However, this would not change the obligation on all retailers to host a return point unless they apply for an exemption. Exemptions may be granted using the data provided by the mapping exercise.

Exemption to hosting a return point on the basis of a compromise of safety

Retailers may apply for an exemption to hosting a return point where the logistics of hosting a return point (e.g. location or layout, of the retail premises) would make it difficult to continue the operation of that return point without breaching health and safety obligations on the site.

Retailers wishing to apply for this exemption must send their application to the Deposit Management Organisation, demonstrating why they believe that the logistical arrangements of their retail premises do not permit the retailer to operate a return point safely on that site.

Question:

44. **Please tick which exemptions you agree should be included under the scheme:**
    - Close proximity
    - Breach of safety

    Any further comments you wish to make

45. **Please can you provide any evidence on how many small and micro sized retail businesses we might likely expect to apply for an exemption to hosting a return point, on the grounds of either close proximity to another return point or on the compromise of safety considerations?**

Obligations on exempted retailers

Retailers who are granted an exemption will still have obligations under the deposit return scheme to add the deposit price onto the purchase price of the item at the point of sale.

We are also considering what obligations should be placed on retailers exempt from hosting a return point. In order to avoid confusion and ensure it is as easy as possible for consumers to return a container when they wish to, we are minded to introduce obligations for such retailers to display information stating they do not host a return point. In addition, we are considering whether retailers exempt from hosting a return point should also be required to display information signposting consumers to where they can find the nearest return point.

Close proximity

All retailers who are granted an exemption on the basis of close proximity must then clearly display that they do not operate a return point and display information regarding the location of the nearest / alternative return point they can access.

Breach of safety

Retailers granted an exemption on the basis of a breach of safety will be required to display signage that they do not host a return point on the premises. However, in contrast to those exempted on the basis of close proximity, these retailers will not be required to display information relating to the nearest return point. There are concerns that retailers genuinely unable to host a return point would be forced to advertise another business by displaying such signage. Therefore, it could be deemed reasonable that retailers unable to host a return point due to a breach of safety should not have to signpost to another retailer.

Questions:

46. **Do you think obligations should be placed on retailers exempted from hosting a return point to display specific information informing consumers of their exemption?**

    If yes, please tick what information retailers should be required to display:

    a.) Signage to demonstrate they don't host a return point;
    b.) Signage to signpost consumers to the nearest return point;

    c.) Anything else?

47. **Do you agree with our rationale for not requiring retailers exempted on the basis of a breach of safety not to be required to signpost to another retailer?**

    Yes / No

    Please explain your answer.

Revoking an exemption

It should be made clear that when the Deposit Management Organisation grant an exemption, this is not a permanent exemption and the Deposit Management Organisation will have the power to revoke a retailer's exemption to hosting a return point should there be a change in circumstance.

Exemptions will need to be time limited to accommodate changing circumstances both for the retailer and the application of technological innovation. A review point for each exemption will therefore be required, with a process set out by the Deposit Management Organisation for retailers to reapply through.

This change in circumstances may be accredited to the reason the exemption was granted in the first place e.g. new design of premises would facilitate a return point being hosted, or a retailer hosting a return point on behalf of another retailer who is no longer able to host that return point). Alternatively, the retailer may have failed to comply with their obligations as an exempted retailer, and the Deposit Management Organisation therefore see no reason to continue exempting that retailer from hosting a return point. Finally, the retailer may themselves request to have their exemption revoked if they wish to operate a return point.

Part of the Deposit Management Organisation's responsibility should be to ensure exempted retailers are meeting their duties, and all exempted retailers are made clear of their duty to report a change in circumstances to the Deposit Management Organisation at the earliest opportunity so that the necessary action can be taken to ensure appropriate and accessible return provisions for drinks containers are in place.

Questions

48. **How long do you think exemptions should be granted for until a review date is required to ensure the exemption is still required?**
    a.) 1 year
    b.) 3 years
    c.) 5 years or longer

Hotels, Restaurants and Cafes (HORECA)

We recognise the specific issues of HORECA industries providing a take-back service, such as people queuing at the bar with large quantities of bottles, particularly at the end of a trading day. This will make it more difficult for customers to be served and will take up significant amounts of staff time, as well as causing significant difficulties in a potentially crowded venue e.g. space.

In recognition that where drinks are consumed on site, in a closed-loop environment, HORECA will be required to pay the deposit price on drinks they purchase for sale on their premises but will not be required to pass the deposit price on to the consumer. Businesses may still choose to pass the deposit price on to the consumer, but if they do they will then need to provide a take-back service in line with the requirements set out above for retailers.

These premises will be able to collect the containers of drinks consumed on site and arrange for collection with the Deposit Management Organisation to reclaim their deposit. HORECA will receive, like other retailers, a bespoke handling fee that reflects the costs of the services they are providing in the deposit return scheme, such as the cost of materials used in respect of the collection and storage of scheme packaging, and staff time required to facilitate this.

Voluntary return points

We consider that anyone wishing to host a return point, other than a retailer, should be able to apply to the Deposit Management Organisation to become a return point. In accepting this request, the Deposit Management Organisation should weigh up whether it would be reasonable and practicable to collect from that return point against the additional accessibility that that voluntary return point would provide.

We would expect the Deposit Management Organisation to work with the third sector, encouraging community groups and not-for-profit organisations to get involved in the scheme, such as by hosting return points. The potential of this has been seen in New South Wales, Australia, where their Return and Earn Scheme has delivered over $1 billion of funding for the third sector via return point donations.

Other examples of actors who may wish to voluntarily set up a return point include local authorities, national parks and owners of transport hubs / shopping centres. For the latter, it may be feasible that a number of retailers are located in close proximity to one another, and it may be thought more effective for a reverse vending machine to be placed in an appropriate place in the communal area of the venue/hub, which is of a close proximity to all retailers in that venue/hub. The provision of this return point would need to be agreed in accordance with the exemption criteria set out above for retailers in close proximity to one another.

Vending sector

Products sold in scope of the deposit return scheme will also be found in vending machines. The deposit level will need to be added to the purchase price of these products, just as it will be in any other retail environment where an in-scope container is sold, and clearly advertised on the machine (likely via sticker or on screen).

However, if a vending machine is situated on a site where there are no other catering / retail facilities selling scheme articles, then there would be no requirement for the vending machine operator to host a return point on the site. Signage may instead be required to inform consumers of the nearest return point to that machine.

Using technology in a deposit return scheme

As stated already in this chapter, retailers will be obligated to accept returns of in-scope containers, but without specific methods of return (reverse vending machines, manual return points) being specified in legislation to leave the scheme open to possible innovations and other technological solutions.

We are keen to see innovation in the deployed deposit return scheme system and have been in discussions with providers developing technology solutions based around the unique coding of containers coupled with the ability to scan the code using smart phone applications allowing the electronic redemption of a deposit.

This approach allows the alignment of the point of deposit return closer to the point of consumption and not tied to the point of purchase. As the location of the deposit return point becomes more flexible, in theory if the right infrastructure is in place, it could be wherever the drink is consumed. From in the home, on-the-go high footfall locations such as transport hubs, parks and other public places as well as return to retailer.

With the reduction on the reliance of fixed retailer return points and with a deposit redemption in the home it would be possible to utilise existing household recycling infrastructure particularly in areas of segregated kerbside sorting and collection. Thereby reducing the implementation and running costs.

We are not envisaging removing the proposed requirement on retailers to act as return points but if the digital deposit return scheme can utilise existing household collection infrastructure the number of containers going through the retailer route would be reduced.

As well as a more flexible and easier to use option for the consumer and householder the use of a unique identification of individual containers and electronic reconciliation means once the deposit is paid the deposit value on the container is lost. Therefore, a bottle cannot be returned multiple times.

This potentially mitigates against fraudulent activity, with the deposit value lost once paid, issues over security of collected containers, due to their retained deposit value, is removed.

In addition, with unique identification of individual containers the technology could allow the variable deposits to be added to the set for multipack purchases. This removes the disparity of overall cost of a multipack vs a single larger individual bottle.

However, if such technology were to be used, this would still need to enable the scheme to fulfil the objectives, namely in improving the quality of material collected. We are still working to understand how such technology can be used whilst ensuring materials are collected to the high standard required to be accepted by a reverse vending machine, and what other risks, such as fraudulent behaviour, could be seen with this more flexible approach to returning containers.

A number of trials are currently underway to evaluate this technology, with providers suggesting their system would have lower set up and running costs as it reduces, but not eliminates, the need for fixed reverse vending machines. At the time of going to consultation the costs of these alternative technology solutions are not available. However,

as the trials are progressed, we hope to be able to access more information concerning the costs which could be reflected in the final impact assessment.

Questions

49. **Do you think the scheme could benefit from technological solutions being incorporated as a method of return, alongside reverse vending machines and manual return points?**
    Yes / No
50. **How could a digital deposit return scheme solution be integrated into existing waste collection infrastructure? Please explain your answer.**
51. **What are the potential fraud control measures a digital deposit return scheme could bring? Please explain your answer.**
52. **Do you think a digital deposit return scheme could ensure the same level of material quality in the returns compared to a tradition return to retail model, given containers may not be returned via a reverse vending machine or manual return point where there is likely to be a greater scrutiny on quality of the container before being accepted?**

    Yes / No
    Please explain your answer.
53. **If the digital deposit return scheme system can be integrated into the existing waste collection infrastructure would its implementation and running costs be lower? Please provide evidence to support your answer.**

Planning permission for hosting a reverse vending machine

Planning permission may be required for retailers hosting a return point. This would be the case where a retailer chooses to host a reverse vending machine outside their premises, such as in a supermarket car park or on an external wall. Where the reverse vending machine would be hosted inside of the premises without any external alterations, planning permission would not be required.

Permitted development rights are a national grant of planning permission. They are published in the General Permitted Development Order and are used to provide a simpler and more certain route to encourage development and speed up the planning system. These could be used as a vehicle for ensuring reverse vending machines can be granted permission in appropriate locations, removing unnecessary administrative burdens on local planning authorities. They are subject to limitations and conditions to control associated impacts.

It may be sensible for us to therefore introduce a new permitted development right to support the role out of the deposit return scheme. This would mean that retailers or those hosting a reverse vending machine outside would be able to do so under the new

permitted development right, so long as the specification and placement of the reverse vending machine was in accordance with the scope of the permitted development right.

In order to control the associated impacts, we propose the following parameters be imposed on any new permitted development right to allow for reverse vending machine:

- There should be no limit on the number of reverse vending machines that can be installed within the curtilage of a shop.
- When a reverse vending machine is installed in the wall of a shop, any part of the development must not protrude 2 metres beyond the outer surface of that wall.
- The reverse vending machine must not exceed 4 metres in height.
- The footprint of the reverse vending machine must not exceed 80 square metres.
- The permitted develop right would not apply where any part of the development would be between a shop front and a highway where the distance between the shop front and the boundary of the curtilage of the premises is less than 5 metres.
- The reverse vending machine must not be situated within 15 metres of the curtilage of a building used for residential purposes.
- The permitted development right would not apply to proposed installation of a reverse vending machines in a Site of Special Scientific Interest or the curtilage of a listed building/scheduled monument.

Questions:

54. **Do you support the proposal to introduce a new permitted development right for reverse vending machines, to support the ease of implementation for the scheme?**

    Yes / No

    Do you have any amendments or additional parameters you would propose are reflected in the permitted development right?

Chapter 6: Labelling

We consider that labelling forms a key component of any deposit return scheme. Clear labelling and consumer messaging will help drive consumer behaviour change, enabling the deposit return scheme to meet its objectives, whilst also acting as a measure to prevent the risk of fraud in the system. Suitable labelling and marking should serve a dual function of allowing for quick identification of products within scope of the deposit return scheme and minimising the risk of unscrupulous consumers trying to obtain refunds for out-of-scope containers

First consultation

The previous consultation set out the different approaches taken in other countries, where labelling is used as a measure to overcome fraud. The consultation also explored the practicalities of running a deposit return scheme, in terms of return points validating containers as part of a deposit return scheme. Labelling forms a key part of this, in particular when containers are scanned by a reverse vending machine or when using handheld scanners at manual return points to check barcodes and confirm whether a drinks container is in scope.

The majority of respondents to the previous consultation felt the need for labelling requirements to help reduce fraud. Respondents considered that this is especially important if there are different schemes operating across England, Wales, Northern Ireland and Scotland. 55% of respondents thought existing barcodes could provide labelling, while 46% felt there should be a marking that indicates that a container is part of the deposit return scheme.

Rationale

It is anticipated that some form of markings on drinks containers will be necessary for the running of the scheme so that retailers, on-trade sites, consumers and those responsible for recycling or reusing containers, are able to quickly and easily identify in-scope containers. This will be particularly important if the final deposit return scheme scope incorporates an on-the-go model in either England or Northern Ireland, as consumers will need to easily understand what items are captured by the deposit return scheme and which are not.

Reverse vending machines will need to be able to read something in order to know that a product is part of a deposit return scheme and provide a refund. Likewise, manual return points will need to be able to identify products that are part of a deposit return scheme and return the deposit to customers.

Anti-fraud measures

Anti-fraud measures were highlighted in the first consultation, especially where there may be differences between the deposit return scheme that will be in operation in Scotland from 2022, a proposed deposit return scheme in the Republic of Ireland, and a deposit return scheme in the rest of the UK. Labels will help to ensure products marked as being part of an individual deposit return scheme will get a refund and will avoid other products finding their way into the system. A mandatory marking will be necessary to ensure that technology can recognise in-scope containers. Where technology may not be available, for example

where a small retailer hosts a manual return point, a clear label would also help them understand whether to accept or not.

A label would also help to ensure the compliance of producers. Producers would report the number of containers they place on the market and this would inform their producer fee. A label would be read at each stage in the system, tracking the container at each point and ensuring the correct number of containers was being recorded by the Producer.

Clarity

Simplicity is seen as key to the design in any deposit return scheme. It will therefore be important for consumers to be able to easily distinguish between those products that are included as part of a deposit return scheme and those that are not, as well as immediately knowing what the deposit level is. This was supported by the recent Kantar study[28] into consumer research to inform the design of an effective deposit return scheme. The study found that a focus on simplicity should ideally extend to all aspects of the scheme. By having a clear label that identifies that a product is part of a deposit return scheme will reduce the cognitive load on the consumer in understanding how the product should be returned to reclaim their deposit.

Mandatory labelling in a deposit return scheme also complements proposals for labelling on other forms of packaging. As part of the consultation on reforming the packaging producer responsibility system, Government has proposed a mandatory UK-wide labelling system that requires producers to provide clear on pack information to help consumers know what they can and cannot recycle. Following strong support for the proposal from the previous consultation, Government has set out proposals to implement mandatory labelling in the consultation on Extended Producer Responsibility for packaging.

Mandatory labelling requirements under both a deposit return scheme and the reformed producer responsibility regime for packaging will ensure that all packaging products have clear on pack information to help people to recycle.

Auditing

Labelling products included in a deposit return scheme is also important from an auditing perspective as clear labels should improve the ability and accuracy of tracking bottles through the system. This will provide clear information about the number of products placed on the market, numbers sold and returned. This should give an indication to the scale and success of the scheme in meeting any targets.

Labelling requirements

We consider that a mandatory requirement should be included in legislation to ensure all in-scope drinks products are marked so they can be identified as being part of the deposit return scheme. It is our intention to leave the details of the label (where, what, how) to the Deposit Management Organisation.

[28] http://sciencesearch.defra.gov.uk/Default.aspx?Menu=Menu&Module=More&Location=None&Completed=220&ProjectID=20253

Although the details of the label would be left to the Deposit Management Organisation, we envisage that there should be a requirement in legislation to label the containers with the following:

a) An identification marker for reverse vending machines / manual handling scanners to read e.g. a barcode

b) A mark to identify the product as part of deposit return scheme e.g. a deposit return scheme logo that makes it clear to the consumer that the container should be returned through the deposit return scheme, so their deposit can be refunded.

There is also the option of the label including the deposit price, to make clear how much the deposit is and what consumers are entitled to be refunded to. This will be particularly important should the Deposit Management Organisation decide to introduce variable deposit levels.

For an on-the-go scheme, in particular, we consider there would need to be clear labelling of which drinks are in and out of scope of a deposit return scheme. This should avoid consumer confusion (as in some instances small containers may be consumed at home) and will allow the retailer to identify which containers can be accepted at a return point to allow the deposit to be redeemed.

55. Do you agree that the following should be part of a mandatory label for deposit return scheme products?

a) an identification marker that can be read by reverse vending machines and manual handling scanners.

b) a mark to identify the product as part of a deposit return scheme.

c) the deposit price.

56. Are you aware of further measures that can be taken to reduce the incidence and likelihood of fraud in the system?

UK Internal Market Act – Mutual recognition of goods

Pricing measures have been explicitly ruled out from the scope of the mutual recognition principle in the UK Internal Markets Act 2020. Our understanding is that this applies to the requirement to add a deposit to a product placed on the market.

However, a deposit return scheme goes beyond pricing measures and the UK Internal Markets Act 2020 will have implications on our proposed scheme design for a deposit return scheme in England, Wales and Northern Ireland. Labelling requirements will interact with the mutual recognition principle (goods produced in or imported into one part of the UK and can be sold there without contravening any relevant requirements that would apply to their sale, can be sold in any other part of the UK, free from any relevant requirements that would otherwise apply to the sale). The UK Internal Markets Act 2020 does not prevent us from imposing labelling requirements on deposit return scheme products placed on the market in England, Wales or Northern Ireland. However, as there are no labelling requirements set

out under the Scottish deposit return scheme, drinks containers that are produced in Scotland or imported into Scotland, could be sold in England without a label on them.

We therefore need to consider the likely impact this could have on our proposals to mandate a labelling requirement. For example, if it appears that a large number of drinks containers placed on the UK market originate in Scotland or are imported into Scotland before being placed on other markets across the UK, then this could pose issues for the practicality and enforceability of labelling requirements under our deposit return scheme. For those items coming from Scotland, we would not be able to impose labelling requirements. This means that there is a risk of unlabelled drinks containers entering the market in England, Wales and Northern Ireland which could increase the incidence of fraud or introduce consumer confusion into the system.

Question

57. **Do you agree with our proposals to introduce mandatory labelling, considering the above risk with regards to containers placed on the market in Scotland?**

Yes / No

58. **Do you consider the risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland via Scotland to be a significant risk? Please provide any evidence to support your answer.**

Without any labelling requirement, we would be reliant on industry voluntarily labelling their products so they can be identified as being part of the deposit return scheme and to reduce the incidence of fraud but with no means of enforcing this.

59. **Do you consider leaving any labelling requirements to industry to be a better option than legislating for mandatory labelling requirements? Please explain your answer.**

Impact on small producers

Mandatory labelling will result in an additional cost burden on producers. In particular some small producers do not currently label their products at all. We are working with producers to ensure costs are not prohibitive and to explore potential solutions such as the Deposit Management Organisation providing stickers to those producers for their products.

60. **Are you aware of any other solutions for smaller producers who may not currently label their products? Please explain your answer.**

Lead in times

Our previous consultation responses indicated that a lead in time for mandatory labelling could be 2–3 years. Further engagement with industry has supported this position. We understand for some smaller producers that a lead in time of 6-9 months could be sufficient.

Labelling will be required to ensure the deposit return scheme can operate effectively once it comes into operation. Therefore, required lead in times for producers to introduce mandatory labelling will impact how quickly a deposit return scheme can be implemented. We would welcome views from industry on lead in times to introduce mandatory labelling as we consider that labelling is needed when a deposit return scheme goes live.

61. **We believe 18 months is a sufficient period of time for necessary labelling changes to be made. Do you agree?**
    a.) Yes/ No

Can you provide any evidence to support your answer?

Producer / retailer processes

Producers and retailers may potentially need to change their processes to accommodate having to have different Stock Keeping Units for products depending on where these are placed on the market. In particular, producers may need to have separate Stock Keeping Units to allow for differences in labelling requirements under the proposed deposit return scheme in England, Wales and Northern Ireland and products being placed on the market elsewhere. For retailers and wholesalers this could impact on their stock control in order to ensure products that are placed on the market in England, Wales and Northern Ireland can be separated, if required, from products being placed on the market elsewhere.

62. **Will your processes change as a result of mandatory labelling? Yes/ No/ Don't know. Please explain your answer.**

Future proofing

New technology and innovation are developing all the time and we are aware of potential new technology that can be used in conjunction with return points. This is further explored in Chapter 5.

There is a lot of innovation concerning the use of barcodes. However, we are unclear as to the direction this thinking is heading. We need to ensure that what is in legislation is open enough to take into account any future changes.

63. **Do you agree that our proposed approach to labelling will be able to accommodate any future changes and innovation? Yes / No / Don't know**

    Are you aware of any upcoming technology in the field of labelling?

Chapter 7: Local authorities and local councils

Under an all-in deposit return scheme, which includes containers of all sizes, it is inevitable that some deposit return scheme containers will continue to travel through local authority waste streams (household recycling, residual waste and litter). We want to ensure that local authorities are not financially disadvantaged by the appearance of deposit return scheme containers in these waste streams. Moreover, packaging Extended Producer Responsibility producers, who will be covering the full net costs that local authorities incur to run an efficient and effective collection service for packaging waste, should not also cover the costs of deposit return scheme containers.

This section outlines three options on how to deal with deposit return scheme containers which appear in local authority waste streams and seeks views from stakeholders regarding their preferred course of action.

First consultation

Local authorities are important stakeholders for a deposit return scheme due to its interaction with their waste collection duties. The first consultation set out how a deposit return scheme may interact with these duties. The key areas covered were:

- **Littering**. Local authorities fund the management of litter in their areas. The Voluntary and Economic Incentives Working Group expected that an introduction of a deposit return scheme would likely reduce the costs to local authorities associated with clearing litter[29]. These savings are reflected in the Impact Assessment, where litter clean-up savings are estimated at £86m for the 'all-in' deposit return scheme and £25m for the 'on-the-go' deposit return scheme annually by the third year of operation.
- **Waste Collection**. Local authorities who are legally designated as Waste Collection Authorities have a statutory duty to collect waste generated from households within their area, in line with the requirements of the Environmental Protection Act 1990 and the Waste and Contaminated Land Order (Northern Ireland) 1997. A deposit return scheme may move some of the more valuable recyclable materials away from local authority kerbside and on-the-go collections, instead placing them under the ownership of the Deposit Management Organisation, meaning a reduction in the income usually used to offset waste management costs for local authorities.
- **Commercial waste collections**. Many local authorities provide some form of collection system for commercial properties within their area; for example, they can apply reasonable charges to commercial waste collections. Under a deposit return scheme, these local authorities could compete with private collectors to service designated deposit return scheme return points and would be compensated by the Deposit Management Organisation for providing these services.
- **Long term contracts**. Many local authority waste collection contracts are based on forecast amount of recyclables income and various risk sharing approaches with waste collection contractors. The diversion of deposit return scheme materials, as

[29] Voluntary and Incentives Working Group Report, page 3. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694916/voluntary-economic-incentives-working-group-report-drinks-containers-final.pdf

well as the implementation of Extended Producer Responsibility and Consistency, from local authorities is likely to impact on the viability of these collection contracts.

- **Statutory local authority recycling targets in Wales**. Local authorities in Wales have to meet statutory recycling targets set in section 3 of the Waste (Wales) Measure 2010. Deposit return scheme materials are a key part of the dry recyclables most targeted by local authorities to meet these targets.

Responses to the first consultation identified positive impacts of a deposit return scheme which included cost savings from less waste and reduced littering, increased recycling rates, the potential for a deposit return scheme design to ensure any costs associated with collection are covered and positive impacts on attitudes towards recycling in general.

The negative impacts that were identified included the risks of net additional costs to local authorities, the loss of revenue from recycling and the difficulties of integrating the schemes across devolved administrations.

Deposit return scheme, Extended Producer Responsibility and Consistency

It is important to place the changes made as a result of the introduction of a deposit return scheme in the context of the other collection and packaging reforms, Extender Producer Responsibility for packaging and Consistency (in England). As set out in the Resources and Waste Strategy for England, the UK Government will ensure that local authorities in England are resourced to meet new net costs arising from the policies in this strategy in line with the New Burdens Doctrine, including upfront transition costs and ongoing operational costs[30].

Deposit return scheme containers and kerbside

A key decision that will affect the impact a deposit return scheme will have on local authorities will be the treatment of deposit return scheme containers that, despite the introduction of the deposit return scheme, still end up in local authority waste streams. These containers need to be dealt with taking the following into consideration:

- Costs of an efficient and effective collection service for deposit return scheme containers in local authority waste streams.
- The placement of incentives to ensure the Deposit Management Organisation pursues a strategy of collecting as many deposit return scheme containers as possible.
- Incentivising the return of high-quality materials to ensure bottle to bottle recycling of all deposit return scheme containers.
- Fair treatment of local authorities, Extended Producer Responsibility producers and deposit return scheme producers.
- Transparency of financial flows to ensure a clear understanding for all parties.
- Simplicity of any proposed payment mechanisms.

[30] Resources and Waste Strategy - https://www.gov.uk/government/publications/resources-and-waste-strategy-for-england/resources-and-waste-strategy-at-a-glance

Expected numbers of deposit return scheme containers in kerbside

Once a deposit return scheme is up and running, 90% of deposit return scheme containers placed on the market are expected to be collected through the scheme. Of the remaining 10%, and taking into account the assumptions made in Defra's impact assessment that 70% of deposit return scheme containers are currently recycled, we would expect 70% of the remaining containers to go through kerbside collections. As a result, we expect approximately 7% of all deposit return scheme containers placed on the market to continue to be collected by kerbside collections.

Deposit value in kerbside

Under the assumptions made in the impact assessment, 85% return rate and 20p deposit, the expected maximum potential value of unredeemed deposits that would correspond to recyclability of any kind from recoverable kerbside collections would be approximately £359m. This is assuming the current 70% recycling rates in kerbside collections continue post deposit return scheme. However, this potential must be distinguished from the likely attainable quantity of materials for local authorities.

The requirement to separate deposit return scheme materials for many local authorities via a material recovery facility sorting process could be prohibitive to regaining the deposit value because of the costs involved. Only 9.5% of local authorities indicate that they do not have to pay gate fees because they have their own material recovery facilities.[31] These local authorities would have no problem separating deposit return scheme materials in an efficient manner. For the other local authorities, it is difficult to predict the likely amount of deposit return scheme materials that will be extractable as it will depend on the costs of changing operations.

This is likely to be affected by current kerbside practices of collecting deposit return scheme scope containers. For example, local authorities running a comingled collection might find it more difficult to separate containers to the requisite quality. As of 2018/19, 89 local authorities operated a multi-stream collection service where households are asked to separate by material type before further separating post collections whereas 216 operated co-mingled streams and 146 operated two stream services[32].

To further understand the impact of the deposit return scheme on Welsh local authorities Wrap Cymru were commissioned to undertake additional analysis. The analysis showed that at an all Wales level the introduction of a deposit return scheme would provide a net benefit to local authority costs due to the reduction in costs associated with residual treatment and Material Recovery Facility fees. Depending on the collection rate this was between £500k and £800k. There is further information on this study in Annex 1.

Options

We have identified the following three options to deal with these deposit return scheme containers in local authority waste streams considering the criteria set out above.

[31] Gate Fees 2018/19 Report, WRAP, p.26
[32] WRAP - Local Authority Waste and Recycling Information Portal

In all options, deposit return scheme material would be taken out of compositional analysis of material appearing in local authorities' waste streams when calculating the funding to local authorities under the reformed producer responsibility regime for packaging.

Option 1: Do nothing. Local authorities redeem deposits of deposit return scheme containers in collection streams

In this scenario, in order to finance the collection of deposit return scheme material, the local authority would need to separate deposit return scheme containers from kerbside collections. The deposit value would act as a financial incentive to do so even if local authorities do not currently have the capability to do so. If a local authority is unable to separate containers cost effectively, it could make an agreement with its material recovery facility operator to account for the increased value of dry recyclable collections when setting gate fees or come to a profit sharing agreement if the material recovery facility is able to separate deposit return scheme containers and redeem these deposits.

This is the simplest solution that would see a deposit paid out by the Deposit Management Organisation only for containers that meet its quality criteria whilst also giving local authorities an opportunity to gain significant funds as a result of deposit value per container. This could include an arrangement between the local authorities and the Deposit Management Organisation to collect this material directly from local authorities so that it can go back into the system and count towards the Deposit Management Organisation's collection target.

For those containers that do not meet the quality criteria to be accepted back into the deposit return scheme, we would expect local authorities to collect and sell on to reprocessors as they currently do.

Under an on-the-go deposit return scheme, we assume that the drinks containers appearing in kerbside will be minimal, with larger containers falling within scope of Extended Producer Responsibility for packaging. We therefore consider that option 1 could be the appropriate course of action for an on-the-go scheme.

The benefits of this approach include that it:

- Ensures local authorities and the Deposit Management Organisation are incentivised to maximise the number of containers going through the scheme leading to maximum circularity and maximises the life of resources.
- Gives flexibility to local authorities dependant on whether they are able to separate deposit return scheme containers independently or negotiate agreements with material recovery facilities to do so.
- Means local authorities still have the option to sell these materials for market value, as they would now, albeit for lower prices than they would receive for regaining the deposit value.

Conversely, there could be potential negative impacts as a result of:

- Uncertainty for local authorities in terms of budgeting for income from deposit redemptions as each authority will encounter different challenges in separating containers to a sufficient quality standard. In addition, consumer's use of kerbside once a deposit return scheme is in place will be challenging to predict.

- There would be no Deposit Management Organisation payments to local authorities for deposit return scheme materials in their waste streams where the deposit cannot be redeemed. Local authorities would only receive funding for packaging covered under the Extended Producer Responsibility regime, excluding deposit return scheme material.
- No payments would be made for deposit return scheme containers that go through litter or residual streams.
- Local authority collections shouldn't be seen as an alternative route for collecting deposit return scheme material and meeting collection targets as this is effectively a failure of the deposit return scheme system.

64. Do you agree that local authorities will be able to separate deposit return scheme containers either themselves or via agreements with material recovery facilities to regain the deposit value?

- Yes
- No

Please explain your answer

65. Do you agree that local authorities will be able to negotiate agreements with material recovery facilities to ensure gate fees reflect the increased deposit values in waste streams or a profit sharing agreement on returned deposit return scheme containers was put in place?

- Yes

- No

Please explain your answer.

Option 2 – The Deposit Management Organisation makes payments for deposit return scheme containers appearing in all local authority waste streams (preferred option)

Under the proposed packaging Extended Producer Responsibility funding formula approach, packaging producers will be required to meet the net costs of managing household packaging waste in local authority waste streams. This includes collection, treatment and disposal costs as well as costs of managing their packaging that is littered.

Subject to agreement with the Extended Producer Responsibility Scheme Administrator and improved compositional analysis, deposit return scheme materials within local authority waste streams could be identified and included as another element within Extended Producer Responsibility payments to local authorities.

To streamline payments for all parties, the Extended Producer Responsibility funding formula payments to local authorities for packaging in recycling, residual and litter streams

would include deposit return scheme containers. A payment would be made by the Deposit Management Organisation to the Extended Producer Responsibility Scheme Administrator to cover the costs of managing deposit return scheme containers through efficient and effective systems.

This option recognises that as a deposit return scheme is a form of producer responsibility which aims to incentivise producers to take responsibility for the environmental impacts of their products, deposit return scheme producers should be responsible for their end of life environmental impact. Where deposit return scheme containers appear in local authority system waste streams this is effectively a failure of the deposit return scheme system and any cost associated with this material should be covered by deposit return scheme producers.

Under this option local authorities could still redeem deposits of deposit return scheme containers in kerbside if they can be separated and are of sufficient quality to be returned to the deposit return scheme. Therefore, there is a risk of double payments from deposit return scheme producers. However, unlike in option 1, it is unlikely that there would be any formal arrangement in place between the local authority and the Deposit Management Organisation given that the Deposit Management Organisation would already be required to cover the cost of this material.

The benefits of this approach include that:

- Local authorities receive stable financial flows per deposit return scheme container appearing in local authority work streams.
- It provides greater certainty than option 1 for local authorities in the form of some tonnage based payments for efficient and effective systems.
- It means local authorities still have the option to sell materials collected at kerbside for market value, as they would now, albeit for lower prices than they would receive for regaining the deposit value.
- The deposit value would remain on the containers collected by local authorities.
- Potential for local authorities to also separate these materials to redeem deposit amounts on containers that meet the quality criteria to be accepted back into the deposit return scheme.

Conversely, there could be potential negative impacts as a result of:

- This approach relies on robust compositional analysis being widely available.
- This is not the optimal outcome from an environmental perspective as kerbside recycling will be of lower quality than the uncontaminated deposit return scheme stream leading to less circularity.
- There is a risk of double payments on behalf of deposit return scheme producers who would be paying for the costs of containers being collected which could then still be returned into the deposit return scheme and the deposit value redeemed by local authorities, who in effect would also receive a double payment for collecting the material and returning it via return points.
- Less lucrative for local authorities, especially those that deem it feasible to separate deposit return scheme containers from collections and redeem deposits.

- As these payments would be calculated on the basis of net cost payments, these could in fact be very small amounts to local authorities because the value of selling the deposit return scheme materials is likely to cover the majority of the costs of collecting the same material.

66. In order to minimise the risk of double payments from the Deposit Management Organisation to local authorities, where should data be collected regarding the compositional analysis to prevent the containers then being allowed to be redeemed via return points?

Option 3 – Hybrid option. The Deposit Management Organisation pays a deposit value on containers that are returned and any additional deposit return scheme material in local authority waste streams is covered by a funding formula.

This option has been developed in order to avoid the double payment to producers that could occur under option 2, but to ensure that local authorities receive payment for deposit return scheme material that appears in all local authority waste streams. Where local authorities are able to separate deposit return scheme material, that meets the required quality criteria to be returned to the Deposit Management Organisation, the Deposit Management Organisation would pay the deposit value on those containers. Any additional deposit return scheme material would then be covered by a funding formula payment. The payment would be calculated by deducting the tonnage of material returned from the formula that determines the remaining deposit return scheme material in kerbside, litter and residual streams.

The benefits of this approach include:

- Ensuring local authorities receive payment on all deposit return scheme material whilst preventing double payments on containers.
- Local authorities would still get a tonnage based payment for deposit return scheme containers not returned to the system.
- Incentivises more deposit return scheme containers to be returned through the system.
- Gives flexibility to local authorities dependant on whether they are able to separate independently or negotiate agreements with material recovery facilities.

Conversely, there could be potential negative impacts as a result of:

- Possibility for material recovery facilities to return container to Deposit Management Organisation and receive deposit value and not share with local authorities (who would then not receive funding formula payment).
- Reliant on robust compositional analysis and reporting of tonnages on drinks containers returned to the deposit return scheme.
- Increased separating costs involved in redeeming deposit value remains.
- General complexity to calculate and administer what the funding formula and payment should be.
- The point of measurement could be problematic. Need to ensure that composition is measured at a point where those same bottles could not then also be redeemed for their deposit value.

67. How difficult do you think this option would be to administer, given the need to have robust compositional analysis in place? Please explain your answer.

68. What option do you think best deals with the issue of deposit return scheme containers that continue to end up in local authority waste streams?

a. Option 1
b. Option 2
c. Option 3

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

Chapter 8: Compliance monitoring and enforcement

First consultation

The previous consultation considered how a deposit return scheme could be monitored and enforced. A successful deposit return scheme would require a monitoring/enforcement body(ies) to take responsibility for:

- Ensuring fairness in the system (including for those contributing financially)
- Audit and inspection of the operation of the deposit return scheme (including participation of producers/importers, management of financial and material flows, setting of the deposit level/s (if this is done by the Deposit Management Organisation)).
- Ensuring reported collection rates and the financial accounts of the Deposit Management Organisation are accurate (for example that the Deposit Management Organisation is being run as not-for-profit).
- Handling complaints against the Deposit Management Organisation.

The consultation considered who would be best placed to act as Scheme Regulator, how often producers should be checked for non-compliance and where the potential vulnerable points were in a deposit return scheme.

The majority of respondents to the previous consultation felt that the environmental regulators in England, Wales and Northern Ireland are in the best position to act as Regulators for a deposit return scheme (54%). The consultation also found that the majority of respondents (53%) thought that producers should be checked for compliance annually, with the focus being on all producers (53%). Respondents strongly felt (64%) that any penalties on the Deposit Management Organisation, producers or importers should be set by the Regulator.

227 respondents identified several points in the process that could be susceptible to fraud within a deposit return scheme, the top five of which are discussed below:

1) Return payments at manual return points. 21% of respondents identified risks with manual return points. Respondents were concerned that consumers may try and return out of scope containers in a bid to obtain a refund for them.
2) Reporting. A significant minority of respondents (13%) highlighted concerns about producers and even the Deposit Management Organisation falsifying data and reports to avoid missing targets and facing a fine.
3) Use of foreign suppliers. Importers may claim that foreign drinks suppliers do not have to comply with scheme labelling or other aspects of a deposit return scheme.
4) Misaligned schemes between a deposit return scheme in England, Wales and Northern Ireland and a deposit return scheme in Scotland, with different container types included, alternative deposit levels and varied approaches for collecting and storing bottles, and for returning deposits.

5) Cash transactions. Any system that promotes the use of cash can be more susceptible to fraud. Cash is likely to be one of the options for returning deposits due to the simplicity and convenience of the process for retailers and consumers. However, suitable security measures will need to be taken at both manual and reverse vending machine return points to make sure theft and other criminal activity is minimised, particularly in terms of cash storage and transportation.

Responsibilities of the Regulator

As the deposit return scheme will operate across England, Wales and Northern Ireland, the enforcement framework needs to be able to operate across these parts of the United Kingdom. It is also our intention to work with Regulators in Scotland to develop a coherent approach across the UK. We consider there are three regulatory elements of the system:

- Regulation of the Deposit Management Organisation, including cross checking information with other systems.
- Regulation in England, Wales and Northern Ireland of all sectors in that jurisdiction.
- Regulation of organisations that cross borders.

We consider the environmental regulators in England, Wales and Northern Ireland are best placed to be Scheme Regulators for a deposit return scheme for drinks containers and to monitor and enforce the actors that are obligated under the scheme. In addition to this, we consider there is a role for Trading Standards to regulate the consumer-facing obligations that are placed on retailers.

Regulation of the Deposit Management Organisation

The Deposit Management Organisation would be responsible for the operation of the deposit return scheme including the material and financial flows, meeting collection targets set by Government, and reporting evidence of meeting these obligations.

The environmental regulators in England, Wales and Northern Ireland are best placed to be Scheme Regulators to enforce the obligations placed on the Deposit Management Organisation.

Regulators will monitor compliance and enforce the obligations of the Deposit Management Organisation as set out in chapter 3, such as ensuring it meets the collection targets in England, Wales and Northern Ireland and reports correctly on containers collected and recycled.

The Scheme Regulators will monitor and enforce Deposit Management Organisation obligations within their respective nations; this is expected to include reporting requirements and meeting targets. Work is continuing to ensure this will be done in a coherent way.

Regulation of Producer Obligations

The Environmental Regulators would be responsible for the monitoring and enforcement of obligations imposed on producers in the regulations. Regulators currently carry out their

regulatory activity without undertaking monitoring and enforcement in another part of the United Kingdom (England, Wales and Northern Ireland); this will continue in the same way under a reciprocal arrangement.

Environmental Regulators will monitor compliance and enforce the obligations on producers. These include:

- Ensuring in-scope containers, placed on the market are registered with the Deposit Management Organisation.
- Reporting obligations for products placed on the market are met.
- Producer fees are paid to the Deposit Management Organisation,
- adding a deposit to the price of a container placed on the market.
- Ensuring products placed on the market are clearly labelled.

Question:

69. Are there any other producer obligations you believe the Environmental Regulators should be responsible for monitoring and enforcing?

Regulation of retailer obligations

The Environmental Regulators would also be responsible for the in-nation regulation of some obligations placed on retailers. The table below provide further information as to the responsibilities of the Environmental Regulators.

We consider that the obligations placed on retailers that are consumer-facing (such as obligations related to the sale or return of deposit items) should be regulated by local authorities, via trading standards, which could make use of the well-established Primary Authority Scheme. Primary Authority is a means for businesses to receive assured and tailored advice on meeting regulations such as environmental health, trading standards or fire safety through a single point of contact. This enables all businesses to invest with confidence in products, practices and procedures, knowing that the resources they devote to compliance are well spent.

Primary Authority is based on legal partnerships between businesses and individual local authorities. Businesses can set up their own partnership or belong to a trade association (or other type of group) with an existing partnership with a local authority.

Once the business/trade association has formed a partnership with a local authority, the chosen authority will be responsible for providing the regulatory advice and guidance to that business throughout the country. So long as the business is in compliance with the advice the local authority has provided, then it will be covered against any enforcement action elsewhere in the country that could be brought against them.

Given the obligations to be placed on retailers, as outlined in the Return Points chapter of this consultation (chapter 5), it appears trading standards would be well placed to provide guidance and the necessary enforcement action when required. In particular, they could add value within the interface between a retailer and consumer, for example ensuring retailers are not stocking illegal imports or that the signage in store for a deposit return scheme is correct.

It would be the responsibility of trading standards to enforce the consumer-facing obligations on retailers:

- Ensuring retailers obligated to accept returns of drinks containers are hosting a return point in line with health and safety requirements.
- Ensuring the cost price and deposit price of an in-scope drinks container is clearly displayed.
- Ensuring the necessary deposit return scheme signage is visible on the premises, including when a retailer has been exempted from accepting returns of drinks containers.

Question

70. **Are local authorities (through the role Trading Standards and the Primary Authority Scheme) best placed to enforce certain retailer obligations?**

    Yes /No
    Please give any alternative suggestions.

    To what extent will local authorities be able to add monitoring and enforcement work for the deposit return scheme to existing duties they carry out with retailers?

Breaches

Below is a list of potential breaches of regulations by stakeholder. These breaches will be enforced by either Government, Environmental Regulators or other regulators such as Trading Standards. It is also expected that the Deposit Management Organisation would have a role to play in providing advice and seeking compliance with obligations.

Breach
Producers
Non-registration with Deposit Management Organisation and non-payment of fee
Providing inaccurate or false data
Not paying deposit amount to Deposit Management Organisation
Not adding deposit price to product
Not adding a label to product

Retailers
Not selling in-scope containers
Retailers not hosting a return point when no exemption applies to them
Not providing or providing inaccurate or false placed on market data by each part of the United Kingdom (England, Wales and Northern Ireland)
N on-registration with Deposit Management Organisation
Not adding deposit price to the purchase price at point of sale
Not accepting returned containers and refunding the customer
Not disposing of materials in the required way
Not storing returned material safely
Not meeting online retail obligations
Scheme Administrator
Not meeting collection targets
Not setting correct producer fees
Not adequately monitoring or reporting producer data requested by Regulator
Not setting deposit level in accordance with legislation
Not ensuring adequate provision of return points
Not paying local authorities, WMCs and operators correctly or on time
Not collecting or disposing of material in accordance with the scheme
Counting Centres

Not providing data to the Deposit Management Organisation

71. **In addition to those in the table, are there any other types of breaches not on this list that you think should be? If so, what are they? These may include offences for participants not listed e.g. reprocessors or exporters.**

72. **Are there any vulnerable points in the system? Please explain your answer?**

73. **Do you see a role for the Deposit Management Organisation to seek compliance before escalating to the Regulator?**

Enforcement response options

In England and Wales civil sanctions have proven a successful enforcement measure since they were introduced though the Regulatory Enforcement Sanctions Act 2008. These Regulatory Enforcement Sanctions Act 2008 civil sanctions can be applied in relation to an offence, as an alternative to criminal proceedings, where allowed under specific legislation.

The Environment Bill allows for regulations to be made in such a way that specified breaches will attract civil sanctions. Criminal offences are then only available in relation to a failure to comply with civil sanctions. Deposit return scheme Regulations can make provision for civil sanctions of a kind found in Regulatory Enforcement Sanctions Act 2008.

An example of the civil sanctions that can be imposed under deposit return scheme regulations are discretionary requirements. This could take a form similar to a variable monetary penalty under Regulatory Enforcement Sanctions Act 2008 and the maximum penalty for a particular breach would be set out in the regulations. Regulators would determine what a deposit return scheme variable monetary penalty should be based on their enforcement policy, which itself is based on the Environmental Sentencing Guidelines. The regulators can calculate deposit return scheme civil penalties by adjusting the maximum penalty according to the size and culpability of the organisation in breach, followed by consideration of specified aggravating and mitigating factors.

Government proposes the use of civil sanctions in England, Wales and Northern Ireland under the deposit return scheme system in conjunction with offences for breach of those sanctions. Northern Ireland does not currently have civil powers, however in line with the requirements of the Northern Ireland Protocol, transposition of the EU Packaging Waste Directive under the powers granted by the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) will also include the laying of appropriate legislation to allow for civil sanctions to be imposed under a deposit return scheme.

Regulators could have a combination of the following enforcement response options available to manage n on-compliance:

- Advice and guidance –lowest level of intervention usually used with the objective of bringing an operator into compliance and remaining compliant.
- Warning – either via a letter or a site warning.
- Notices, powers and orders – the service of specific enforcement or information (Notices require actions to get back into compliance, or supply information, or take any actions deemed necessary to secure compliance, or investigate as necessary).
- Civil Sanctions can be imposed to achieve the outcomes desired. These include:
    - Fixed monetary penalty - a low-level fixed penalty for minor offences.
    - Discretionary requirements (variable monetary penalty) - a Notice requiring an offender to pay a proportionate monetary penalty to the regulator of such amount as the regulator may determine up to a limit set in regulations.
    - Enforcement Undertakings - a voluntary offer from an offender containing actions dealing with the cause and effect of their offending. The regulator can accept or reject the offer following a full criminal investigation.
- Formal Caution – where an offender admits the offence and consents to a caution, a caution may deter future offending.
- Prosecution under criminal law.

Failure of the Deposit Management Organisation to meet statutory collection targets would be a significant breach. The enforcement response would need to address the extent to which the Deposit Management Organisation has missed their targets. A discretionary requirement (variable monetary penalty) could address this by using a prescribed formula.

74. Do you agree with the position set out regarding enforcement response options? If not, please expand your answer.

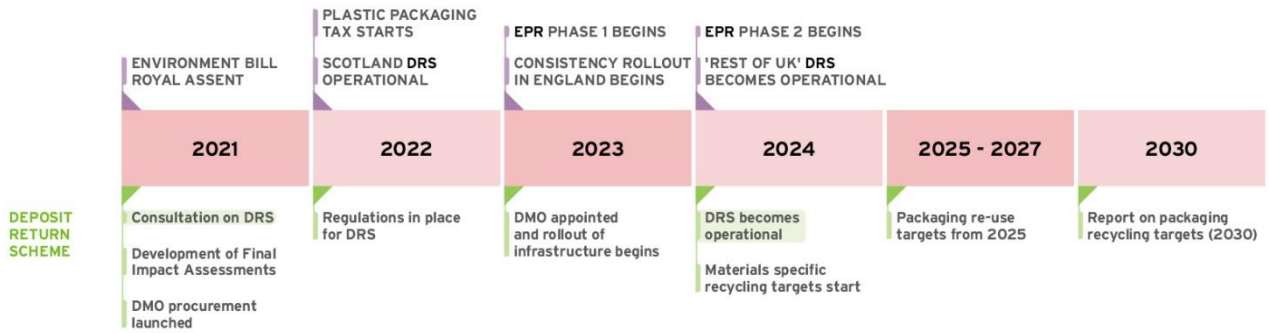
Chapter 9: Implementation Timeline

There are a number of activities required in advance of a deposit return scheme going live including:

- Carrying out this second consultation, analysing the responses and publishing a Government response - 2021;
- Finalising the Impact Assessment - 2021;
- Securing the primary powers in the Environment Bill - 2021;
- Securing the secondary legislation required – 2022;
- Procuring the Deposit Management Organisation – anticipated to start late 2021 and appoint by early 2023;
- Development of new IT solutions;
- Rollout of infrastructure and other mobilisation activities – anticipated to take 18 months from the point the Deposit Management Organisation is appointed.

We have carried out a review of the delivery timeline for the deposit return scheme and we currently anticipate that the scheme would launch in late 2024, subject to the outcome of this consultation and parliamentary passage of the Environment Bill. In the previous consultation response from 2019, we had anticipated that the scheme would launch from 2023 but that was subject to legislation being in place in 2021 – we now anticipate the secondary legislation being in place in 2022. This is an ambitious timeline with a number of challenges – we will keep stakeholders informed of any changes to these anticipated dates if they occur.

The diagram below summarises the anticipated delivery timeline for the deposit return scheme and related milestones.



We welcome comments through this consultation on this delivery timeline. In particular, we invite feedback on the time the Deposit Management Organisation will need for mobilisation - the delivery dates above assume the Deposit Management Organisation will require 18 months from appointment by early 2023, to the deposit return scheme becoming operational in 2024. A summary of the anticipated activities for the Deposit Management Organisation in this period are set out below.

	Following appointment of Deposit Management Organisation, in the mobilisation period we expect it will need to:	
Initial set up	18 months before start date:	12 months before start date:

- Agree Governance structure and found company to bid to act as Deposit Management Organisation
- Recruit core management and staff
- Develop deposit return scheme implementation plan
- Develop tender to secure contract to run Deposit Management Organisation
	- Recruit core management and staff
	- Appoint Deposit Management Organisation procurement lead
	- Arrange financials (loans or guarantees)
	- Make final design of system including:
	  ○ Way of handling returned containers
	  ○ Logistics
	  ○ Counting / sorting centres
	- Write tenders/specifications
	  ○ Counting / sorting centre equipment
	  ○ Reverse vending machines
	  ○ Consideration of digital technology available
	  ○ Logistics
	  ○ Mandatory deposit return scheme labelling specification released
	- Drafting of Deposit Management Organisation member contracts
	- Select software / IT provider / scope IT needs
		- Recruitment of wider Deposit Management Organisation management and staff
		- Send out tenders
		- Roll-out of reverse vending machines/ counting and sorting centres / digital tech
		- Start consumer communication
		- Software development
		- Finalise budgets / fees
		- Contracting
		- Starting database for reporting

75. Do you have any comments on the delivery timeline for the deposit return scheme? Please pose any views on implementation steps missing from the above?

76. How long does the Deposit Management Organisation need from appointment to the scheme going live, taking into account the time required to set up the necessary infrastructure? Please provide evidence to support your answer.

a.) 12 months
b.) 14 months
c.) 18 months
d.) Any other (please specify)

***77.* Depending on the final decision taken on the scope of the scheme in England and Northern Ireland – all-in or on-the-go – what, if any, impact does this have on the proposed implementation period?**

Chapter 10: Summary of approach to Impact Assessment

Alongside this consultation, we have published a consultation stage Impact Assessment which provides a full analysis of our proposed deposit return scheme models ('all-in', 'on-the-go' and 'no glass'). The Impact Assessment goes some way to providing a more comprehensive assessment of the costs and benefits of implementing a deposit return scheme and looks at the impact across the UK as a whole. However, we recognise that there are still evidence gaps in the analysis, including data that more specifically addresses Wales and Northern Ireland, and welcome your contributions to addressing this as part of this consultation. **The Impact Assessment should be considered when responding to the questions in this section**.

Beyond this consultation, the Impact Assessment will be revised to account for the consultation responses, underpinning evidence that is still being developed and any feedback received from the Regulatory Policy Committee. A final stage Impact Assessment will then be developed as part of the implementation of a deposit return scheme [33].

The Impact Assessment analyses the material costs and benefits associated with the introduction of a deposit return scheme, and as such, there may be some costs/benefits that are not fully captured within the Impact Assessment. For example, the environmental benefits from reducing plastic pollution are likely to be partially captured within litter disamenity estimates (as some consumers factor environmental reasons into preferences to reduce litter). However, the full benefits of this, and of collecting higher quality material for recycling, are difficult to quantify and have not been monetised at this time. The net benefit figures in the Impact Assessment therefore only partially capture the benefits of a deposit return scheme that are not readily monetisable.

Development of the Impact Assessment

The Impact Assessment uses figures of drinks containers placed on the market [34] in order to calculate costs and benefits of the deposit return scheme options.

Option 1 is a 'do-nothing' scenario. A deposit return scheme would not be introduced, whilst other recycling policies, particularly reforms of producer responsibility for packaging and consistency of municipal recycling collections, would proceed. Please see Scenario 1 in the 'Reforming Packaging Producer Responsibility' Impact Assessment for an assessment of the costs and benefits of this. An alternative option to introducing a deposit

[33] This Impact Assessment has been modelled on implementation of a deposit return scheme in 2023 for the purposes of this consultation. It was not possible to amend the analysis to reflect the implementation date of late 2024. The Final Impact Assessment will reflect the proposed implementation date of the deposit return scheme.
[34] Figures contained in a Waste and Resources Action Programme (wrap) Report: Drinks Recycling on-the-Go. http://www.wrap.org.uk/resources/report/drinks-recycling-go

return scheme would be for all drinks containers to instead be captured under the reformed packaging producer responsibility system.

Option 2 is to introduce an ‘all-in’ deposit return scheme, to be implemented in 2023. This would remove drinks containers from packaging producer responsibility reform, and the majority of drinks containers in scope would be expected to be collected via the deposit return scheme. This Impact Assessment looks at the direct costs and benefits of introducing a deposit return scheme above baseline recycling and litter rates for these materials. Please see Scenario 2 in the ‘Reforming Packaging Producer Responsibility’ Impact Assessment for an assessment of the impact on kerbside collection of an ‘all-in’ deposit return scheme interacting with parallel reforms of packaging producer responsibility and consistency of municipal recycling collection.

Option 3 is to introduce an ‘on-the-go’ deposit return scheme in 2023. The Impact Assessment looks at the direct costs and benefits of introducing a deposit return scheme of more limited scope against baseline recycling and litter rates for these materials. Please see Scenario 3 in the ‘Reforming Packaging Producer Responsibility Impact Assessment’ for an assessment of the interaction of an ‘on-the-go’ deposit return scheme with parallel reforms of packaging producer responsibility and consistency of municipal recycling kerbside collection.

Option 4 is to introduce an ‘all-in’ deposit return scheme similar to option 2, but with glass containers not in scope, to be implemented in 2023. This would remove drinks containers from packaging producer responsibility reform, and the majority of drinks containers in scope would be expected to be collected via the deposit return scheme. This Impact Assessment looks at the direct costs and benefits of introducing a deposit return scheme above baseline recycling and litter rates for these materials.

For the purpose of the Impact Assessment, for the deposit return scheme options considered the assumed deposit level is 20p, with an 85% collection rate. This is based on average deposit rates in other deposit return schemes internationally and on the assumption of meeting an overall 90% collection rate by 2030 (this would be 85% collected through a deposit return scheme, with the additional amount expected to be recovered through kerbside collection). The Impact Assessment also runs an analysis of a potential optimistic scenario for a direct capture rate of 90% by the deposit return scheme.

In addition we have also analysed the costs of a lower return rate for the on-the-go deposit return scheme option, taking into account the uncertainties of directly applying international findings to situations where this option has rarely, if ever been implemented on its own in practice. These results are included in the annex section of the Impact Assessment for reference.

Economic costs

The following key costs associated with implementing a deposit return scheme were estimated within the impact assessment:

1. Set up and re-labelling costs

2. Reverse vending machines

3. Manual take back

4. Logistics

5. Counting Centre and Central Administration

Benefits

The following key material benefits associated with implementing a deposit return scheme were estimated within the impact assessment:

1. Net incremental material revenue to the Deposit Management Organisation

2. Greenhouse gas emissions reductions and savings

3. Reduction in litter cleaning costs

4. Reduction in disamenity value/cost of litter

Differential impacts on stakeholders

Differential impacts on stakeholders disaggregates the overall national outcomes and also refers to the transfer of revenue within the deposit return scheme system that is neither a cost of running the deposit return scheme system nor a material benefit of its implementation. The following differential impacts on stakeholders were considered as part of the impact assessment:

1. Contribution of producers

2. Impact on local authorities and the kerbside recycling system

3. Unredeemed deposits

Summary of impact for an all-in deposit return scheme

The total economic costs of running the all-in deposit return scheme are **£2,150 million** in transition costs and **£172 million** average per annum thereafter. This cost is covered by a

transfer from producers in the form of producer fees, and the material revenue gained from selling materials to be recycled.

This gives a central total cost estimate, discounted with 2018 as the base year, of **£6,346 million** over the first eleven years of the scheme (assumed to be starting in 2023).

The economic benefits of running a deposit return scheme are gained from a number of sources. With an 85% return rate, the net incremental material revenue is estimated at £15 million in year 1, rising to £57 million by year 11; the reduction in disamenity of litter is estimated at approximately £1,452 million per annum; greenhouse gas emissions savings are estimated to be a net negative of £1.5 million in year 1 (as a result of increased need for transportation), rising to a net positive of £6 million by year 11; the reduction in the cost of cleaning litter is estimated at approx. £86 million per annum.

This gives a central total benefit estimate, discounted with 2018 as the base year, of **£12,231 million** over the first eleven years of the scheme (assumed to be starting in 2023).

This gives a net present value of **£5,885 million**.

Summary of impact for an on-the-go deposit return scheme

On-the-go sizes

For the purpose of the impact assessment analysis, for the on-the-go option we have restricted the drinks beverage containers to those below 750ml and single format containers. This would result in multipacks not being under the scope of an on-the-go deposit return scheme. This was decided based on data from Valpak's On The Go

report,[35] which indicated that the majority of drinks consumed on-the-go were in containers of <750ml (see table 1).

Table 1 - Single Format Drinks Packaging placed on the UK market in 2017 by container size (billions) [37]

Packaging Type	**All Sizes**	**<500ml**	**500-749ml**	**750-999ml**	**1000ml+**
Plastic Bottles (PET)	7.5	1.1	3.4	0.3	2.7
Plastic Bottles (HDPE)[36]	3.0	0.2	0.3	0.0	2.4
Metal Cans (aluminium and steel)	1.3	1.2	0.1	0.0	0.0
Glass bottles	3.1	0.7	0.9	1.3	0.2

The total economic costs of running the on-the-go deposit return scheme are **£1,235 million** in transition costs, and **£85 million** average per annum thereafter. This cost is covered by a transfer from producers in the form of producer fees, and the material revenue gained from selling materials to be recycled.

This gives a central total cost estimate, discounted with 2018 as the base year, of **£3,503 million** over the first eleven years of the scheme (assumed to be starting in 2023).

The economic benefits of running a deposit return scheme are gained from a number of sources. With an 85% return rate, the net material revenue is estimated at £8.2 million in year 1, rising to £14.6 million in year 11; the reduction in disamenity of litter is estimated at approximately £453 million per annum; greenhouse gas emissions savings are estimated to be a net negative of £0.5 million in year 1 (as a result of increased need for transportation), rising to a net positive of £1 million by year 11; the reduction in the cost of cleaning litter is estimated at approx. £25 million per annum.

This gives a central total benefit estimate, discounted with 2018 as the base year, of **£3,785 million** over the first eleven years of the scheme (assumed to be starting in 2023).

The gives a central net present value of **£282 million.**

[35] http://www.wrap.org.uk/resources/report/drinks-recycling-go
[36] Most HDPE bottles contain fresh milk. The majority of these containers would therefore not be in scope of a deposit return scheme.
[37] Excludes multipack containers.

Summary of impact for a no glass deposit return scheme

The total economic costs of running the 'no glass' deposit return scheme are **£1,738 million** in transition costs, and **£171 million** average per annum thereafter. This cost is covered by a transfer from producers in the form of producer fees, and the material revenue gained from selling materials to be recycled.

This gives a central total cost estimate, discounted with 2018 as the base year, of **£5,491 million** over the first eleven years of the scheme (assumed to be starting in 2023).

The economic benefits of running a deposit return scheme are gained from a number of sources. With an 85% return rate, the net material revenue is estimated at £9.5 million in year 1, rising to £78.4 million in year 11; the reduction in disamenity of litter is estimated at approximately £1,049 million per annum; greenhouse gas emissions savings are estimated to be a net negative of £1 million in year 1 (as a result of increased need for transportation), rising to a net positive of £6.6 million by year 11; the reduction in the cost of cleaning litter is estimated at approx. £62 million per annum.

This gives a central total benefit estimate, discounted with 2018 as the base year, of **£9,074 million** over the first eleven years of the scheme (assumed to be starting in 2023).

The gives a central net present value of **£3,582 million.**

Outcome

Overall summary of net present value for all deposit return scheme options:

Net present value best estimate (£million)	
'All-in' deposit return scheme	**5,885**
' on-the-Go' deposit return scheme	**282**
'No Glass' deposit return scheme	**3,582**

Based on the findings of the Impact Assessment, an 'all-in' deposit return scheme provides the greatest net social benefit.

Questions

78. **Do you agree with the analysis presented in our Impact Assessment?**
    Yes/No

Please briefly state the reasons for your response. Where available, please share evidence to support your view

Glossary of selected acronyms and terms

All-in: An 'all-in' deposit return scheme would include all drinks containers irrespective of size (The consultation did propose some exemptions, such as beer kegs and bottles used in water coolers).

Consistency: In this document 'consistency' refers to the range of measures being proposed by Government to improve the quantity and quality of recycling in England.

DAs: Devolved Administrations

Deposit Management Organisation (DMO): The central body whose role is to manage the operation of the deposit return scheme, including financial flows (deposit values, unredeemed deposits, producer fees, handling fees and material revenue from recycling), logistics (ensuring collected material reaches the recycler), some deposit return scheme infrastructure (e.g. maintenance of reverse vending machines) and reporting to Government on collection rates.

deposit return scheme (DRS): A scheme where consumers pay an up-front deposit on an item – such as a sealed drink – at point of purchase, which is redeemed on return of the empty drinks container.

EAs (Environment Agencies): The Environment Agencies in England, Wales and Northern Ireland

FNCR (Full net cost recovery): The principle by which producers cover the net cost (taking account of revenue from the sale of materials) of managing their products at end-of-life).

HDPE: high density polyethylene plastic bottles

HORECA: Hotels, Restaurants and Cafes

IA: Impact Assessment

LA: Local Authority

on-the-go / OTG: An ' on-the-go' deposit return scheme would target drinks containers most commonly consumed away from the home. The consultation proposes that this could be containers smaller than 750mls and drinks sold in single format containers

PET: polyethylene terephthalate plastic bottles

Producer Responsibility and Extended Producer Responsibility: A scheme where producers are required to bear greater responsibility for the costs of managing their products at the end-of-life stage. The overall objective of producer responsibility schemes is to incentivise more sustainable product design and increase product recyclability

Return/Collection Points: Where consumers can redeem their deposit, most likely retailers hosting a reverse vending machine or, for small retailers, a manual over-the-counter return point

RHF (Retailer Handling Fee): Those hosting return points would be paid a handling fee by the Deposit Management Organisation to reimburse them for associated costs.

RVM (reverse vending machines): A device that accepts used (empty) beverage containers in a deposit return scheme so that the consumer can redeem their deposit.

Annex 1: WRAP Cymru Study

To further understand the impact of the deposit return scheme on Welsh local authorities Wrap Cymru were commissioned to undertake additional analysis. The analysis showed that at an all Wales level the introduction of a deposit return scheme would provide a net benefit to local authority costs due to the reduction in costs associated with residual treatment and materials recovery facility fees. Depending on the collection rate this was between £500k and £800k.

However, there was a difference between local authorities that collect materials separately between kerbside sorting and comingled collections. Kerbside sort authorities were impacted by the loss of income from this waste stream, for these local authorities the average negative financial impact depending on collection rates was between £61k and £96k. Compared to an average per local authority positive financial gain for comingled collections of between £154k and £244k depending on collection rates.

The analysis also looked at the impact on recycling estimating the gap created to reach a 70% overall recycling rate with deposit return scheme material removed from local authority waste streams. Depending on the deposit return scheme capture rate the all Wales figure creates a shortfall of between 0.94% and 1.12%.

The work also looked at the potential value of the unredeemed deposits still remaining in the waste streams, that if, collected by the local authority could be a source of income. This is a gross figure, therefore not accounting for any infrastructure costs need to recover the deposit return scheme material and claim the deposit back. At an all Wales level with a capture rate of 85% there is an estimated £116m in unredeemed deposits remaining in the local authority waste streams, this reduces to £17m if the capture rate is at 95%. This assumes a flat deposit rate of 20 pence per container.

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TRAVERSE

Department
for Environment
Food & Rural Affairs

Introducing a deposit return scheme in England, Wales and Northern Ireland

Summary of consultation responses

23rd July 2021

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Executive Summary

Introduction

In 2019, Defra ran a consultation on introducing a deposit return scheme in England, in conjunction with the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland (Scotland set out their own plans to implement a deposit return scheme). The consultation set out Government's aims of introducing a deposit return scheme, which would be to:

- reduce the amount of littering;
- boost recycling levels for relevant material;
- offer the enhanced possibility to collect high quality materials in greater quantities;
- promote recycling through clear labelling and consumer messaging; and
- incentivise moves to push more material up the waste hierarchy and move towards a more circular economy.

The consultation was met with support for the introduction of a scheme. In response to the 2019 consultation, noting the high level of public and stakeholder interest in introducing a deposit return scheme for drinks containers, Government committed to continuing to develop proposals further and stated that it was minded to implement a scheme from 2023, subject to further evidence and analysis on the costs and benefits of such a scheme.

In 2021, a consultation on the updated proposals was launched, building on the 2019 consultation. The 2021 consultation presented Government's updated policy positions on the deposit return scheme and sought further information on any outstanding areas of design. The findings of this consultation will contribute to the finalising of the deposit return scheme proposals and to lay out the powers required to implement the scheme in the forthcoming Environment Bill.

The consultation opened on 24th March 2021 and ran until midnight on 4th June 2021. 2,590 responses were received to the consultation. This report summarises those responses. It describes the principle suggestions, concerns and expressions of support given by respondents in their responses, as well as all answers to closed questions.

In parallel to the deposit return scheme consultation, a consultation was run on Defra's proposals for Extended Producer Responsibility for Packaging. On 7th May 2021, Defra also opened a consultation on Consistency in Household and Business Recycling in England, which ran until 4th July 2021.

A deposit scheme in a post-Covid context

Over eight in ten respondents support Defra's proposals to implement a deposit return scheme for drinks containers by 2024 in the context of the Covid-19 pandemic. Many respondents state that a deposit return scheme would help increase recycling rates and reduce the amount of litter left outdoor spaces. Similarly some respondents argue a scheme would help reduce the amount of waste and have a positive impact on the economy.

One in ten oppose Defra's proposals. Some respondents say increases in home recycling rates as a result Covid-19 could undermine the proposed scheme's effectiveness and

others highlight the additional responsibilities a scheme would place on businesses already stretched from dealing with the impacts of the pandemic. The remainder of respondents are neutral or not sure.

Two-thirds of respondents say their views on the implementation of a deposit return scheme have not changed following the economic and social impacts of the Covid-19 pandemic.

A quarter of respondents say that their views have changed because of both social and economic impacts. Just under one in twenty say their views have changed because of either social or economic impacts. Some respondents express concerns about the economic impact of the scheme, such as the costs of implementation and/or the ability of businesses to absorb implementation costs. Some respondents state that Covid-19 has demonstrated that existing kerbside collection of recyclable materials is adequate. Some respondents say that Covid-19 has made them more supportive of the implementation of a deposit return scheme, for instance the pandemic has led to an increase in outdoor littering.

Over eight in ten respondents say they do not believe that the introduction of a deposit return scheme will have a detrimental impact on their everyday life. Among those who say the scheme will have an impact, over a third say it would be large but still manageable, a third say it will have no significant impact and just under a third that it would have some impact but would be manageable. A small number say the impact would be large and impossible to comply with.

Scope of the deposit return scheme

Nine in ten respondents consider an all-in one scheme to be the best option for the deposit return scheme. Many say they support Defra's assessment that an all-in scheme is the most viable option for implementation. Many respondents argue that it would maximise the likelihood of return rates, be easier for consumers to understand, will ensure that manufactures do not alter existing product sizes to escape the requirements of the scheme and provides a financial critical mass.

Respondents who express support for an on-the-go deposit return scheme argue that it would be a better option for addressing littering.

Over three-quarters of respondents say they do not believe that an on-the-go scheme would be less disruptive to consumers in the context of the impact Covid-19.

Nine in ten respondents say they foresee issues if the final scope of a deposit return scheme in England and Northern Ireland does not match the all-in decision taken in Wales. Many respondents argue this would lead to a lack of clarity, inconsistency and confusion among consumers and would deter individuals from participating. Some respondents also express concerns about increased administrative costs, more littering and the potential of greater fraud.

Almost nine in ten of respondents disagree with Defra's proposed definition of an on-the-go scheme (restricting the drinks containers in-scope to less than 750ml in size and excluding multipack containers). Many respondents express concern that manufacturers may increase product sizes or attach two products together and argue against excluding

multipacks from any on-the-go scheme. Some respondents feel there may be an increase in littering as a result of the proposed definition.

In response to what should be included as part of the deposit item, most respondents agree that plastic bottle caps on plastic bottles should be and similar numbers think the same about aluminium bottle caps on glass bottles. The third most popular option is foil on the top of a can/bottle. Some respondents suggest that containers should be accepted as part of the deposit return scheme with or without a cap, as any requirement that the cap must be included could lead to lower participation in the scheme.

Materials

Over eight in ten respondents agree that the scope of a deposit return scheme should be based on container material rather than product.

Seven in ten agree with the proposed list of materials to be included in scope. Some respondents say that glass should be excluded because current methods of kerbside collection are effective and including glass in food service environments could be hazardous. Some argue that all plastics should be incorporated into the scheme, whilst others suggest specific types of plastic which should be included.

Three-quarters of respondents think there will be material switching as a result of the proposed scope. In terms of specific materials, respondents suggest that producers may switch from PET to HDPE plastic. Some respondents raise concerns about producers switching to bioplastics because they are not compatible with organic or dry recycling and can cause contamination problems in waste streams.

Some respondents suggest avoiding material switching through Government legislation, regular reviews of which materials are in scope, and using a digital deposit return scheme to increase the scope of packaging materials in a cost-effective way.

Many respondents express concerns on health and safety grounds about the possibility of broken glass around reverse vending machines and the handling of glass more broadly. Many respondents say that compaction would limit the amount of glass available for remelt and that it is a less circular option.

Targets

Respondents are split on which approach should be taken to phase in a 90% collection target over 3 years. The two most popular of the four options given are i) 80% in year 1, 85% in year 2 and 90% in year 3 and thereafter, and ii) 70% in year 1, 80% in year 2 and 90% in year 3 and thereafter. About two-fifths of respondents favour the first of these options and just over a third the second.

Eight in ten respondents think a collection rate of 90% should be achieved as a minimum for all materials after 3 years, making it far more popular than the other two options suggested (80% and 85%).

Three-fifths of respondents think it would not be reasonable to assume that the same collection targets could be met with an on-the-go scheme as an all-in scheme for in-scope materials. Respondents highlight differences in scope and more general concerns about an on-the-go scheme having lower collection rates.

Two-thirds of respondents say that both the producer/importer and retailer should report on volumes of deposit return scheme material placed on the market. They argue that this would make reporting more accurate and more transparent.

Just under three in ten think reporting should be the responsibility of the producer. Some argue producers have greater capacity to carry out such reporting, particularly compared to smaller retailers. Others state that producers, rather than retailers, should take responsibility for products they have placed on the market.

One in twenty think reporting should be the responsibility of the retailer. Some argue that retailers rather than producers are better placed to provide more accurate data.

Many respondents express concerns about the cost and time burden reporting may place on retailers or producers.

Scheme governance

Opinion is split on what length of contract would be most appropriate for the successful bidder to operate as the Deposit Management Organisation. Three in ten say it should be 3-5 years, around a quarter 5-7 years or 7-10 years, while two in ten think it should be over 10 years.

Almost all respondents think that the issues specified in the consultation document should be covered by the tender process.

Many respondents make suggestions about the tender process, such as the need for applicants to provide evidence on how they will liaise with key stakeholder and the possibility of applications being made public. Many respondents argue that the successful bidder should command support from producers and retailers and demonstrate appropriate experience.

Many respondents say that the tender process should provide clarification of the role of local authorities. Respondents also argue that local authorities should have representation in the Deposit Management Organisation and that if they do not the tender process should require liaison with local authorities and include a formalised dispute resolutions process.

Almost all respondents think that the issues specified in the consultation document should be monitored as Key Performance Indicators. Some respondents suggest that the Deposit Management Organisation's contract be reviewed as part of the monitoring process.

Three-quarters of respondents agree that Government should design, develop and own the digital infrastructure required to register and receive evidence on containers placed on the market on behalf of the Deposit Management Organisation and regulators.

Some respondents express support for Government oversight but suggest that there should be independent auditing of the digital infrastructure. Some respondents question Government's ability to design, develop and own this infrastructure, with some arguing that the performance of the private sector has been better in this area. Many respondents say they would support a digital infrastructure which would ensure continuity across the geographical regions of the UK.

Financial flows

Producer registration fees

Respondents are most likely to think that drinks containers placed on the market would be an appropriate measure of small producers for the purposes of determining the payment of registration fees. This is more than four times as popular as taxable turnover, the other proposed option.

Some respondents suggest alternative measures, including deducting fees from accounting procedures, basing it on environmental impact, or excluding small businesses altogether.

Unredeemed deposits

Three-fifths of respondents agree that a high level of unredeemed deposits funding the scheme is problematic. Some respondents express concern that this would mean that fewer people may wish to engage with the scheme or producers may not get full return on money put into the scheme. Some respondents say that unreturned deposits are not problematic or argue that there would not be high levels of unreturned deposits.

Just over half of respondents prefer option 1 (allowing unredeemed deposits to part-fund the scheme) to option 2 (unredeemed deposits part fund the scheme but there is a minimum producer fee per annum and excess funds are asked about during tender).

Some respondents raise concerns that option 2 would not align with the proposed Scottish deposit return scheme, arguing this will increase costs, add complexity, or inhibit the ability of the Deposit Management Organisation to work with the administrator of the Scottish scheme. Other respondents believe option 2 may adversely affect smaller producers.

Many respondents say that the unintended consequences of option 1 would be greater than those of option 2 or that they do not foresee any unintended consequences for option 2. Some respondents express support for option 2 because it would provide consistency in producer costs and would drive producer efficiency.

Opinion is split on the minimum percentage of the net costs of the scheme that must be met through the producer fee. If such a floor is set, just under a quarter of respondents favour 25%, one in ten a 33% and just over a third a 50%.

Just under a third select 'other' in response to this question, with some of these respondents putting forward an alternative percentage (not necessarily higher or lower than the proposed range). Others suggest a flat fee similar to that proposed for Scotland, a variable producer fee or the use of glass industry fees to calculate the level of producer fees. Many say that it is difficulty to specify a percentage without further information, or argue that the level should be determined by the Deposit Management Organisation.

Almost two-thirds of respondents say that any excess funds should be reinvested in the scheme, while the other third favour these funds being spent on other environmental causes.

The deposit level

Three-fifths of respondents think the minimum deposit level set in legislation should be 20p and a fifth say it should be 10p. Just under one in five make other suggestions, with a few

variously offering support for a level set at less than 10p, 10p, 15p, 20p, more than 20p, 50p or £1. Some argue that it is important that the level is the same across the UK.

Just over half of respondents disagree that there should be a maximum deposit level set in legislation.

Among respondents who think there should be a maximum level set, one in six support 30p and almost a quarter 50p. Over half select 'other' in response to this question, with proposing a variable deposit level, with suggestions that this is based on inflation, the material used, the number of containers in a pack, the size of the container or the value of the product.

Many respondents express a general concern that if the deposit is too high, this could disadvantage certain groups, particularly those from low income households.

Just over half of respondents agree with the approach to letting the Deposit Management Organisation decide on whether to adopt a fixed or variable deposit level, particularly with regard to multipacks. Some respondents say there should be independent assessment to help determine the level of deposit set. Some respondents feel that it is important for the views of local authorities to be represented, either through membership of the Deposit Management Organisation or through the consultation process for key stakeholders.

In response to the consultation question on how to minimise the impact of the scheme on consumers buying multipacks, respondents express a range of views. Many respondents support the proposal for a variable deposit rate where, for example, the charge could be proportionate to the volume purchased. Others suggest that the same deposit level should apply for single items and multipacks. Many respondents say that it should not be necessary to minimise the impact of the deposit return scheme for consumers buying multipacks.

Return points

Retailer obligations

Over three-quarters of respondents agree that all retailers selling in-scope drinks containers should be obliged to host a return point, whether it is an all-in or on-the-go deposit return scheme. Respondents argue that consumers should be able to take any used in-scope containers to any retailer or that if a retailer can sell an in-scope item they should be able to accommodate its return.

Some respondents suggest digital kerbside collections as an alternative to a comprehensive network of return points or that small retailers near one another should be able to share a return point.

Almost seven in ten respondents think that consumers would not be likely to experience delays/inconveniences in returning drinks contained given the proposed extensive distribution and availability of return points. Many respondents make specific suggestions to ensure there are no delays, including having enough reliable reverse vending machines, placing these in busy, accessible areas and ensuring return points are easy to use. Some respondents express concerns about possible delays at peak shopping times, holidays and special events, or if consumers opt to make infrequent trips with large

numbers of items, or if return points are not effectively managed.

Online purchases of in-scope drinks containers

Respondents were asked which option they favour with regards to online takeback obligations for retailers:

- Six in ten support option 1 (obligate all retailers selling in-scope containers online to offer a takeback service). Respondents argue this would ensure that online retailers have the same responsibilities as high street retailers, would make it easier for consumers, would be important for accessibility and would reduce litter and waste, including single-use plastics. However, some respondents believe that it would be difficult for small retailers to facilitate an online takeback scheme.
- Three in ten support option 2 (use a de minimis based approach to obligate qualifying retailers selling in-scope containers to offer a takeback service). Many respondents believe that some should be exempt from the takeback service, particularly small businesses and this approach would restrict retailer obligations to sales.
- Just under one in ten support option 3 (no obligation placed on retailers selling in-scope containers to offer a takeback service). Respondents argue that online retailers should not have to collect items due to the additional cost, complexity and carbon emissions of the extra journeys.

Handling fee

Over-four-fifths of respondents agree with the criteria proposed in the consultation document for the calculation of the handling fee.

Some respondents propose that the handling fee should be determined by the Deposit Management Organisation.

Many respondents commenting on this question express concern that a handling fee would have an adverse impact on small businesses.

Exemptions to hosting a return point

Respondents are almost twice as likely to select breach of safety than close proximity as exemptions which should be included under the scheme. Some respondents oppose close proximity exemptions on the grounds of inconvenience, queues, consumers becoming disengaged and unfair competition between supermarkets and local shops.

Some respondents say there should be no exemptions from return points. Conversely some respondents suggest that the size/capacity of retailers should provide grounds for exemption because the deposit return scheme places a disproportionate burden on small retailers.

In terms of suggestions on exemptions, some respondents say they should be aligned with the Scottish Deposit return scheme as this would lead to consistency across the UK, others say there should be a robust set of criteria or that retailers exempt from hosting a return point should be regularly reviewed and monitored.

Almost two-thirds of respondents disagree with Defra's rationale for not requiring retailers exempted on the basis of a breach of safety to signpost to another retailer. Many

respondents say that there should be a requirement for retailers to signpost return points or that they oppose the rationale given.

Some respondents state that retailers should not have to advertise potential competitors if they are unable to host a return point due to safety considerations. Some respondents suggest that retailers which do not host a return point could direct consumers to locations that do using signage which does not advertise or specifically identify a competitor.

Almost two-fifths of respondents think that exemptions should be granted for a period of three years until a review is required, a third favour a year and one in twelve five years or longer.

Using technology in a deposit return scheme

Nine in ten respondents think the scheme could benefit from technological solutions being incorporated as a method of return, alongside reverse vending machines and manual return points.

Many respondents express support for the implementation of a digital deposit return scheme, arguing that it would be simpler to use, more cost effective and that it is sensible to make this type of provision in an increasingly digital society.

Some respondents oppose the implementation of a digital deposit return scheme because it would affect the successful functioning of the current kerbside collection system and could be confusing or difficult to use for some people.

Some respondents say that a digital deposit return scheme could put pressure on local authorities in terms of financial and administrative burdens and shift responsibility away from producers and retailers and onto local authorities as they manage kerbside collections.

Many respondents provide varied suggestions about how a digital deposit return scheme could be integrated with other existing waste collection infrastructure. They suggest the use of barcodes or QR codes so containers can be identified during kerbside collection or the use of tracking technology such as blockchain.

Many respondents propose as potential fraud control measures for a digital deposit return scheme that containers should have a unique barcode or QR code so they can only be redeemed once. Many respondents express concern that scanning containers as a measure to control fraud has the potential to lead to scan misuse, with some stating that systems would need to check containers are put in the correct bins and/or not littered.

Some respondents make general suggestions of fraud control measures, for instance tracking technology, having a cashless scheme, auditing returns, and having a standard deposit price to prevent cross-border fraud. Some respondents suggest that the deposit could be redeemed by an application or online account.

Just over half of respondents think that a digital deposit return scheme could ensure the same level of material quality in the returns compared to a traditional return to retail model. Some of these respondents point to familiarity with kerbside collections requiring dry/clean recyclables. Some respondents believe that a digital deposit return scheme would increase the quality of material returns, for instance because of greater public engagement and less material getting broken during sorting.

Conversely many respondents believe that the digital deposit return scheme would result in worse quality material returns, highlighting contamination issues and arguing that consumers may return low quality items because of a lack of monitoring.

Many respondents say that costs would be lower if the digital deposit return scheme could be integrated into existing waste collection infrastructure, with some arguing that less staff time would be required. However some respondents think that a digital deposit return scheme would not be cheaper and may even be more expensive.

Planning permission for hosting a reverse vending machine

Almost nine-tenths of respondents support the proposal to introduce a new permitted development right for reverse vending machines. Many respondents answering this question say their support is conditional on strict criteria being applied, such as specified designs for the installation of reverse vending machines, where they will be located and their size.

Many respondents express concerns about the environmental impacts of using reverse vending machines, and argue that factors such as light, noise and air pollution need to be taken into account. Some of these respondents suggest expanding the types of area which can be excluded.

Some respondents state that planning permission should be required for reverse vending machines to check if proposed sites are suitable and to give local communities the opportunity to raise concerns.

Labelling

Almost all respondents agree with Defra's proposals to introduce mandatory labelling. Nine in ten respondents disagree that leaving any labelling requirements to industry would be a better option than legislating for mandatory labelling requirements. Many respondents express concern that if businesses have different labelling systems it will lead to inconsistency or create confusion and some respondents argue that industry should not be trusted with responsibility for labelling requirements.

Many respondents say that they are not aware of any further measures to reduce fraud. Some respondents suggest the use of a unique identifier such as barcode or digital solutions, for instance blockchain technology or digital personal payment systems.

Just over half of respondents think there is a significant risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland via Scotland. Some respondents suggest that labelling should be consistent across the four nations, while others say that labelling that is clear and easy to understand may mitigate the risks.

Regarding solutions for smaller producers who may not currently label their products, many respondents propose providing them with stickers to attach to their products. Some respondents argue that all producers, regardless of size, should be required to label their products.

Three-quarters of respondents agree that 18 months is a sufficient period of time for the necessary labelling changes to be made. Some of those who disagree argue that 18 months is not long enough for producers to make the necessary changes, while others believe that 18 months is too long.

One in five respondents say their processes will change as a result of mandatory labelling, mentioning in particular the need for additional technology. Almost two in five say their processes will not change, and the remainder that they do not know.

Two-fifths of respondents agree that Defra's proposed approach to labelling will be able to accommodate any future changes and innovation, one in twenty disagree and the remainder say they do not know. While many respondents comment that they are unsure or do not know of any upcoming technologies, others highlight the potential of digital printing, digital watermarking technology. blockchain technology, radio-frequency identification devices (RFID) and smart devices.

Local authorities and local councils

Defra has identified three options to deal with these deposit return scheme containers in local authority waste streams. Of these, option 2 is the most popular option among respondents.

i) Option 1: Do nothing. Local authorities redeem deposits of deposit return scheme containers in collection streams.

A quarter of respondents think that option 1 best deals with the issue. Respondents argue in favour of this option on the grounds that it is the simplest solution, it aligns with other schemes and aligns best with the deposit return scheme which is to be implemented in Scotland. Some respondents oppose option 1 as they feel it means local authorities will have to pay to deal with materials in the scope of the scheme. Respondents also highlight the challenges of sorting deposit return scheme materials from other materials either kerbside or at material recovery facilities.

In relation to option 1, just over half of respondents agree that local authorities will be able to separate deposit return scheme containers either themselves or via agreements with material recovery facilities to regain the deposit value. Respondents disagreeing say that the practice of mixing collected materials would make it difficult to accurately identify materials and that containers collected kerbside may be too damaged to correctly identify. Many respondents express concern about the cost and administrative burden of this to local authorities and some highlight the impact this could have on the viability of contracts which local authorities hold with Materials Recycling Facilities.

Three-fifths of respondents agree that local authorities will be able to negotiate agreements with material recovery facilities to ensure gate fees reflect the increased deposit values in waste streams or a profit-sharing agreement on returned deposit return scheme containers was put in place. Some respondents raise concerns about the cost to local authorities of negotiating gate fees as they may incur additional cost or the impact on existing contracts with Materials Recycling Facilities.

ii) Option 2: The Deposit Management Organisation makes payments for deposit return scheme containers appearing in all local authority waste streams (preferred option)

Almost two-thirds favour option 2. Respondents support this option on the grounds that it guarantees appropriate financial flows to cover local authority expenses related to the scheme, it would ensure the robustness and fairness of the scheme, it ensures the

responsibility for implementing the scheme would fall upon a specific actor, (e.g. the Deposit Management Organisation or local authorities) and it aligns with other schemes. Some respondents prefer option 2 because they feel it is the simplest solution. Most of the respondents expressing concern about the complex which the scheme could have on waste streams managed by local authorities select option 2 as their preferred option.

In relation to this option, the consultation document asked where to collect data regarding the compositional analysis to prevent containers being allowed to be redeemed via return points and thereby minimising the risk of double payments from the Deposit Management Organisation to local authorities.

Many respondents say that the data for compositional analysis should be collected at the materials recovery facility because it is the first sorting point and they have the expertise, as well as the space and resources. However, some feel the data should be collected from the first point of entry into the system, including kerbside where this is the relevant entry point.

Some respondents say that the data should be collected by local authorities as they would be unlikely to abuse the system, or already have the capacity to collect and transport kerbside waste. Other respondents suggest that data should be collected by the Deposit Management Organisation because they are responsible for eliminating fraud and would have access to data from the materials recovery facility and reverse vending machines.

iii) Option 3 Hybrid option. The Deposit Management Organisation pays a deposit value on containers that are returned and any additional deposit return scheme material in local authority waste streams is covered by a funding formula

Only one in eight favour option 3. Respondents argue it would ensure the robustness and fairness of the scheme or that it would not be more difficult than the other options proposed.

In relation to this option, the consultation asked how difficult it would be to administer, given the need to have robust compositional analysis in place. Many respondents commenting on the difficulty of implementation say that it would be difficult to secure accurate data for a compositional analysis, that the technology required would be complex and could go wrong, that a hybrid option would be difficult to manage and there would be risk of misreporting. This misreporting may result in local authorities benefiting unfairly from payments. Some say that the costs associated with option 3 are too high and there is not enough evidence of risk of double payment to take this option forward.

Compliance monitoring and enforcement

Regulation of producer obligations

Many respondents say that there are not any other producer obligations which the Environmental Regulators should be responsible for monitoring and enforcing.

Among those who propose additional obligations, some suggest monitoring the sale, disposal, and recycling of end materials to improve levels of closed loop applications or providing information to consumers or businesses about the deposit return scheme and

deposit levels.

Regulation of retailer obligations

Nine in ten respondents agree that local authorities (through the role Trading Standards and the Primary Authority Scheme) are best placed to enforce certain retailer obligations, with some saying this would be added to existing duties carried out with retailers. Many respondents raise concerns about the cost implications for local authorities and question whether they would have the funds or staff required.

Breaches

Many respondents say that they are not aware of any further potential breaches of regulation which should be added to the list in the consultation document.

Additional breaches which are identified by respondents include improper sale of material; incorrect labelling of in-scope containers; fraud (across all four nations of the UK); failure to meet key performance indicators; failure by the Deposit Management Organisation to accurately calculate the handling fees of return points; failure by the Deposit Management Organisation to undertake due diligence in relation to the waste collector and its treatment of packaging waste; provision of inaccurate data to the Deposit Management Organisation; failure to meet mandatory reporting requirements in relation to breaches or non-compliance; and failure by a retailer to direct customers to the closest available return point.

Many respondents say that there are no further vulnerabilities in the system to identify. Some respondents suggest areas of concern which include: the potential for fraud; hotels, restaurants, and cafes, and how they would be able to engage with a deposit return scheme; a lack of consistency across the four nations of the UK; the ability of regulators, the Deposit Management Organisation and Government to enforce proposed measures; the potential for fly-tipping or littering if return sites are not well managed; the security of reverse vending machines; provision of inaccurate data; and the complexity of the scheme.

Many respondents agree that the Deposit Management Organisation has a role to play in seeking compliance before escalating any issues with the regulator. Some argue it should have this role to encourage compliance by encouraging remedial action before escalating to the regulator or that it is best placed to understand the issues and communicate with relevant stakeholders and can alleviate the administrative burden on the regulator by addressing less significant issues.

Some respondents generally disagree that the Deposit Management Organisation should have a role in seeking compliance before escalating with the regulator, with some arguing it would make the system too complicated, or add undesired layers of bureaucracy.

Enforcement response options

Four-fifths of respondents agree with the position set out in the consultation document regarding enforcement response options.

Some respondents support a tiered approach and for resolutions of increasing significance before time-consuming legal approaches. Some respondents feel that there

is not enough detail about tackling organised crime.

Implementation timeline

Many respondents express support for a speedy implementation of the scheme, arguing that it is needed as soon as possible. Some respondents say that the proposed delivery timeline is too long, and a quicker rollout of the scheme is required.

Conversely, some respondents argue that the timeline for the implementation of the scheme needs to be extended or propose later start dates, saying that it is unrealistic or too fast. Some respondents express concern about introducing a scheme before 2024 because they would prefer that an Extended Producer Responsibility scheme is reviewed first, or that any impacts of Covid-19 are reviewed before a deposit return scheme is implemented.

Some respondents express general support for the proposed implementation timeline for the deposit return scheme, for instance commenting that the timeline is reasonable or achievable.

Some respondents suggest that the implementation of the scheme should be aligned with Scotland and other UK nations, arguing that an aligned scheme across devolved administrations will reduce the risks of cross-border fraud, confusion and would be less expensive.

Just over half of respondents say the Deposit Management Organisation needs 12 months from appointment to the scheme going live. Less than one in 50 choose a timeframe of 14 months, one in seven say 18 months and just over a quarter select 'other.' These respondents suggest timescales ranging from a few months to more than two years, with many of these respondents saying they would support a 24-month timescale and others a timescale of between 18 months and 24 months. Many simply argue that the sooner the scheme can be taken live the better.

Many respondents think that an on-the-go deposit return scheme would be quicker or easier to implement than an all-in scheme. Some of these respondents refer to potential difficulties with developing appropriate scheme infrastructure. Conversely, a few respondents think that an all-in deposit return scheme would be quicker and easier to implement, saying for instance that the multipack aspect of an on-the-go scheme would take longer. Some respondents believe the final decision to implement an on-the-go or an all-in deposit return scheme would not have a significant impact on implementation timescales.

Summary of approach to Impact Assessment

Just over half of respondents say they disagree with the analysis presented in Defra's Impact Assessment.

Many respondents question the accuracy of calculations or scope of the analysis. For instance respondents query the anticipated costs to business, the adequacy of the underlying principles used in the risk assessment, the accuracy of calculations of the potential benefits of the scheme, how the cost projections have been calculated, the proposed disamenity value for litter or the inclusion of glass recycling within the scheme.

Many respondents also express concern about the lack of information provided, with

some saying the assessment of cost implications for small businesses is incomplete or that the assessment should consider the implications on existing schemes, such as kerbside recycling, or the potential impact of digital scheme solutions.

Extended Producer Responsibility scheme and Consistency in Household and Business Recycling

In parallel to the deposit return scheme consultation, a consultation was run on Defra's proposals for Extended Producer Responsibility for Packaging. On 7th May 2021, Defra also opened a consultation on Consistency in Household and Business Recycling in England, which ran until 4th July 2021.

In the deposit return scheme consultation, some respondents state there should be alignment and consistency with the Extended Producer Responsibility scheme and Consistency in Recycling policies during the implementation of the deposit return scheme. Some respondents suggest that start dates should be co-ordinated, tender processes aligned and that responsibility for reporting on volumes of in-scope materials placed on the market should align with the Extended Producer Responsibility scheme.

Some respondents suggest that Extended Producer Responsibility scheme and/or Consistency in Recycling policies should be developed and implemented before any deposit return scheme to ensure consistency and make sure the scheme complements existing recycling schemes.

1. How to read this report

1.1. Narrative

This report summarises all the comments made in consultation responses. These are summarised by question. Within each question summary, comments summaries are grouped into categories indicating the sentiment of the comments. For most questions, these categories are **expressions of support**, **concerns** and **suggestions**.

In order to indicate the weight of sentiment behind each summarised comment, relative to the other comments made in response to that question, the following quantifiers have been used. These have been used on a per-question basis and are not directly comparable between questions:

- many
- some
- a few

Many of the responses received used very similar text in some parts of their answers, suggesting that the response text had been coordinated between multiple respondents. This co-ordinated text constituted a significant proportion of the responses, and therefore of this report. In addition, the Campaign to Protect Rural England coordinated a response to the consultation. Suggested text, which respondents could incorporate into their responses, along with a link to the consultation response form, was placed on their website. Because respondents chose which parts of the suggested text to include in their responses, and because respondents also frequently added their own text or amended the campaign text, the responses prompted by this campaign were not identical, but had sections of overlapping text and raised similar issues. Where this text is reported on in this report, it is referred to as a 'campaign template response'.

The number of respondents who answered each question is given at the beginning of the question summary. For the closed question graphs, the figure caption includes the base number indicated as n = [number]. For single select questions, the base is the number of respondents who answered the question. For multi-select questions, the base is the number who selected one or more of the available options.

This document summarises the responses submitted to the consultation. Traverse have read and analysed all comments, and this report encompasses all of these comments, with the only exception being those which were wholly unrelated to the consultation and the broader topic area. As such, comments which do not answer the question being asked but which do address the broader area of packaging, waste and recycling have been included for the sake of transparency. It is important to note that Traverse have not attempted to judge the factual accuracy of statements made by respondents, and what is written by respondents, and therefore summarised in this report, should be taken as opinion, not necessarily fact.

For full context to the information presented in the report, including information discussed in the responses, please refer to the full consultation document, available on the Defra website.

1.2. Coding tables

As stated in the Methodology, Traverse's analysis process involves reading every word in every response and assigning 'codes' to sections of responses to capture their meaning. In each question of this report a code table has been included, showing the five codes which were used the most when capturing the meaning of the answers to the question. The 'All respondents' column shows the percentage of consultation respondents that had the code applied to their answer to the question. The following five columns show the percentage of respondents from each stakeholder group which had the code applied to their answer to the question. This is used to illustrate which groups raised each suggestion, concern or positive comment the most. Stakeholder classification was based on the answer given to the consultation question 'Which best describes you?'. Stakeholders were then grouped into five groups as specified by Defra:

Stakeholder Group 1 (1915 respondents)	Stakeholder Group 2 (239 respondents)	Stakeholder Group 3 (57 respondents)	Stakeholder Group 4 (63 respondents)	Stakeholder Group 5 (37 respondents)
Charity or social enterprise Community group Non-Governmental Organisation Consultancy Academic or research Individual	Local Government	Packaging designer/ manufacturer/ converter Distributor	Product designer/ manufacturer/ pack filler Retailer (including Online Marketplaces)	Exporter Operator / reprocessor Waste management company

Any respondents whose answer to this question was not one of the stakeholder groups named above has not been included in one of the stakeholder columns, but has been included in the 'all respondents' column.

It is important to note that all responses were read, reported on and treated equally in the narrative and the graphs. Analysts were not able to see who each response had come from when analysing it, in order to eliminate any possible bias. It is also important to note that the percentages shown in the table are of the number of respondents in each stakeholder category. If there is only a small number of stakeholders in a category, then the percentage shown may be high even if only a small number had the code applied to their answer. Further, it is important to note that the coding per question cannot reflect what was written by respondents in response to other questions. For example, a respondent who is concerned about carbon emissions may raise this concern in many, but not all, questions, and their concern will only be shown in the questions in which they raised it.

2. Methodology

For the consultation data processing, coding and reporting, Defra commissioned Traverse, an independent employee-owned organisation specialising in public consultation and engagement, with a focus on positive social impact and democratic decision making (https://traverse.ltd/).

2.1. Responses and response channels

Responses could be submitted to the consultation via three channels:

- Defra created an online form, hosted by Citizen Space, to which respondents could submit responses. A link to the online form was provided on the consultation page on Defra's website.
- Defra also provided an email address, drs@defra.gov.uk, to which respondents could submit responses via email.
- Defra also provided an address for any postal responses. However, no postal responses were received.

All responses imported from Citizen Space into Traverse's database, Magpie, passed immediately to the coding stage of Traverse's work. Emails and their attachments were processed into the Magpie database such that email answers to questions could be analysed alongside answers from the online form, creating consistency of analysis. Email data processing went through a quality assurance process, with the lead data processor checking the work of individuals to ensure all text was accurately entered before coding began. Any responses to Defra's Extended Producer Responsibility consultation which were marked for the deposit return scheme consultation were moved to the appropriate database so that all relevant answers were reviewed together.

2.2. Coding

Coding was managed by a dedicated lead. Thematic coding was used to capture all the comments made in all consultation responses. Coding involved reading every answer given to a consultation question and assigning codes to sections of text. Codes are designed to capture the meaning of the text, where all text assigned to the same code has approximately the same meaning. Codes continued to be added until all text was covered.

The codes formed part of a coding framework – a means of structuring all the codes used. Each consultation question was given a theme in the coding framework, within which sub-themes captured the sentiment of the coded text, which was primarily divided into **reasons given for support**, **expressions of concern** and **suggestions**. Within each sub-theme was a set of codes which captured the details of the text. The coding framework began with the lead coder reading a sample of responses and creating the initial sub-themes and codes. The coding framework then evolved, with new issues being given new codes. For a consultation of this size, a large team of coders was required, who were brought on board gradually in order to maintain quality control. The lead coder briefed each individual and managed the team.

To ensure quality and consistency of coding, the lead reviewed an early sample of each

individual coder's work. Findings of this review were logged and discussed with the individual. If the coding was confirmed to be of high quality, there was an ongoing check of a smaller portion of the individual's work throughout the consultation. If the coding was not of sufficient quality, the lead coder corrected the work and reviewed a much higher proportion of the work until the quality had improved. By managing both the coding team, including team meetings and discussions regarding the coding, as well as the coding framework, the lead ensured quality and consistency of the coding throughout the consultation. Traverse's Magpie database has a series of checks in place which ensures that all words are processed, coded and reported on.

2.3. Reporting

This report was developed in two stages:

- The ideas captured within each code were summarised, so that there was a set of summaries for each question. These summaries were based on the coded data – a table of all text captured by each code, so that they were true to the original responses.
- Once this was complete, for each question, its set of summaries was edited together to form a coherent narrative describing the main points made by respondents. Themes in the coding framework are reflected using sub-sections in the report. Within each sub-section, thematically similar points are grouped together, to make for a readable narrative. Any points in the narrative which appeared unclear were re-checked against the original data in the responses.

The report then went through a quality assurance process, where it was read through and thoroughly checked for quality and consistency, with updates and changes made where necessary.

3. Participation

The consultation received 2,590 responses. The following shows the breakdown of how those responses were sent and how many were from each stakeholder group (respondents self-identified their stakeholder category).

3.1. Number of responses received by channel

	Number of responses	Percentage
Citizen Space	2270	87.6%
Email	320	12.4%

3.2. Number of responses received by stakeholder type

Stakeholder Type	Number of responses	Percent
Academic or researcher	40	1.5%
Business representative organisation or trade body	72	2.8%
Charity or social enterprise	25	1.0%
Community group	84	3.2%
Consultancy	28	1.1%
Distributor	16	0.6%
Individual	1721	66.4%
Local government	239	9.2%
Non-governmental organisation	17	0.7%
Operator/ Reprocessor	23	0.9%
Other	149	5.8%
Packaging designer/ manufacturer/ converter	41	1.6%
Product designer/ manufacturer/ pack filler	29	1.1%
Retailer including online marketplace	34	1.3%
Waste management company	14	0.5%
Not Answered / blank	58	2.2%

4. A deposit return scheme in a post-Covid context

4.1. Question 6

4.1.1. Given the context of the Covid-19 pandemic we are currently experiencing, do you support or oppose our proposals to implement a deposit return scheme for drinks containers by 2024?

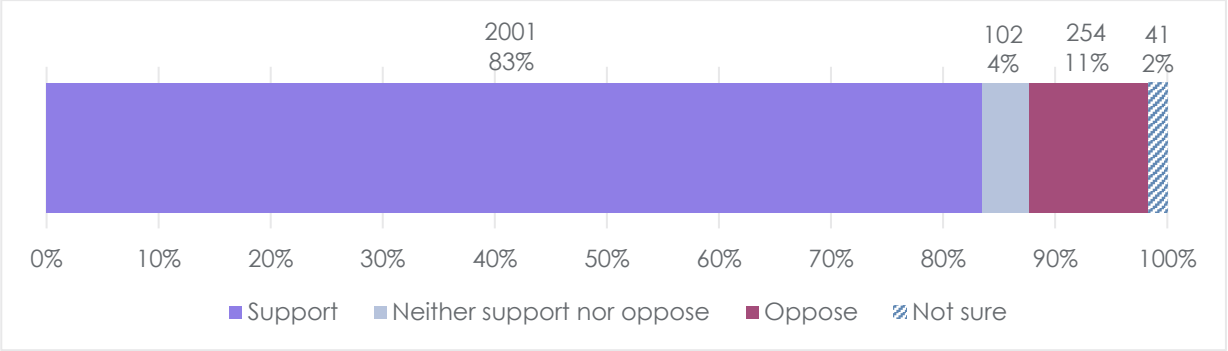

Figure 1: Question 6 (n=2398)

4.1.2. Please elaborate on your answer if you wish.

This question was answered by 1910 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
0 Introduction | 6a: Given Covid support or oppose proposals | Concern | timeline (sooner rollout)	46%	58%	5%	0%	5%	0%
0 Introduction | 6a: Given Covid support or oppose proposals | Support | recycling - DRS will improve	22%	26%	8%	11%	13%	8%
0 Introduction | 6a: Given Covid support or oppose proposals | Support | littering (reduces)	22%	27%	3%	0%	6%	0%
0 Introduction | 6a: Given Covid support or oppose proposals | Support | employment	18%	23%	1%	0%	2%	0%
0 Introduction | 6a: Given Covid support or oppose proposals | Support | other and general support	13%	14%	10%	4%	16%	11%

Support

Many respondents, including a number who based their responses on a campaign template response, express general support for the introduction of a deposit return scheme.

Many respondents, including a number who based their responses on a campaign template response, say that a deposit return scheme would help increase recycling rates and/or public confidence in recycling. Furthermore, many respondents, including a number who based their responses on a campaign template response, say that a deposit return scheme would reduce the amount of litter people leave in outdoor spaces. Some also think that the introduction of a deposit return scheme would help reduce the amount of waste, saying for example that the scheme would contribute to a reduction in the use of single-use plastic.

Some respondents, including a number who based their responses on a campaign template response, believe that the implementation of the deposit return scheme would have a positive impact on the economy, saying for example that the scheme would help a sustainable economic recovery. In addition, some respondents, again including a number who based their responses on a campaign template response, think that the introduction of a deposit return scheme would create additional employment, including green jobs and jobs in areas with high unemployment rates at present.

"A deposit return scheme will also create new local green jobs so would be a positive strand of a green economic recovery, of building back better."

User ID 116620, Individual

A few respondents say they support a deposit return scheme because it would reduce pollution and/or carbon emissions.

Concerns

Some respondents express general concern about the introduction of a deposit return scheme. Comments include that it would be costly, complicated or inconvenient to consumers.

Many respondents, including a number who based their responses on a campaign template response, believe that the revised proposed date of 2024 for the introduction of the deposit return scheme would be too late, saying that an earlier introduction would be essential to be able to address waste and environmental issues.

However, some respondents express concern about introducing a deposit return scheme before 2024. They would prefer that an Extended Producer Responsibility scheme is reviewed first, or that any impacts of Covid-19 (on the behaviours and financial position of consumers, for example) are reviewed before a deposit return scheme is implemented. Meanwhile, a few respondents say they are unsure about the best timeline for rolling out the deposit return scheme.

"We should be starting this scheme as quickly as possible, much sooner than 2024. The scale of plastic waste is an emergency for the environment and the climate right now."

User ID 26451, Individual

Some respondents comment on the possible environmental impact of the proposals. Of these, a few suggest that a deposit return scheme would lead to increased traffic movements. However, many outline the need case for a deposit return scheme, referring in some cases to existing volumes of plastic waste or to a 'climate emergency' and argue that the scheme should be implemented sooner. .

Some respondents believe that changes caused by Covid-19 could undermine the proposed scheme's effectiveness. For example, they say that people are working and consuming more at home and that this has helped to increase home recycling rates. Some respondents also express concern about the additional responsibilities a deposit return scheme would place on businesses, which they say are already stretched because of having to deal with the impacts of Covid-19.

"We are aware of drinks producers experiencing significant difficulties during the Covid - 19 pandemic, due to the extended closure of much of the hospitality sector. Their focus is now on recovery from lost sales and have little resource to prepare for the implementation of any new legislation, or capacity to absorb the additional costs."

User ID 127807, Business representative organisation or trade body

Some respondents express concern with existing recycling schemes, saying that rates are too low or that materials are shipped and dumped abroad instead of being processed for recycling, but some respondents express a preference for existing recycling processes over the deposit return scheme because they are satisfied with current kerbside recycling rates. Meanwhile, some respondents say that the introduction of a deposit return scheme would not lead to an overall improvement in recycling as materials would be shifted from existing kerbside collection to return points at a potentially increased cost to businesses and consumers.

Some respondents question why the deposit return scheme for England, Wales and Northern Ireland is not being introduced at the same time as the scheme for Scotland. They often call for alignment and suggest that consistency across the four nations is important. A few refer to the fact that the Scottish scheme is due to start earlier than other schemes (in 2022) and argue that this means interoperability between schemes is more important than would otherwise have been the case. However, a few believe that Government should wait and review the implementation of a scheme in Scotland before implementing one across the rest of the four nations.

A few respondents express concern that the amount of the deposit would be insufficient to encourage consumers to return containers, failing to bring about behaviour change.

A few respondents say there is not enough information available about the end market for in-scope materials.

Suggestions

Many respondents suggest that Extended Producer Responsibility, which would make manufacturers responsible for the life cycle of their products, could complement or replace a deposit return scheme, and help to create a circular economy.

Some respondents suggest introducing a digital deposit return scheme, which they say could be integrated with the existing kerbside recycling system, while a few respondents suggest the introduction of a plastic tax to encourage manufacturers to use materials which can be recycled instead of non-recyclable plastics.

Some respondents provide a range of suggestions on how to encourage the use and effectiveness of a deposit return scheme. They suggest that the scheme should be simple and easy to use for consumers and that consumers should get some extra encouragement to return containers as the scheme is first introduced.

4.2. Question 7

4.2.1. Do you believe the introduction of a deposit return scheme will have an impact on your everyday life?

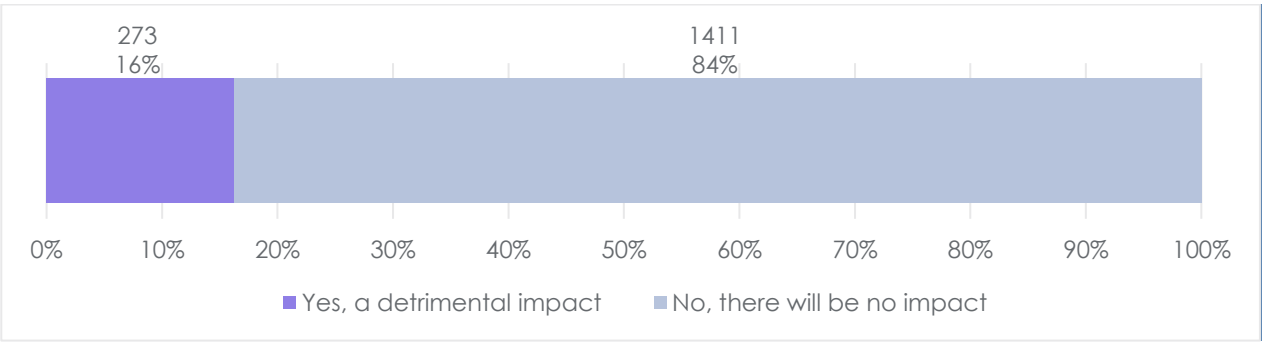

Figure 2: Question 7 part 1 (n=1684)

4.2.2. If you answered yes, the scheme would have a detrimental impact, how significant would this impact be?

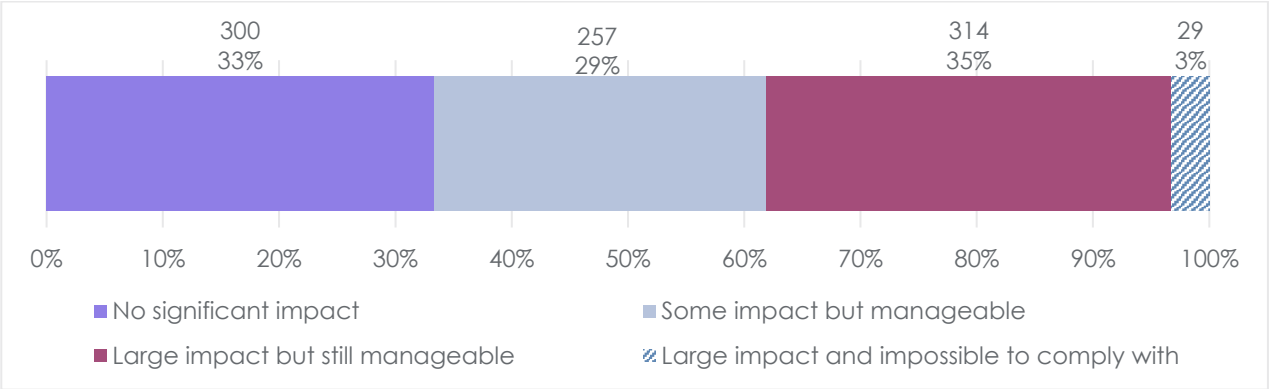

Figure 3: Question 7 part 2 (n=900)

4.2.3. *Additional comments*

Although question 7 does not include an open text question, some respondents have provided comments in addition to their closed question answers.

Some respondents express concern about the possibility of additional costs for businesses, increased costs and workload for local authorities, environmental impacts and potentially disproportionate impacts on those from lower socio-economic backgrounds or with mobility issues. Respondents add that the impact of the scheme may be different in a post-pandemic context.

However, a few respondents believe that the deposit return scheme would have a positive environmental impact and would create positive societal and behavioural change.

A few respondents say that the question is unclear or that they don't feel able to answer.

4.3. Question 8

4.3.1. *Have your views towards implementation of a deposit return scheme been affected following the economic and social impacts of the Covid-19 pandemic?*

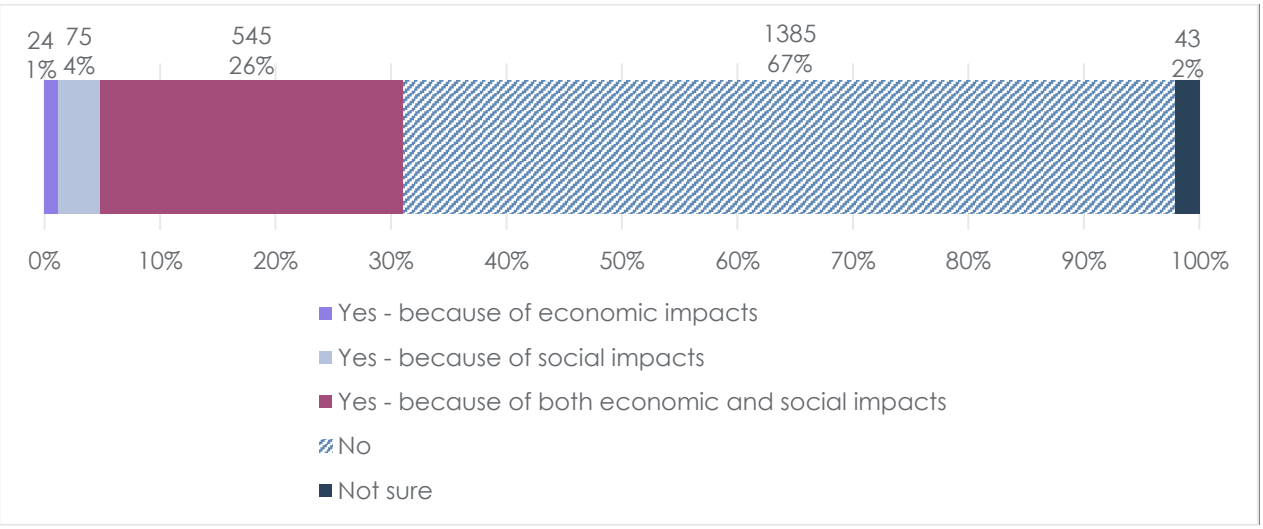

Figure 4: Question 8 (n=2072)

4.3.2. *Please elaborate on your answer if you wish.*

This question was answered by 1005 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
0 Introduction |8a: Views affected by impacts of Covid | Views not affected by Covid-19 | other and general support	6%	7%	4%	2%	6%	5%
0 Introduction |8a: Views affected by impacts of Covid | More supportive because of Covid-19 | littering (increased)	6%	7%	7%	0%	0%	3%
0 Introduction |8a: Views affected by impacts of Covid | Suggestion | review/delay in light of Covid-19	6%	0%	33%	28%	13%	19%
0 Introduction |8a: Views affected by impacts of Covid | Views not affected by Covid-19 | covid impact not relevant/short term	5%	5%	3%	0%	3%	0%
0 Introduction |8a: Views affected by impacts of Covid | Views not affected by Covid-19 | concerned about economic impact	4%	2%	8%	19%	16%	35%

Views not affected by Covid-19

Many respondents say that Covid-19 has not impacted upon their views as to the need to implement a deposit return scheme.

Some respondents argue that Covid-19 is not relevant to whether the scheme should be introduced or argue that it should not alter its original ambition or implementation.

"The same elements previously raised in the first consultation still exist whether or not Covid is present."

User ID 135425, Local government

Some respondents highlight the concerns they have about the economic impact of the scheme. For example, they express concern about the costs associated with scheme implementation and/or the ability of businesses to absorb implementation costs.

"The pub and wider hospitality sector recovery period will also be a long and fragile one and this is why we need to ensure that the industry is helped through this. The implementation timeline will be a challenge for every producer retailer and hospitality operator."

User ID 130453, Product designer/ manufacturer/ pack filler

A few respondents are hopeful the scheme would result in a reduction in litter in outdoor spaces. Similarly, a few believe the introduction of a deposit return scheme would lead to an overall reduction in waste, and/or an increased awareness of the need to reduce waste.

Meanwhile, a few respondents highlight the positive environmental impact that they believe the scheme will have on the planet, whilst a few argue that the scheme is still urgently required.

On the matter of timing, a few respondents believe that the scheme should be implemented earlier than 2024. For example, they say that the original 2023 deadline should be adhered to, that the scheme should be implemented ASAP, or that any delay would exacerbate waste problems.

More positive because of Covid-19

Some respondents state that Covid-19 has made them more positive about the implementation of a deposit return scheme.

Many respondents believe that Covid-19 has led to an increase in outdoor littering. Similarly, a few respondents believe Covid-19 has resulted in harm to the environment. They say that changes in people's behaviours caused by the pandemic are resulting in more waste and therefore there is a need for a deposit return scheme.

> *"The increase in the waste linked to e-commerce and limitation in local waste collection services at the beginning of the COVID-19 pandemic have made the importance of DRS, recycling, and waste reduction programs more relevant."*
>
> *User ID 135435, Community group*

Some respondents believe the scheme will help boost economic recovery and/or create new jobs. For example, respondents highlight the number of green jobs that would be created, the potential boost to the economy, or how the scheme could provide an income stream for some individuals.

A few respondents argue that Government has demonstrated that it can act where needed to tackle difficult and/or urgent situations. For example, respondents refer to how Government has taken action to fight the pandemic and/or galvanise public support and how Government has managed to implement initiatives despite the challenges posed by a pandemic.

A few respondents also think that the Covid-19 pandemic has demonstrated that people are able to adopt new behaviours for the greater good and suggest that this could benefit the successful introduction of a deposit return scheme, whilst others say that they have become more positive about a deposit return scheme because Covid-19 has led to increased use and/or appreciation of outdoor spaces. A few respondents assert that they have become more positive about the introduction of a deposit return scheme because Covid-19 has made them personally more aware of the need to protect and/or improve the quality of the environment, locally as well as globally.

Meanwhile, a few respondents argue that Covid-19 has highlighted the urgent need for a deposit return scheme, whilst others emphasise their positivity towards the proposed deposit return scheme and argue that Covid-19 has made them feel more strongly about it.

Less positive because of Covid-19

Some respondents state that Covid-19 has made them less positive about the implementation of a deposit return scheme. Their reasons and additional comments include:

A few respondents have existing and/or general concerns about the proposed scheme,

such as its cost or its impact on (groups of) consumers.

Some respondents believe that Covid-19 has demonstrated that existing kerbside collection of recyclable materials is adequate. For example, respondents doubt whether the proposed deposit return scheme would be better than kerbside collections during a pandemic.

> *" Local authorities managed to keep kerbside recycling going through the pandemic and have seen increased tonnages in material being collected. This trend is likely to continue and needs to be assessed before the introduction of any DRS scheme."*
>
> *User ID 125443, Local authority*

A few respondents say that Covid-19 has led them to question the potential health and safety and/or hygiene issues that may occur if the scheme is implemented. For example, respondents express concern as to whether disease/germs may be transmitted through returning products to vending machines and/or retailers.

Meanwhile, a few respondents question whether there is a need for this type of scheme. They argue that Government could prioritise an Extended Producer Responsibility and wonder whether this would not address most of the issues that the deposit return scheme would seek to resolve.

Comments on potential impacts

A few respondents express concern about potential impacts of a deposit return scheme on households and/or communities in the context of Covid-19. For example, they believe that people may lack space in their homes to store empty bottles or say that reverse vending machines would blight the community environment. They highlight how in their view the pandemic has exacerbated social inequalities, arguing that the scheme would disproportionately impact people on lower incomes or people with limited access to deposit return scheme facilities.

Suggestions

Many respondents suggest that implementation of a deposit return scheme should be delayed or subject to review because of Covid-19. They say that the pandemic has delayed business preparations or that the terms of the proposed scheme should be reviewed in light of the experience of the pandemic.

> *"There will be lessons to learn in how society and public services responded to the Covid-19 pandemic and the lasting impacts it may have on services and behaviour. Reviews about this will take time to be completed but could have useful insights in relation into how a future DRS might need to be designed to take account of changes and lessons learned. "*
>
> *User ID 135282, Waste management company*

Other suggestions include:

- proposals for the locations of return banks
- suggestions as to what products should be included in the scheme; and

- suggested producer/manufacturer responsibilities.

5. Scope of the deposit return scheme

5.1. Question 9

5.1.1. Do you agree that the cap should be included as part of the deposit item in a deposit return scheme for the following?

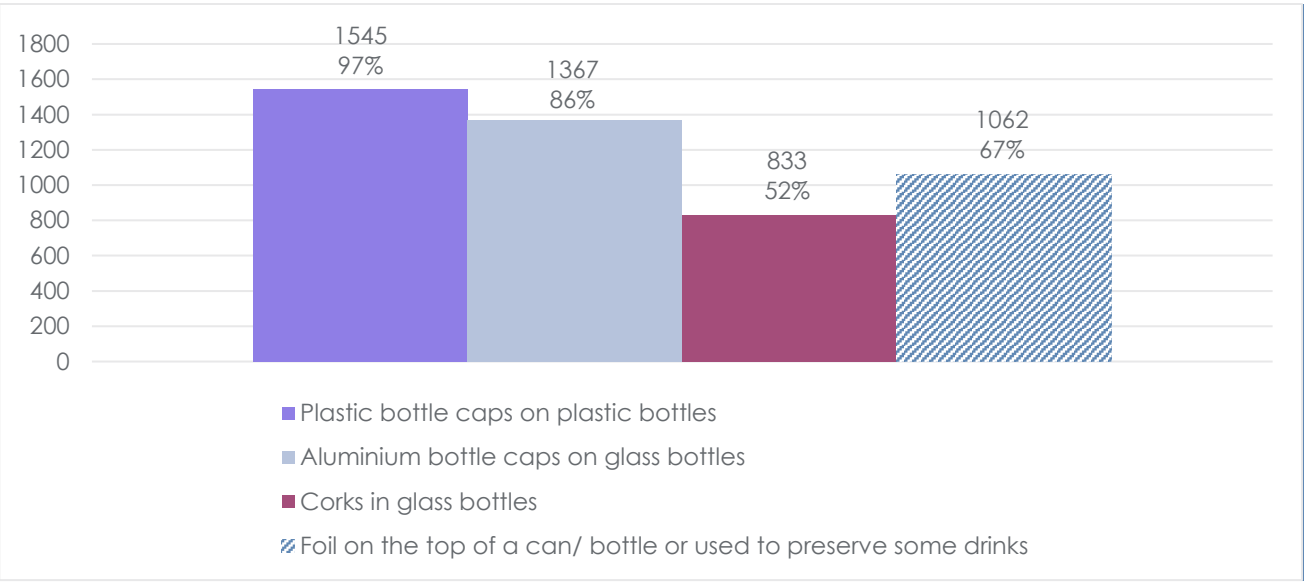

Figure 5: Question 9 – Respondents could select more than one option and the base number (n) is the number of respondents who selected at least one option, with all percentages calculated in relation to this figure (n=1590)

5.1.2. Additional comments

Although question 9 does not include an open text question, some respondents have provided comments in addition to their closed question answers.

Some respondents suggest that containers should be accepted as part of the deposit return scheme with or without a cap, as any requirement that the cap must be included could lead to lower participation in the scheme and possibly increased littering. Similarly, a few respondents say that caps should not be included in the scope of a deposit return scheme. However, a few also argue conversely that caps should be included in the scope of the scheme.

A few respondents offer various suggestions about how to deal with caps in the context of a deposit return scheme, including the development of caps that can be secured to the back of the container.

5.2. Question 10

5.2.1. *Do you believe we have identified the correct pros and cons for the all-in and on-the-go schemes described above?*

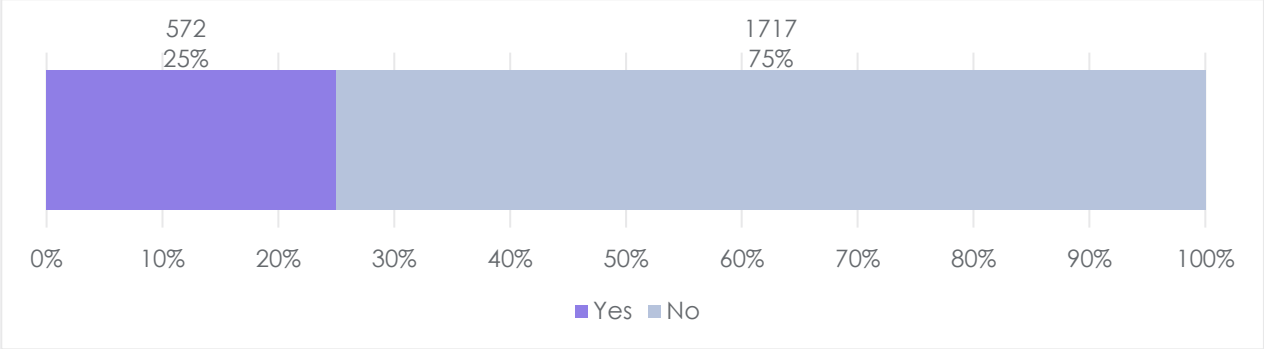

Figure 6: Question 10 (n=2289)

5.2.2. *Please elaborate on your answer.*

This question was answered by 1733 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
1 Chapter 1 Scope of the DRS (9-19) | 10a: Correct pros and cons | Concern | on-the-go (general)	48%	58%	8%	5%	24%	22%
1 Chapter 1 Scope of the DRS (9-19) | 10a: Correct pros and cons | Concern | producers (switching)	32%	40%	5%	0%	5%	3%
1 Chapter 1 Scope of the DRS (9-19) | 10a: Correct pros and cons | Concern | environment / pollution	20%	22%	29%	2%	5%	8%
1 Chapter 1 Scope of the DRS (9-19) | 10a: Correct pros and cons | Support | all-in	12%	12%	3%	11%	14%	32%
1 Chapter 1 Scope of the DRS (9-19) | 10a: Correct pros and cons | Concern | effectiveness of scheme (general)	6%	1%	44%	11%	8%	24%

Concerns

Some respondents express general concern about the effectiveness of a deposit return scheme, whilst many respondents, including a number who based their responses on a campaign template response, raise concerns about the concept and viability of an on-the-go deposit return scheme. Some respondents say that an on-the-go deposit return scheme could cause confusion about which products are part of the scheme, and may not reflect consumer habits, impacting on compliance, whilst a few believe that an on-the-go deposit return scheme could affect competition between retailers and producers.

"On the go is meaningless to me – I use all different sizes of bottles and cans in and out of the home. I just want all sizes in."

User ID 124576, Consultancy

Many respondents, including a number who based their responses on a campaign template response, say that producers will change the products they manufacture to operate outside the scope of a deposit return scheme.

"Limiting materials or sizes could create market distortions as, to avoid fees, firms would be incentivised to switch from one material to another (perhaps even from one plastic polymer to another if only PET is included) and to create containers just above the threshold volume. These are avoidable perverse outcomes."

User ID 127811, Charity or social enterprise

Many respondents, including a number who based their responses on a campaign template response, also express concern that implementation of a deposit return scheme may lead to an increase in pollution and carbon emissions because of increased transportation.

Some respondents raise concerns about the scope of a deposit return scheme, including what will happen to products not covered by the scheme and how consumers will know which products are included, whilst a few respondents believe that the scheme may vary by nation, and this could lead to confusion and lack of consistency. These respondents sometimes refer to, for example, varying deposit levels or differing rules for multipacks across the four nations of the UK.

Some respondents say a deposit return scheme could impact on local authorities' recycling processes and associated costs, whilst a few express concerns that a deposit return scheme may create accessibility concerns for people with poor mobility.

A few respondents believe that a deposit return scheme could inconvenience households in terms of time and cost, whilst others say that implementation of a deposit return scheme could disproportionately impact small retailers and low-income households. A few respondents say it is difficult to know what impact a deposit return scheme would have because of the Covid-19 pandemic.

Meanwhile, a few respondents feel an all-in scheme could have potential negative impacts, including on transportation and storage requirements, as well as recycling levels.

Support

A few respondents comment positively on the implementation of a deposit return scheme, suggesting it could provide an efficient means of sorting and recycling materials and could contribute to the development of a circular economy.

> *"I just want all sizes in. Deposit systems separate materials, which is more efficient for recycling, and it makes no sense to spend time and money setting up such a great system and then limit what's included."*
>
> *User ID 104430, Individual*

Many respondents who express positive comments towards an all-in scheme say that, for example, all bottle sizes should be included and that any deposit return scheme needs to be comprehensive.

Meanwhile, a few respondents who express positive comments towards an on-the-go scheme say it would be cheaper and easier to implement than an all-in scheme.

Suggestions

Some respondents think that the Extended Producer Responsibility should be implemented before a deposit return scheme as this would be consistent and complementary.

Meanwhile some respondents make suggestions about the implementation of the scheme, including whether other specific recycling initiatives should be continued or introduced to complement a deposit return scheme.

A few respondents make suggestions about the scope of a deposit return scheme, including the size and type of products or materials which should be included. A few suggest that caps should be included in the scope.

5.3. Question 11

5.3.1. Do you foresee any issues if the final scope of a deposit return scheme in England and Northern Ireland does not match the all-in decision taken in Wales? E.g. An on-the-go scheme in England and an all-in scheme in Wales.

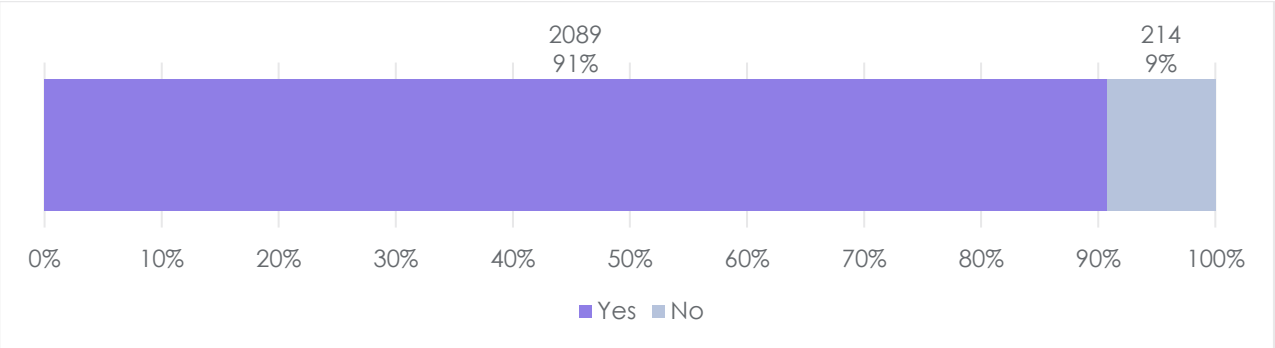

Figure 7: Question 11 (n=2303)

5.3.2. Please elaborate on your answer.

This question was answered by 1917 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
1 Chapter 1 Scope of the DRS (9-19) | 11a: Issues with All-in in Wales | Concern | devolved administrations (consistency)	49%	53%	30%	49%	48%	41%
1 Chapter 1 Scope of the DRS (9-19) | 11a: Issues with All-in in Wales | Concern | devolved administrations (confusion)	19%	12%	56%	33%	38%	46%
1 Chapter 1 Scope of the DRS (9-19) | 11a: Issues with All-in in Wales | Support | all-in (support)	11%	12%	0%	4%	14%	35%
1 Chapter 1 Scope of the DRS (9-19) | 11a: Issues with All-in in Wales | Concern | devolved administrations (cost/economy)	9%	3%	37%	18%	43%	41%
1 Chapter 1 Scope of the DRS (9-19) | 11a: Issues with All-in in Wales | Concern | devolved administrations (clarity/simplicity)	8%	5%	21%	9%	24%	38%

Concerns

Many respondents, including a number who based their responses on a campaign template response, raise concerns about a different scope in England and Northern Ireland because it would be inconsistent and deter individuals from participating. A few argue that if schemes differ across the UK it could undermine the Consistency in Household and Business Recycling proposals.

We need an 'all-in' system across the UK. We need recycling systems that are consistent so that people are not confused by differing rules.

User ID 128930, Individual

Furthermore, many respondents feel that a deposit return scheme which is different in scope in England and Northern Ireland compared to Wales would lack clarity and could cause confusion amongst consumers. They suggest that this may deter individuals from taking part in the scheme.

"Campaigns will have to be more localised and could lead to consumer confusion, reduced participation, thus reduced environmental benefits."

User ID 128711, Product designer/ manufacturer/ pack filler

Some respondents say that a deposit return scheme which is different in scope in England and Northern Ireland compared to Wales could lead to an increase in administrative costs or create a burden on the economy if, for example, different packaging is required. Meanwhile, a few respondents think that a different scope in England and Northern Ireland may create practical difficulties for implementation, including labelling and distribution.

Some respondents say that cross-border issues such as an increase in littering could arise if the deposit return scheme in England and Northern Ireland is not aligned with that in Wales. A few respondents also express concern that if England and Northern Ireland do not adopt an all-in approach as Wales has done then this could undermine public perceptions of a united response to the issue of climate change.

Some respondents believe that if a deposit return scheme is not consistent across the UK, then this may lead to fraud or the creation of loopholes which can be exploited.

Meanwhile, a few respondents argue that because Scotland has already decided on the scope of its deposit return scheme, other nations will have to fall in line with its approach.

Support

Some respondents express positive comments towards the introduction of an all-in scheme across the UK.

"All four regions should have the same all-in system, so everyone knows what happens, wherever they are."

User ID 112285, Individual

A few respondents say that having separate schemes would not cause problems between England, Northern Ireland and Wales as environmental policies can currently vary across the four nations of the UK, as is the case with carrier bag charges. Meanwhile, a few respondents would support having separate deposit return schemes for each of the nations of the UK as this would best reflect the individual needs of each nation.

However, a few respondents express positive comments towards the introduction of an on-the-go scheme, irrespective of the fact that Wales has already opted for an all-in scheme.

Suggestions

Suggestions include:

- a deposit return scheme which is aligned across the UK;
- an educational campaign about the deposit return scheme to support its success;
- a delay to implementation until all details are decided;
- implementation at the same time across the UK;
- a review of the inclusion of glass in the scope of any scheme;
- reviews of the scheme scope at regular intervals ; and

- a key aim to reduce overall waste by reducing plastic waste and production and promoting use of reusable containers.

A few respondents also suggest ways of resolving differences arising from having different scopes across the countries of the UK.

5.4. Question 12

5.4.1. *Having read the rationale for either an all-in or on-the-go scheme, which do you consider to be the best option for our deposit return scheme?*

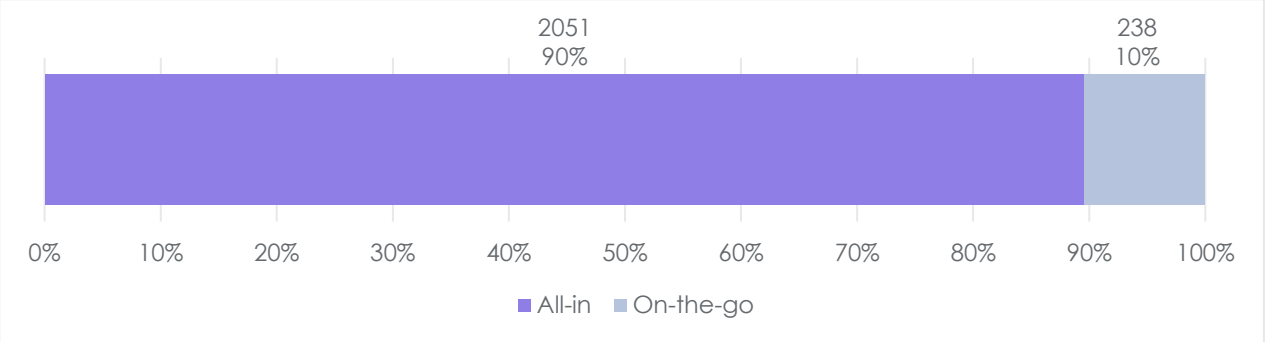

Figure 8: Question 12 (n=2289)

5.4.2. *Please elaborate on your answer.*

This question was answered by 1673 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
1 Chapter 1 Scope of the DRS (9-19) | 12a: Preference All-in- or OTG | All-in | all-in (support)	51%	56%	28%	42%	46%	38%
1 Chapter 1 Scope of the DRS (9-19) | 12a: Preference All-in- or OTG | All-in | all-in (supports defra recommendation)	14%	17%	5%	0%	0%	0%
1 Chapter 1 Scope of the DRS (9-19) | 12a: Preference All-in- or OTG | Other and general | prefer EPR or consistency	8%	2%	47%	23%	10%	22%
1 Chapter 1 Scope of the DRS (9-19) | 12a: Preference All-in- or OTG | On-the-go | on-the-go (oppose)	7%	4%	1%	40%	16%	30%

1 Chapter 1 Scope of the DRS (9-19) | 12a: Preference All-in- or OTG | Other and general | devolved administrations	6%	2%	20%	18%	35%	30%

Support for an all-in deposit return scheme

Many respondents, including a number who based their responses on a campaign template response, express positive comments towards the implementation of an all-in deposit return scheme and outline the positive impact they feel it could have.

"We support an all-in scheme, where all size containers are included, for four reasons: it will maximise the likelihood that high return rates are achieved; it is a more consistent system and far easier for consumers to understand; it will ensure that manufactures do not alter existing product sizes to escape the requirements of a DRS; and it provides the financial critical mass."

User ID 128745, Packaging designer/ manufacturer/ converter

Similarly, many respondents, including a number who based their responses on a campaign template response, say that they support Defra's assessment that an all-in scheme is the most viable option for implementation.

Some respondents believe that an all-in deposit return scheme would have a positive environmental impact, with a reduction in pollution or increase in recycling rates, whilst others suggest that an all-in deposit return scheme would reduce littering.

"This aligns with the green recycling agenda as a whole. It will avoid confusion among customers and will encourage recycling behaviours generally. It will also make people more conscious about the recycling they put into their bin at home."

User ID 26478, Non-governmental organisation

Meanwhile, some respondents express opposition to the introduction of an on-the-go deposit return scheme. Some believe that the exclusion of some sizes or types of containers limits the scope of any potential on-the-go deposit return scheme, whilst a few respondents raise concerns that implementation of an on-the-go deposit return scheme would be confusing for consumers, particularly in terms of what containers would be included.

Support for an on-the-go deposit return scheme

Some respondents express positive comments towards the implementation of an on-the-go deposit return scheme. Some say that it would be a better option for addressing littering, whilst a few say implementation of an all-in deposit return scheme may impact households as it could require additional effort to sort materials.

"Of the 2 systems the on the go would be preferred as it would address the litter issue concerns, allow continued kerbside recycling, and suit consumer behaviours better. "

User ID 26478, Local government

Other comments

Many respondents suggest that Extended Producer Responsibility should be developed and implemented before any deposit return scheme to ensure consistency and make sure any deposit return scheme complements existing recycling schemes.

Some respondents express concern about the implementation of any deposit return scheme which is not aligned in scope across the UK. They say that having different schemes in different parts of the UK could create confusion.

Some respondents suggest that implementation of a deposit return scheme should be delayed so that the impact of consumer behaviour changes post-Covid-19, and the rollout of Extended Producer Responsibility can be considered.

Some respondents say that deposit return schemes place additional burden on both consumers (with additional sorting of materials) and businesses, who they say have already been impacted by the Covid-19 pandemic.

A few respondents say digital solutions can be used to create an effective deposit return scheme by assisting collection processes or reducing the potential for transmission of viruses between people.

Meanwhile, few respondents suggest specific materials which they feel should be excluded from the scope of the scheme, such as glass or metal.

A few respondents say that there are disadvantages to both all-in and on-the-go deposit return schemes and therefore either should be implemented or existing recycling systems should remain in place, whilst a few respondents do not express a preference between all-in or on-the-go deposit return schemes.

5.5. Question 13

5.5.1. Given the impact Covid-19 has had on the economy, on businesses and consumers, and on everyday life, do you believe an on-the-go scheme would be less disruptive to consumers?

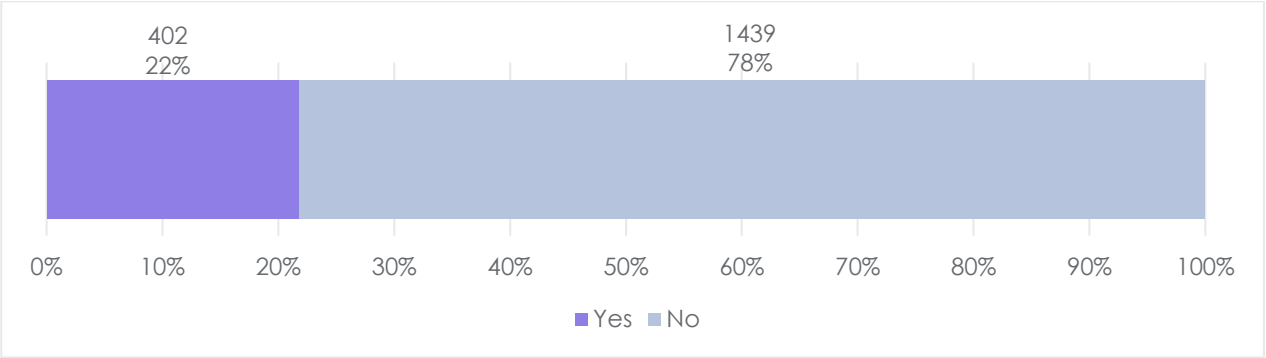

Figure 9: Question 13 (n=1841)

5.5.2. Additional comments

Although question 13 does not include an open text question, some respondents have provided comments in addition to their closed question answers.

Some respondents variously say that an on-the-go scheme would be less disruptive, more

disruptive or the same as an all-in scheme. A few respondents suggest that any scheme should be aligned across the United Kingdom whilst others say that any scheme may impact on other local authority programmes. A few respondents argue there is a need to review any scheme considering the Covid-19 pandemic and others say it should be deferred until a later date.

5.6. Question 14

5.6.1. Do you agree with our proposed definition of an on-the-go scheme (restricting the drinks containers in-scope to less than 750ml in size and excluding multipack containers)?

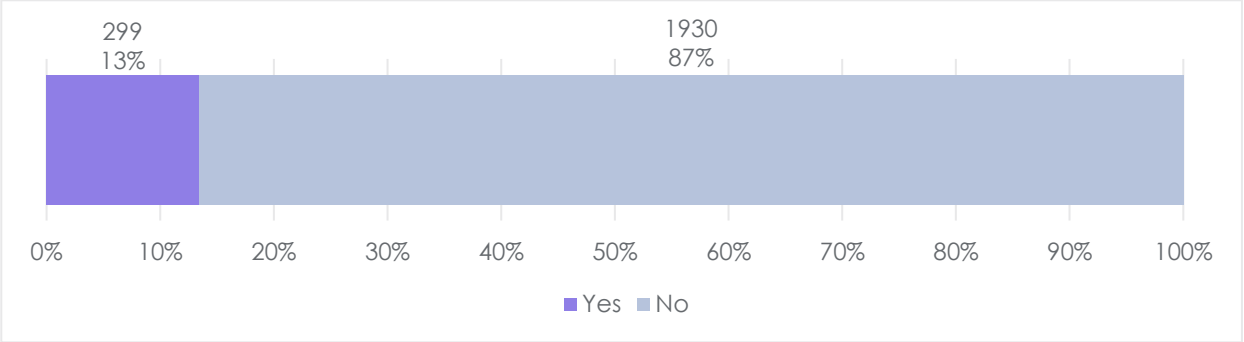

Figure 10: Question 14 (n=2229)

5.6.2. If no, how would you change the definition of an on-the-go scheme?

This question was answered by 1793 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
1 Chapter 1 Scope of the DRS (9-19) |14a: Scope of an OTG | Concern | on-the-go (definition)	36%	45%	8%	2%	10%	5%
1 Chapter 1 Scope of the DRS (9-19) |14a: Scope of an OTG | Concern | on-the-go (multipacks)	34%	33%	69%	11%	25%	8%
1 Chapter 1 Scope of the DRS (9-19) |14a: Scope of an OTG | Concern | on-the-go (general concern)	14%	13%	15%	9%	21%	19%

1 Chapter 1 Scope of the DRS (9-19) |14a: Scope of an OTG | Concern | on-the-go (bottle size)	12%	10%	29%	11%	19%	30%
1 Chapter 1 Scope of the DRS (9-19) |14a: Scope of an OTG | Support | all-in	10%	9%	5%	11%	16%	27%

Concerns about the proposed definition

Many respondents express general concern about the definition of an on-the-go deposit return scheme.

Furthermore, many respondents, including a number who based their responses on a campaign template response, express concern about the proposal to limit the size of returnable products as manufacturers may increase product sizes or attach two product together to take them out of scope to take them out of scope. They say that all shapes and sizes of containers should be covered in any definition.

"All kinds and sizes of bottles and cans litter my local beach and park - all sizes and materials need to be included in the scheme."

User ID 128590, Individual

Similarly, many respondents, including a number who based their responses on a campaign template response, raise concerns about the proposal to exclude multipacks from any on-the-go scheme.

"The fact that multi-packs are excluded, despite most of these containing smaller containers, does not make sense to me."

User ID 128653, Individual

Some respondents feel that there may be an increase in littering as a result of the proposed definition limiting the size of returnable products.

Meanwhile, some respondents express general positive comments towards any implementation of an all-in deposit return scheme.

Support for the proposed definition

A few respondents express general positive comments towards implementation of an on-the-go deposit return scheme, whilst a few are specifically positive about the proposed upper limit of 750ml for bottles falling within the scope of an on-the-go deposit return scheme.

Suggestions

A few respondents say that glass should not be included within the scope of an on-the-go deposit return scheme because glass packaged products are often consumed at home.

Other suggestions relate to a variable deposit rate for multipacks, the types of containers which should be included in the scheme and the number of drop-off points.

5.7. Question 15

5.7.1. Do you agree that the size of containers suggested to be included under an on-the-go scheme are more commonly consumed out of the home than in it?

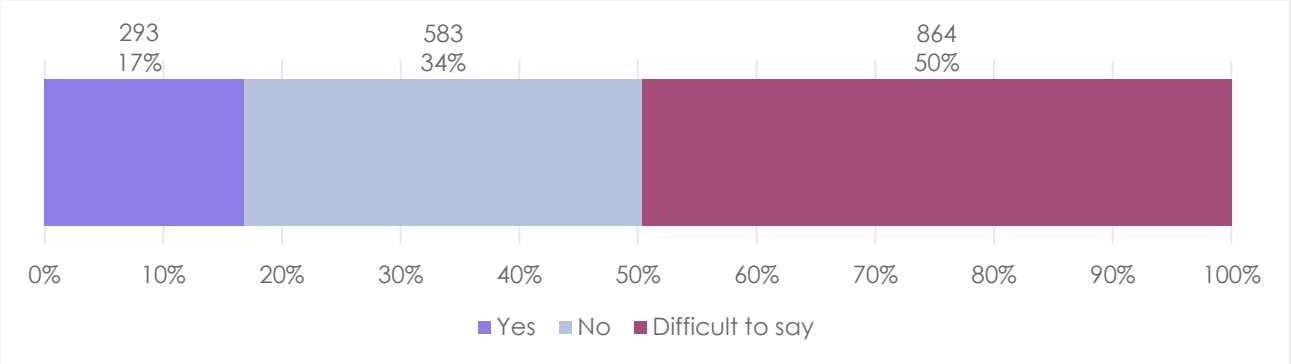

Figure 11: Question 15 (n=1740)

5.7.2. Additional comments

Although question 15 does not include an open text question, some respondents have provided comments in addition to their closed question answers.

A few respondents agree that the size of the containers included in the scope of an on-the-go scheme are more commonly consumed outside the house than in it, but a few respondents disagree, and a few say that Covid-19 has impacted on consumer behaviour.

A few respondents say that more research is needed to inform decisions about the size of containers to be included in the scope whilst a few believe that all sizes of container should be included.

5.8. Question 16

5.8.1. Please provide any information on the capability of reverse vending machines to compact glass?

This question was answered by 657 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
1 Chapter 1 Scope of the DRS (9-19) | 16a: Reverse Vending Machines | don't know/no expertise	8%	3%	51%	4%	8%	5%
1 Chapter 1 Scope of the DRS (9-19) | 16a: Reverse Vending Machines | Concern | health/safety	4%	2%	7%	7%	19%	35%
1 Chapter 1 Scope of the DRS (9-19) | 16a: Reverse Vending Machines | Concern | compaction affects recycling	4%	0%	18%	9%	10%	14%
1 Chapter 1 Scope of the DRS (9-19) | 16a: Reverse Vending Machines | Example of technology | general	3%	2%	0%	7%	13%	30%
1 Chapter 1 Scope of the DRS (9-19) | 16a: Reverse Vending Machines | Concern | higher cost of including glass	3%	1%	0%	7%	11%	27%

Concerns

Many respondents say that they do not know or do not have sufficient expertise to answer the question.

Of those who do comment on this question, many respondents express concerns on health and safety grounds about the possibility of broken glass around reverse vending machines and the handling of glass more broadly. Other concerns raised by some of these respondents include the safety of manual lever machines, the hygiene of residual liquids from bottles and the possibility of germs spread by touching the machine.

"Glass breaks and could become a safety issue once broken for those handling the returned glass bottles."

User ID 109728, Community group

Many respondents also say that compaction would limit the amount of glass available for remelt and that it is a less circular option. They believe that breaking glass would result in small pieces and are concerned that it would lower the quality of the glass available.

Some respondents also comment on the cost of including glass reverse vending machines in the scheme, arguing that it would be too high. Some of these respondents also say that glass items would be more expensive for consumers.

Meanwhile, some respondents comment on reverse vending machines themselves. They express concern about their ability to process glass containers which are damaged prior to processing, their ability to process thicker glass and the frequency of machine maintenance which would be required. A few feel that these machines would require qualified technicians who had been trained to deal with the risks of broken glass.

A few respondents raise concerns about the noise which could be created by reverse vending machines, whilst others express concern about where they would be located, particularly as businesses may not have space for the machines.

A few respondents argue that kerbside collection and recycling of glass is already effective in meeting regulatory targets for remelting of glass and therefore there is no need to include glass reverse vending machines in the deposit return scheme.

A few respondents express other concerns, which include:

- how materials would be collected from glass reverse vending machines;
- challenges of implementing glass reverse vending machines;
- conflicts of interest amongst those providing information on the capability of glass reverse vending machines; and
- the accessibility of machines.

Support

Some respondents express express positive comments towards for the use of glass reverse vending machines. They say variously that they are sensible, easy to implement, sustainable, would reduce littering and would be cost effective in the long term, would modernise recycling systems and benefit the environment. A few respondents caveat their positive comments by saying that the machines should, for example, be able to handle the required volumes, sort glass by colour or avoid breaking glass into pieces which are too small to be recycled into high quality glass.

A few respondents express positive comments towards the deposit return scheme more broadly or argue that all materials, including glass, should be included in the deposit return scheme.

Suggestions

Many respondents provide examples of glass vending machines and say that they are capable of compacting, collecting natural broke glass, and collecting glass containers as a whole, as well as cutting glass containers in half. A few of these respondents refer to such machines which could previously be found within Tesco stores.

"The technology to collect glass, either by compaction or 'soft drop' where the bottle stays intact, exists in schemes around the world, and it would not be a problem to adopt these technologies in the UK."

User ID 128657, Non-governmental organisation

Some respondents suggest that those with expertise in glass recycling and glass reverse vending machines should be consulted.

Meanwhile, some say that glass containers should be collected whole, washed and re-used instead of being compacted. They say this would use less energy and be easier to implement.

Other suggestions include:

- separating glass by colour to ensure the best quality glass recyclate;
- using natural breakage or soft-drop technology rather than compaction; and
- specific remelt targets for glass collected within the deposit return scheme.

5.9. Question 17

5.9.1. Do you agree that the scope of a deposit return scheme should be based on container material rather than product?

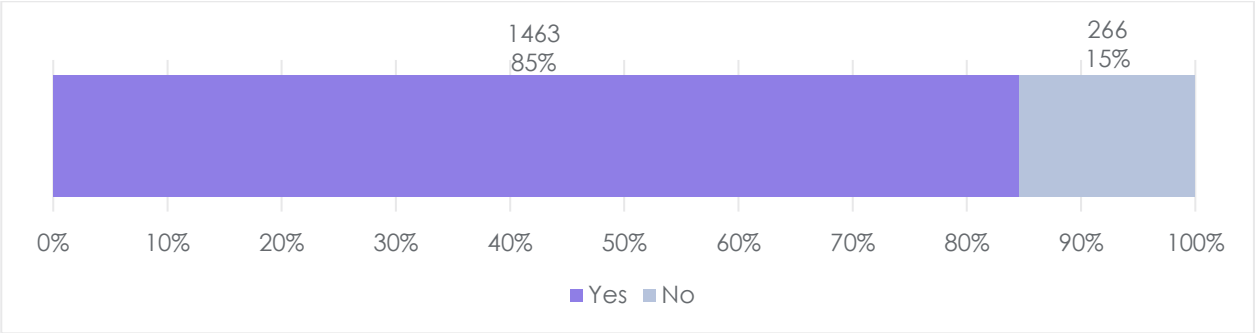

Figure 12: Question 17 (n=1729)

5.10. Question 18

5.10.1. Do you agree with the proposed list of materials to be included in scope?

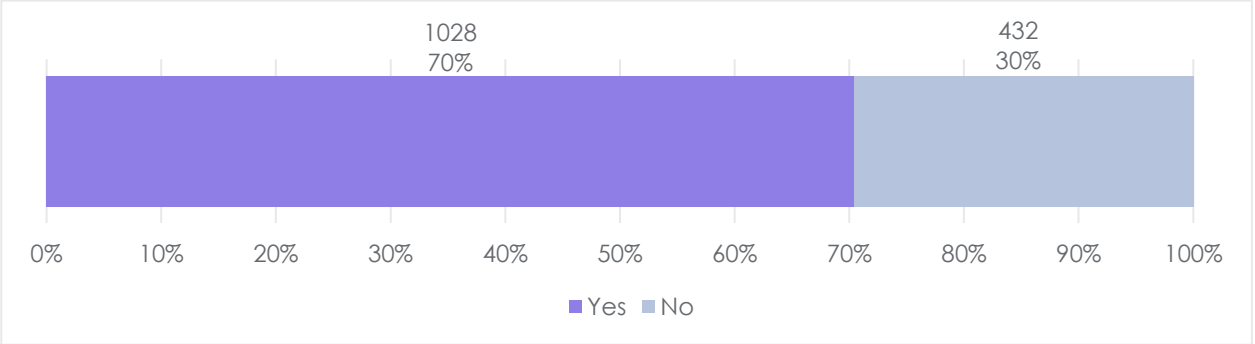

Figure 13: Question 18 (n=1460)

5.11. Question 19

5.11.1. Do you consider there will be any material switching as a result of the proposed scope?

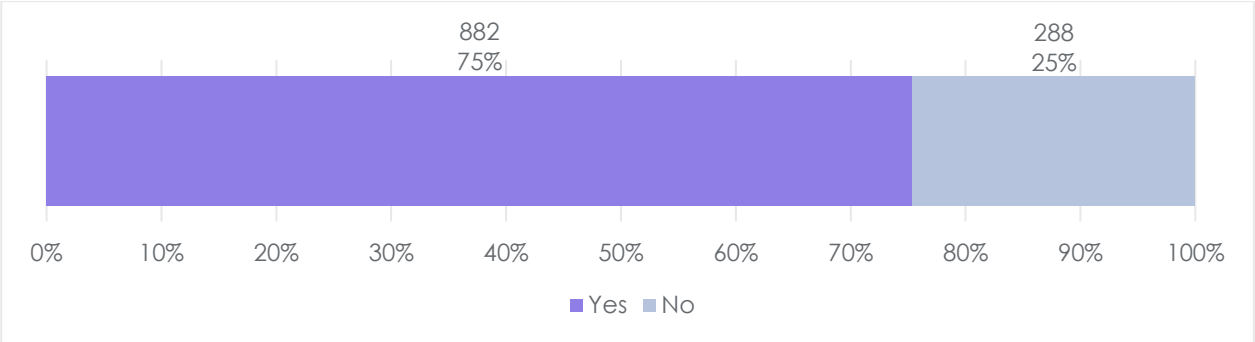

Figure 14: Question 19 (n=1170)

5.11.2. Please provide evidence to support your response.

This question was answered by 793 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or

make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
1 Chapter 1 Scope of the DRS (9-19) | 19a: Material switching | Concern | producers (switching) - to avoid costs	7%	2%	32%	40%	16%	16%
1 Chapter 1 Scope of the DRS (9-19) | 19a: Material switching | Concern | producers (switching) - general	7%	3%	34%	2%	10%	8%
1 Chapter 1 Scope of the DRS (9-19) | 19a: Material switching | Suggestion | general	5%	0%	0%	0%	0%	0%
1 Chapter 1 Scope of the DRS (9-19) | 19a: Material switching | Concern | consumer behaviour change - cost	5%	1%	29%	21%	13%	16%
1 Chapter 1 Scope of the DRS (9-19) | 19a: Material switching | Concern | producers (switching) - detailed	4%	1%	18%	12%	11%	19%

Concerns

Many respondents express concern about producers switching materials and say they may try to find loopholes or switch to materials outside the scope of the deposit return scheme. Respondents who provide specific details on this point say that, for example, producers may switch from PET to HDPE plastic. Some of these respondents also believe that producers may switch to cheaper materials or materials which are outside the scope of deposit return scheme to save costs.

> *"Industry may try to avoid the scheme by selling drinks in containers that are not included. This may cause the opposite effect in that materials that are less recyclable or reusable will be sold and litter reduction may not be achieved."*
>
> *User ID 112093, Individual*

Furthermore, many respondents express concern that consumers would be unlikely to change which materials they buy due to the cost of doing so and may switch to buying multipacks or larger containers if they are excluded from the scheme.

Some respondents say that switching materials could impact the health of consumers if they buy larger containers of unhealthy products. Some of these respondents suggest that smaller containers help to control portion sizes.

A few respondents argue that a deposit return scheme could lead to consumers

purchasing more materials which are not as recyclable. Some of these respondents say consumers could prefer lighter materials and therefore choose non-recyclable plastic over recyclable glass.

Some respondents raise concerns about producers switching to bioplastics because they are outside the scope of the deposit return scheme. They say that bioplastics are not compatible with organic or dry recycling and can cause contamination problems in waste streams.

Some respondents say that material switching could lead to increased waste as consumers may buy more than they need or increase their use of larger containers.

A few respondents argue that implementation of a deposit return scheme would not lead to material switching, or would have negligible impact.

Some respondents say that they do not have an opinion, do not have enough evidence, or lack the expertise to provide a response to this question.

Support

Some respondents express positive comments towards an all-in approach and say that all materials should be included in the deposit return scheme as this would prevent materials switching and include multipacks in scope.

Some respondents express general positive comments towards a deposit return scheme, and some say that producers will switch to more environmentally friendly or 'greener' options as a result of its implementation.

Suggestions

Some respondents suggest that the deposit return scheme should align with Extended Producer Responsibility and consistent collection policies as this would help to avoid confusion.

Some respondents say that glass should be excluded from a deposit return scheme because current methods of kerbside collection are effective and including glass in food service environments could be hazardous. Others say that all plastics should be incorporated into the scheme, whilst others suggest specific types of plastic which should in included.

"Drinks are already sold in HDPE and LLDPE containers which should be included the scheme."

User ID 112031, Other

Some respondents suggest ways in which material switching could be avoided including:

- the introduction of Government legislation;
- regular reviews of which materials are in scope;
- including principles to discourage waste of materials in the scheme; and
- use of a digital deposit return scheme to increase the scope of packaging materials in a cost-effective way.

6. Targets

6.1. Question 20

6.1.1. *Which of the following approaches do you consider should be taken to phase in a 90% collection target over 3 years?*

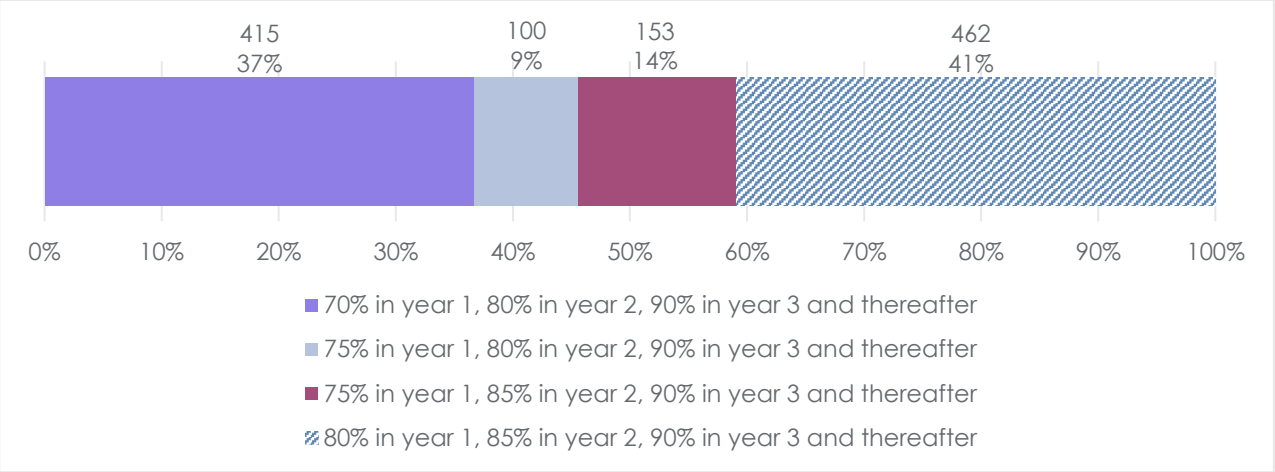

Figure 15: Question 20 (n=1130)

6.2. Question 21

6.2.1. *What collection rate do you consider should be achieved as a minimum for all materials after 3 years?*

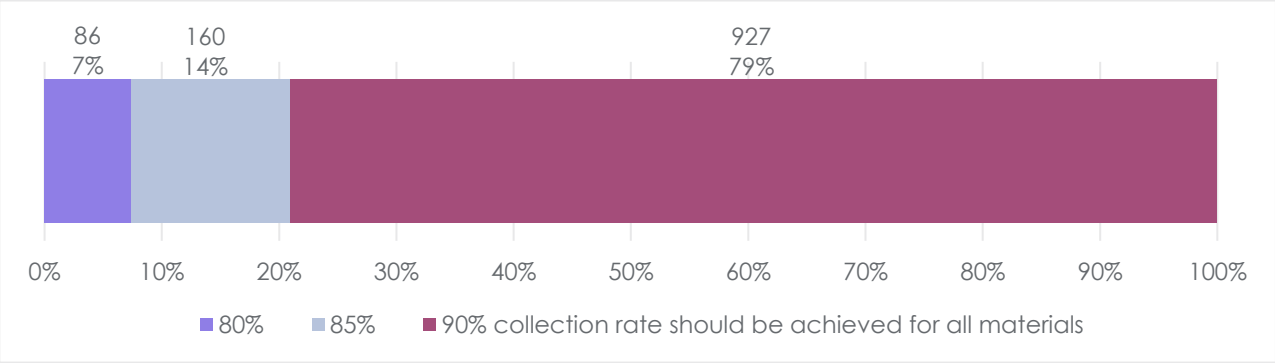

Figure 16: Question 21 (n=1173)

6.3. Question 22

6.3.1. *Is it reasonable to assume that the same collection targets could be met with an on-the-go scheme as those proposed for an all-in scheme for in-scope materials?*

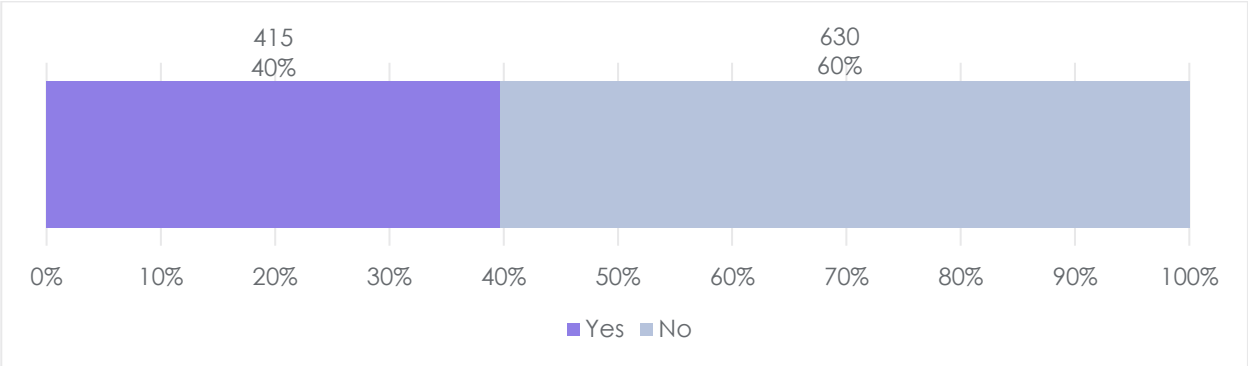

Figure 17: Question 22 (n=1045)

6.3.2. *Please provide any evidence to support your answer.*

This question was answered by 637 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
2 Chapter 2 Targets (20-24) | 22a: Same collection targets for OTG and All-in | Concern | different targets	8%	4%	31%	21%	17%	24%
2 Chapter 2 Targets (20-24) | 22a: Same collection targets for OTG and All-in | Concern | on-the-go (general)	4%	3%	8%	9%	8%	5%
2 Chapter 2 Targets (20-24) | 22a: Same collection targets for OTG and All-in | Concern | general	4%	0%	0%	0%	0%	0%
2 Chapter 2 Targets (20-24) | 22a: Same collection targets for OTG and All-in | Support | all-in (preferred)	4%	2%	3%	30%	6%	11%
2 Chapter 2 Targets (20-24) | 22a: Same collection targets for OTG and All-in | Concern | on-the-go (confusing)	3%	3%	8%	5%	13%	5%

Concerns

Many respondents say that all-in and on-the-go collection schemes should not be expected to reach the same collection targets for various reasons, including differences in scope.

Many respondents express concerns about an on-the-go scheme and say it would not support the results which they would expect from a deposit return scheme. Some respondents suggest that an on-the-go scheme could be confusing for consumers as it will be less clear which containers can be returned. A few respondents feel that an all-in scheme would have a greater impact on reducing littering than an on-the-go scheme.

"An on the go scheme and/or limited containers will lead to confusion and producers obviating the deposit return scheme and consumers not knowing or caring."

User ID 26574, Individual

Some respondents express concern about how other recycling schemes, including the Extended Producer Responsibility, could impact collection targets for a deposit return scheme. Some respondents say that high return and collection rates would be needed for the deposit return scheme to be effective and financially viable.

A few respondents say there is a need for good communication and availability of information to consumers to achieve collection targets and make the scheme successful.

A few respondents say the deposit amount must be set high enough to encourage consumers to participate in the scheme.

A few respondents raise concerns about the consistency of the scheme across the devolved administrations of the UK, particularly with the model already adopted in Scotland.

A few respondents feel that the deposit return scheme could impact consumers and householders by, for example, causing changes in buying habits or people's interactions with other recycling schemes.

A few respondents say that producers may take advantage of loopholes in the scheme and switch their container materials.

Some respondents believe they do not have enough information to determine whether the same collection targets should be expecting from both all-in and on-the-go collection schemes. They encourage Government to include more information in their Impact Assessments.

Support

Many respondents express general positive comments towards an all-in scheme over an on-the-go scheme as they feel it would achieve higher collection rates and be clearer for consumers.

"An all-in scheme with a minimum collection target across all materials would make a lot more sense and achieve its purpose more effectively in the long term."

User ID 99249, Individual

However, some respondents argue that an on-the-go scheme could achieve higher return rates than an all-in scheme, particularly if the scheme is to operate without a digital option.

A few respondents say that the same collection targets could be achieved with either type of scheme.

Suggestions

A few respondents make a range of diverse suggestions, including specific collection targets and deposit amounts.

6.4. Question 23

6.4.1. Who should report on the volumes of deposit return scheme material placed on the market in each part of the United Kingdom (England, Wales and Northern Ireland) for the proposed deposit return scheme?

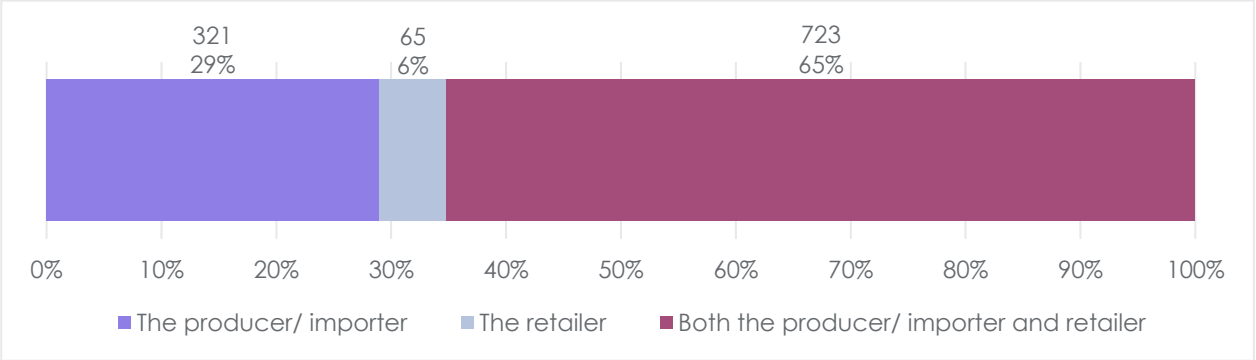

Figure 18: Question 23 (n=1109)

6.4.2. What would be the implication of these obligations?

This question was answered by 538 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
2 Chapter 2 Targets (20-24) | 23a: Report on volumes for producers, importers and retailers | Other and general | concern about added cost/time	3%	1%	18%	5%	3%	8%
2 Chapter 2 Targets (20-24) | 23a: Report on volumes for producers, importers and retailers | Producer/Importer | producer should report (general)	3%	2%	13%	4%	6%	5%
2 Chapter 2 Targets (20-24) | 23a: Report on volumes for producers, importers and retailers | Other and general | suggestions	3%	1%	8%	4%	10%	3%
2 Chapter 2 Targets (20-24) | 23a: Report on volumes for producers, importers and retailers | Both producer/importer and retailer | both should report - general	2%	2%	6%	2%	10%	3%
2 Chapter 2 Targets (20-24) | 23a: Report on volumes for producers, importers and retailers | Producer/Importer | producer should report - more expertise/capacity	2%	2%	5%	4%	3%	8%

Both retailers and producers should report

Some respondents say that both producers and retailers should have a shared responsibility to report on the amount of in-scope material placed on the market. They believe that this would make reporting of in-scope material placed on the market more accurate and would be more transparent.

Producers should report

Many respondents suggest that it should be the responsibility of the producer to report on the volume of in-scope material within the deposit return scheme. Some say that this is because they have greater capacity and are more likely to be able to carry out such reporting whilst some say they should take responsibility for products which they have played on the market.

Some respondents argue that retailers should not be responsible for reporting on the volume of in-scope materials within the deposit return scheme as they are not responsible for what is on the market, whilst some respondents express concern about the impact which reporting in-scope material may have on smaller retailers and say they may lack the capacity to carry out such tasks.

"The producer/importer will be in the best position to do this, due to existing reporting systems within the current packaging regulations."

User ID 128609, Individual

Retailers should report

Some respondents believe that producers should not be responsible for reporting the volume of material within scope of the deposit return scheme as they do not always know what happens to their product once it has been sold to a retailer and therefore the data may be less accurate.

> *"Producers are unlikely to have knowledge of the eventual destinations of where their products are actually placed onto the market. It is not always the case that manufacturers know who the final seller of their packaging is and what nation those sellers are based in."*
>
> *User ID 124293, Retailer including online marketplace*

Meanwhile, some respondents say that retailers should be responsible for reporting volumes of in-scope material within the deposit return scheme as they are better placed to provide more accurate data.

A few respondents feel that it should be the responsibility of large retailers to report on the volume of in-scope items within the deposit return scheme.

Other comments, concerns and suggestions

Many respondents express concern about the added cost and time burden which reporting may place on retailers or producers.

Some respondents say that the responsibility for reporting on volumes of in-scope materials placed on the market should align with the Extended Producer Responsibility. A few respondents say the Deposit Management Organisation should be responsible for deciding who reports on volumes of material within the scope of the deposit return scheme.

Some respondents feel there is a need to clarify the definition of 'placed on the market'.

A few respondents believe the deposit return scheme in England, Wales and Northern Ireland should align with the scheme to be introduced in Scotland to reduce complexity and confusion for businesses.

A few respondents say that retailers or producers should be fined if they do not report to a sufficient standard, whilst a few raise concerns that reporting may be open to fraud.

Some respondents provide a range of other specific suggestions, including reporting provided by recycling centres or by an independent body.

6.5. Question 24

6.5.1. What evidence will be required to ensure that all material collected is passed to a reprocessor for the purpose of calculating the rate of recycling of deposit return scheme materials?

This question was answered by 677 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
2 Chapter 2 Targets (20-24) | 24a: Evidence of recycling | Suggestion | audit/control	6%	4%	8%	32%	14%	8%
2 Chapter 2 Targets (20-24) | 24a: Evidence of recycling | follow local authorities protocol	4%	0%	42%	0%	2%	5%
2 Chapter 2 Targets (20-24) | 24a: Evidence of recycling | DMO responsibility/should determine	3%	1%	3%	26%	16%	8%
2 Chapter 2 Targets (20-24) | 24a: Evidence of recycling | Suggestion | general	3%	0%	0%	0%	0%	0%
2 Chapter 2 Targets (20-24) | 24a: Evidence of recycling | existing protocols (general)	2%	1%	16%	4%	3%	5%

Suggestions

Many respondents say that there should be regular auditing to ensure that claims about recycling rates are being met. They suggest how an audit or control scheme could work, with procedures for weighing and recording material type, stages of gathering information and non-compliance penalties.

"This is best left to the DMO to propose but it must be auditable by a third party and matched to a database."

User ID 128837, Local government

Many respondents say that the approach to calculating recycling rates should be similar to existing local authority protocols which people are already familiar with in order to ensure transparency and increase public trust.

Some respondents suggest that the rate of recycling should be calculated based on weight. This could be done, for example, by comparing the weight put on the market to the weight collected by reprocessors. A few respondents feel that evidence of recycling levels could be derived from any reduction in the amount of materials going to landfill.

Some respondents say the Deposit Management Organisation should be responsible for calculating and reporting the rate of recycling, whilst others say that the reprocessor should be responsible for calculating the recycling rate by, for example, issuing receipts when material is received and when it has been processed. A few respondents say that evidence should be given by retailers as to the amount of waste collected by them. This

amount could then be compared to the amount which the reprocessor has recycled.

Some respondents say that processes currently used to measure rates of recycled materials should also be used to calculate recycling rates for the deposit return scheme materials in the market.

A few respondents believe that applying a unique identifier (such as a barcode) to in-scope containers would ensure identification throughout the container's journey, which would enable better calculation of recycling rates.

A few respondents say that the approach to calculating recycling rates should be made to align with the approach for the Extended Producer Responsibility to avoid confusion and ensure a streamlined reporting system.

A few respondents believe that further consultation or research is required to agree how to calculate the rates of deposit return scheme materials in the market.

A few respondents say that recycling should be done in the UK because otherwise a deposit return scheme will be no different from current recycling efforts and waste will be sent overseas, adding to global pollution.

Concerns

A few respondents express concern about the feasibility of obtaining accurate evidence of recycling rates within the scheme, as well as the UK's capacity to recycle materials or send them overseas.

Some respondents say they are unsure how to calculate the rate of recycling.

Support

Some respondents say they agree that evidence will be required and that the proposals brought forward in the consultation are appropriate.

7. Scheme governance

7.1. Question 25

7.1.1. What length of contract do you think would be most appropriate for the successful bidder to operate as the Deposit Management Organisation?

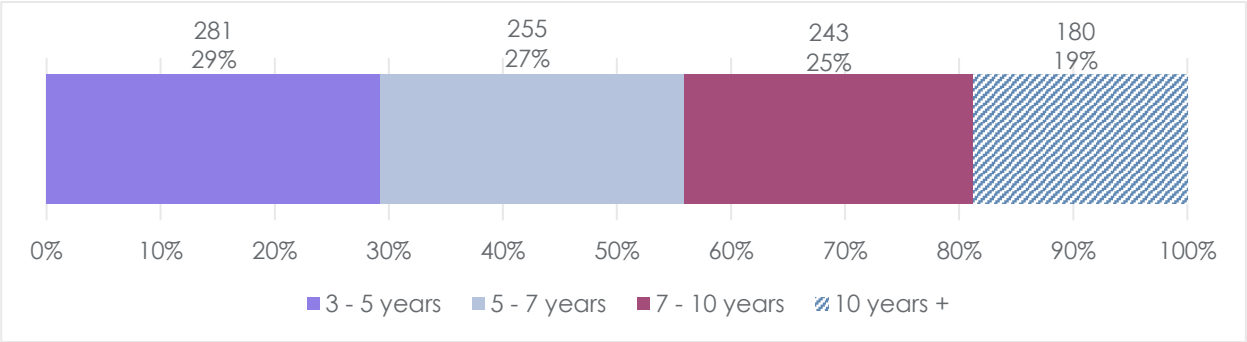

Figure 19: Question 25 (n=959)

7.1.2. Additional comments

Although question 25 does not include an open text question, a few respondents have provided comments in addition to their closed question answers.

Many of these respondents express positive comments towards the suggestion of a long-term contract, whilst some respondents suggest specific contract lengths, usually somewhere between 5 and 10 years, or say that contracts should have an option to extend. A few argue that contract reviews should be built into any agreement.

7.2. Question 26

7.2.1. Do you agree that the above issues should be covered by the tender process?

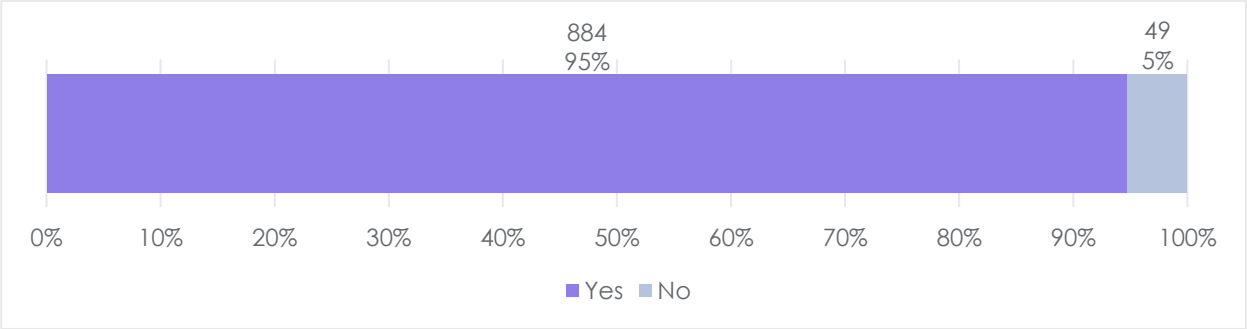

Figure 20: Question 26 (n=933)

7.2.2. Please list any further issues you believe should be covered as part of the tender process.

This question was answered by 424 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
3 Chapter 3 Scheme Governance (25-29) | 26a: Issues to cover by tender process | Concern | representation of local authorities in DMO	4%	0%	43%	0%	0%	3%
3 Chapter 3 Scheme Governance (25-29) | 26a: Issues to cover by tender process | Suggestion | issues to cover by tender	4%	1%	14%	14%	17%	14%
3 Chapter 3 Scheme Governance (25-29) | 26a: Issues to cover by tender process | Concern | suitability of applicant	3%	1%	7%	19%	21%	14%
3 Chapter 3 Scheme Governance (25-29) | 26a: Issues to cover by tender process | Other and general | digital kerbside collection	2%	0%	25%	0%	0%	5%
3 Chapter 3 Scheme Governance (25-29) | 26a: Issues to cover by tender process | Other and general | role of the DMO	2%	0%	3%	16%	14%	14%

Concerns

Many respondents state that local authorities should have representation in the Deposit Management Organisation and that if this is not the case, the tender process should refer to the need to liaise with local authorities and for there to be a formalised dispute resolutions process.

Many respondents also say that the successful applicant to oversee the scheme should command support from producers and retailers across the sector and demonstrate appropriate experience. A few of these respondents add that they should not be selected purely based on the lowest price.

"The DMO will need to demonstrate a clear understanding not just of producers, but also how the retailers work to fully understand the customer journey and complexity in the system."

User ID 129098, Retailer including online marketplace

A few respondents express concern about the tender process and say that it must be open, transparent and competitive. Others believe that non-compliance following receipt of the contract is a concern and suggest that there should be financial penalties for failing to meet targets.

A few say the tender process is too complicated. A few also say that the process must

avoid the creation of a monopoly.

Some respondents say that they do not believe the decision on a digital deposit return scheme should be left to the Deposit Management Organisation and argue that it should instead be integrated into the scheme design. Other respondents make general comments about what the role of the Deposit Management Organisation should be, with some of these respondents suggesting that it should work with packaging manufacturers to ensure the highest possible quantity and quality of recycled material or that it should have the flexibility to determine producer fees.

Some respondents say that the sale of materials by the Deposit Management Organisation should be a fair and transparent process.

A few respondents question the ability of the Deposit Management Organisation to accommodate vulnerable groups who may struggle to use reverse vending machines.

A few respondents do not feel able to comment on the issues which should be covered as part of the tender process.

Support

A few respondents make general positive comments about the tendering process. Where they make more specific comments, a few respondents express positive comments towards the proposal for appropriate auditing and monitoring of the deposit return scheme, whilst others are positive about the Deposit Management Organisation being a non-profit.

"The organisation that runs the scheme should be a not-for-profit organisation, preferably a Government Department or a charity / NGO, [which is] not biased by the need for profit."

User ID 112189, Individual

Suggestions

Many respondents suggest issues which should be covered by the tender process. These include:

- clarification of the role of the digital deposit return scheme;
- clarification of the role of local authorities;
- the need for applicants to provide evidence around how they will liaise with key stakeholders;
- the possibility of applications being made public.

Some respondents say that the tender process should be aligned with the process for the Extended Producer Responsibility and Consistency in Household and Business Recycling, or that the Deposit Management Organisation's contract should have similar terms to the system administrator for the Extended Producer Responsibility.

"Considerations should be given to adopting the same length and timing of contract as for the EPR contract with the Scheme Administrator… Tendering should be undertaken within the remit of EPR and not separate to it."

User ID 128734, Local government

A few respondents say that those designing the tendering process should learn from Scotland's experience by, for example, understanding how supply chains and IT systems will work.

Meanwhile, a few say that a legal obligation should be placed upon the Deposit Management Organisation to ensure that any glass recovered as part of the scheme is sent to be remelted.

7.3. Question 27

7.3.1. Do you agree that the above issues should be monitored as Key Performance Indicators?

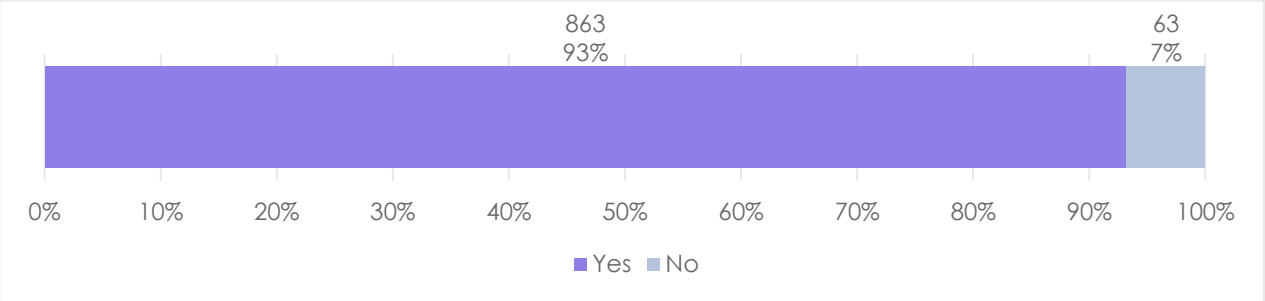

Figure 21: Question 27 (n=926)

7.3.2. Please list any further issues you believe should be covered by Key Performance Indicators.

This question was answered by 297 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
3 Chapter 3 Scheme Governance (25-29) | 27a: Issues to cover by KPIs | need for assessments	8%	2%	41%	32%	22%	19%
3 Chapter 3 Scheme Governance (25-29) | 27a: Issues to cover by KPIs | suggestion (general)	3%	1%	9%	2%	17%	5%
3 Chapter 3 Scheme Governance (25-29) | 27a: Issues to cover by KPIs | suggestion - DMO contract	2%	0%	17%	0%	0%	5%

3 Chapter 3 Scheme Governance (25-29) | 27a: Issues to cover by KPIs | support (general)	1%	0%	8%	0%	11%	3%
3 Chapter 3 Scheme Governance (25-29) | 27a: Issues to cover by KPIs | concern (general)	1%	1%	7%	2%	3%	0%

Suggestions

Many respondents comment on the key performance indicators (KPIs) which they feel are needed. These suggestions are varied but include indicators relating to:

- environmental impacts (including indicators relating to carbon emissions);
- volume of material recycled;
- producer fees;
- collection rates;
- level of material switching; and
- accessibility of the scheme (including the social equity of the scheme).

Meanwhile, some respondents make suggestions around the general principle of KPIs – for example, that they should allow time for adjustments to be made during implementation or that KPIs should be reviewed and revised as required.

A few respondents argue that the 'How long does it take for broken machines to be repaired?' indicator would sit more appropriately with return point operators.

A few respondents say that consumer satisfaction should be included as a key performance indicator for the deposit return scheme whilst a few feel that additional information is required to allow them to answer this question.

Concerns

Some respondents express concern about the key performance indicators which will be used and whether they measure, for example, how and where products are recycled.

Support

Some respondents express positive comments towards the proposed issues covered by key performance indicators and say that they have nothing further to add.

7.4. Question 28

7.4.1. Do you agree that Government should design, develop and own the digital infrastructure required to register and receive evidence on containers placed on the market on behalf of the Deposit Management Organisation and regulators?

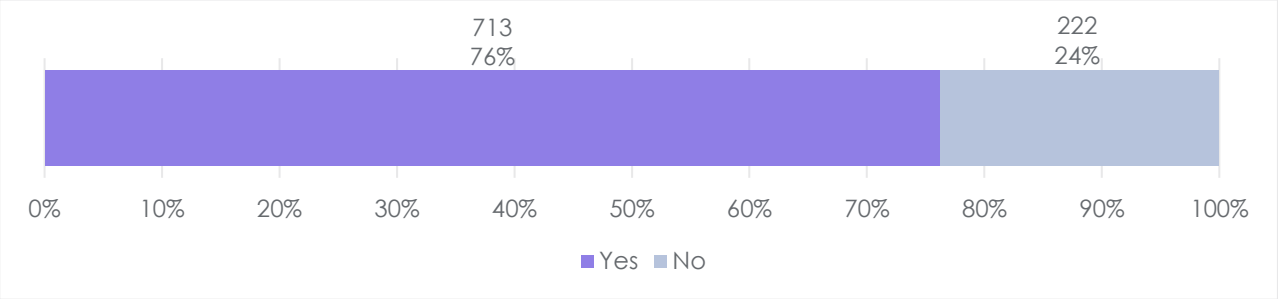

Figure 22: Question 28 (n=935)

7.4.2. Please elaborate on your answer.

This question was answered by 482 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
3 Chapter 3 Scheme Governance (25-29) | 28a: Digital infrastructure | support (continuity)	6%	1%	47%	11%	11%	16%
3 Chapter 3 Scheme Governance (25-29) | 28a: Digital infrastructure | support (general)	5%	2%	20%	33%	3%	8%
3 Chapter 3 Scheme Governance (25-29) | 28a: Digital infrastructure | DMO should be responsible	4%	0%	15%	25%	22%	8%
3 Chapter 3 Scheme Governance (25-29) | 28a: Digital infrastructure | concern (general)	2%	1%	9%	7%	3%	8%
3 Chapter 3 Scheme Governance (25-29) | 28a: Digital infrastructure | concern (government bad track record)	2%	2%	4%	2%	0%	5%

Concerns

Some respondents express concern about how effectively digital infrastructure could support the deposit return scheme.

Some respondents question Government's ability to design, develop and own this infrastructure. Some of these respondents offer their interpretation of Government's past performance as evidence of this, whilst others argue that the performance of the private sector has been better in this area.

A few respondents say that they do not have an opinion on this matter or feel unqualified to comment.

Support

Many respondents express positive comments towards the idea that Government should design, oversee and own the digital infrastructure for a deposit return scheme. Some, similarly, believe that Government should oversee digital infrastructure but feel that this should be independently audited. Conversely, a few respondents feel there should be independent oversight of the digital infrastructure with an audit conducted by Government.

"This digital infrastructure will be critical in the effective running of the DRS. It is vital that it is owned by the Government as otherwise it would act as a barrier to changing the DMO."

User ID 124315, Business representative organisation or trade body

Many respondents say they would support a digital infrastructure which would ensure continuity across the geographical regions of the UK.

Suggestions

Some respondents say that the Deposit Management Organisation should be responsible for the design and maintenance of the digital infrastructure for a deposit return scheme.

A few respondents say there should be continued engagement with the relevant stakeholders and organisations during the design, development and implementation of the digital infrastructure.

7.5. Question 29

7.5.1. Government will need to understand the needs of users to build digital services for a deposit return scheme. Would you like your contact details to be added to a user panel for deposit return scheme so that we can invite you to participate in user research (eg. surveys, workshops, interviews) or to test digital services as they are designed and built?

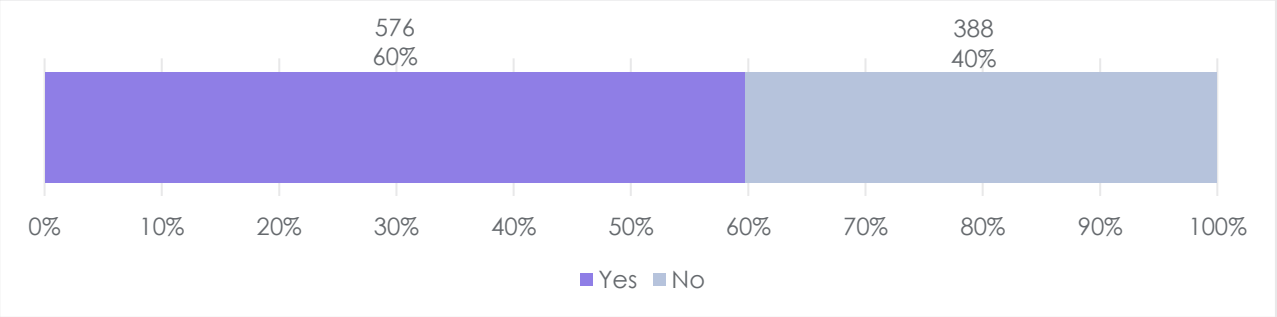

Figure 23: Question 29 (n=964)

8. Financial flows

8.1. Question 30

8.1.1. What is an appropriate measure of small producers for the purposes of determining the payment of registration fees?

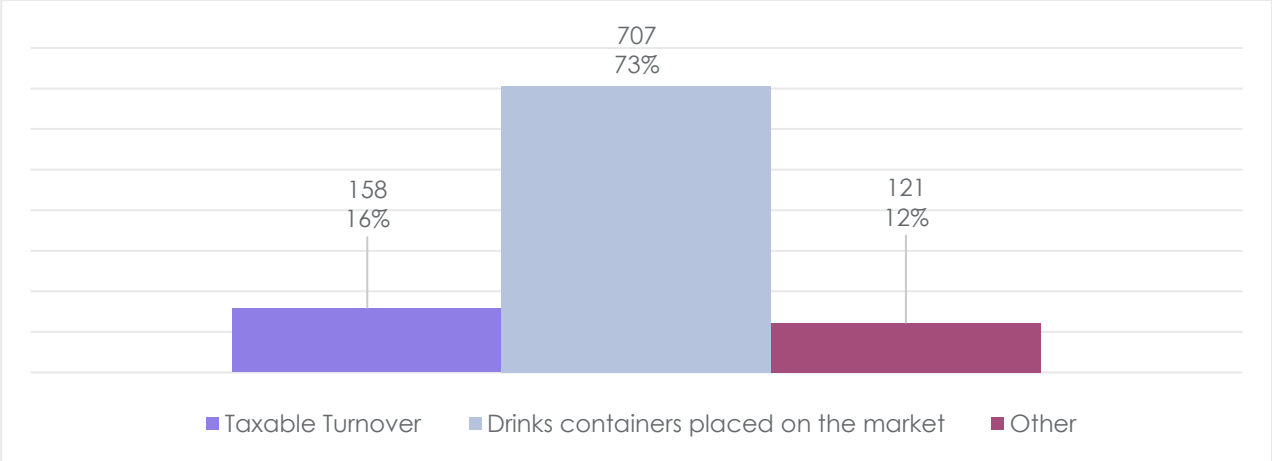

Figure 24: Question 30 – Respondents could select more than one option and the base number (n) is the number of respondents who selected at least one option, with all percentages calculated in relation to this figure (n=973)

8.1.2. If 'other' please specify.

This question was answered by 263 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 30: Small producers registration fee | Support | both	4%	2%	4%	5%	21%	32%
4 Chapter 4 Financial Flows (30-39) | 30: Small producers registration fee | Support | drink containers	3%	1%	18%	0%	5%	0%
4 Chapter 4 Financial Flows (30-39) | 30: Small producers registration fee | Suggestion | alternative initiatives	2%	1%	5%	4%	13%	8%
4 Chapter 4 Financial Flows (30-39) | 30: Small producers registration fee | Concern | taxable turnover	2%	0%	13%	0%	3%	3%

4 Chapter 4 Financial Flows (30-39) | 30: Small producers registration fee | Support | taxable turnover	1%	0%	6%	0%	0%	3%

Support

Some respondents say that both taxable turnover and the number of drinks containers placed on the market are appropriate measures to determine any registration fees for producers, whilst a few specifically express their support for one measure or the other.

Concerns

A few respondents express general concerns about the possible imposition of registration fees on small producers. Meanwhile, a few respondents say that registration fees for small producers should not be linked to taxable turnover because, for example, drinks containers may only represent a small proportion of the products they produce and so they would be placed at an unfair disadvantage.

Suggestions

Some respondents suggest alternative measures, including deducting it from accounting procedures, basing it on environmental impact, or excluding small businesses altogether. A few respondents say that any registration fee should consider the quality of the recyclate produced.

8.2. Question 31

8.2.1. Is a high level of unredeemed deposits funding the scheme problematic?

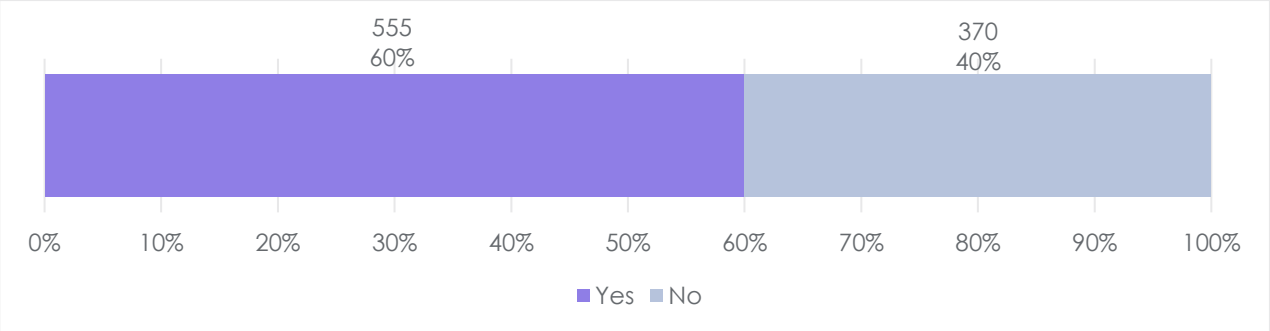

Figure 25: Question 31 (n=925)

8.2.2. Please explain your answer.

This question was answered by 660 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code

applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 31: Unredeemed deposits funding | Unredeemed deposits problematic	13%	7%	58%	9%	21%	14%
4 Chapter 4 Financial Flows (30-39) | 31: Unredeemed deposits funding | Unredeemed deposits not problematic	6%	3%	6%	40%	24%	11%
4 Chapter 4 Financial Flows (30-39) | 31: Unredeemed deposits funding | Suggestion | scheme operation	4%	1%	23%	9%	21%	8%
4 Chapter 4 Financial Flows (30-39) | 31: Unredeemed deposits funding | Concern | producer fees	4%	1%	29%	2%	6%	8%
4 Chapter 4 Financial Flows (30-39) | 31: Unredeemed deposits funding | Support | part fund scheme	4%	2%	4%	47%	8%	11%

Concerns

Many respondents say that unreturned deposits are problematic. Some of these respondents say that in this situation the scheme may be deemed ineffective and fewer people may wish to engage with it.

"A high level of unredeemed deposits for any DRS would be problematic, as it means that the scheme is not working as envisaged. This would mean the scheme is not achieving high recycling rates, operating inefficiently and costing producers more than envisaged."

ID 116602, Local government

Some respondents express concern that if unreturned deposits are used to fund the deposit return scheme and offset producer fees then producers may face uncertainty around costs as the level of unreturned deposits will vary.

Some say that a high level of unredeemed deposits may be due to social inequity as those with lower incomes may be less able to recycle.

A few respondents say that a high level of unredeemed deposits would indicate that the scheme was not sufficiently tackling the litter problem, whilst others believe that glass would be less likely to be returned owing to its weight and greater cost (meaning the deposit makes up a smaller proportion of the cost of the product).

Meanwhile, a few respondents argue that a high level of unredeemed deposits would indicate that the deposit level had been set too low.

A few respondents also express concern about the transparency of a deposit return scheme, arguing that it must be clear how unredeemed deposits are spent.

Support

Some respondents say that unreturned deposits are not problematic or argue that there would not be high levels of unreturned deposits.

> *"The governments should be aware that the retention of unredeemed deposits within the system is observed in best-practice DRS systems internationally."*
>
> *ID 128944, Business representative organisation or trade body*

Suggestions

Many respondents say that unredeemed deposits could be reinvested in the scheme, whilst some say they could be used to support environmental or recycling projects, some argue they could be used to fund local authorities, and a few say they could fund charities.

Some respondents suggest that the Deposit Management Organisation should be responsible for increasing engagement with a deposit return scheme and should have detailed plans for if there is a high level of unredeemed deposits.

Some respondents believe that unredeemed deposits could be used to promote the scheme and educate the public on how to recycle effectively. Others offer mixed suggestions on how deposits could be used, including the suggestion of limits on how much money can be reinvested into the scheme and how much should be spent on ensuring interoperability between recycling schemes.

Other suggestions include:

- ensuring the deposit return scheme operates within existing waste disposal and recycling schemes;
- incentivising particular producer behaviours; and
- offering alternative recycling methods to increase the recycling of glass.

8.3. Question 32

8.3.1. Which option to treatment of unredeemed deposits do you support?

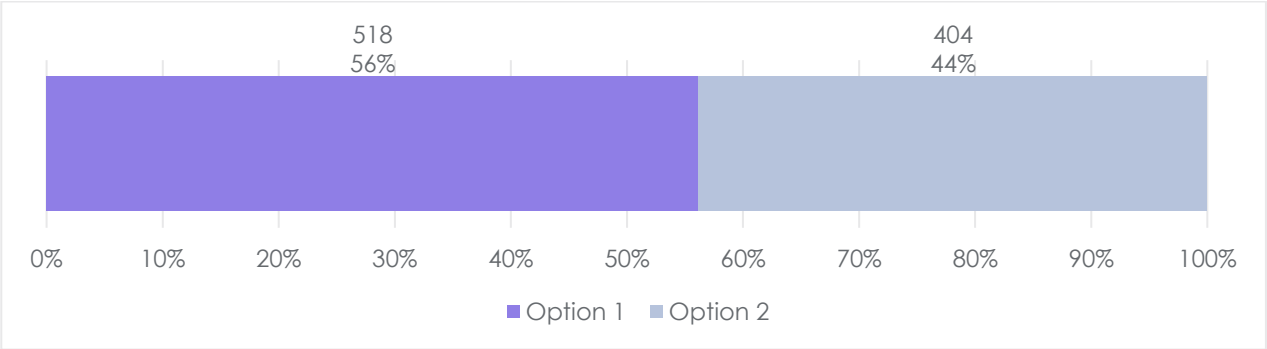

Figure 26: Question 32 (n=922)

8.4. Question 33

8.4.1. With option 2, do you foresee any unintended consequences of setting a minimum percentage of the net costs of the deposit return scheme that must be met through the producer fee?

This question was answered by 560 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 33a: Treatment of unredeemed deposits | Support | option 2 (no consequences)	7%	3%	37%	39%	3%	16%
4 Chapter 4 Financial Flows (30-39) | 33a: Treatment of unredeemed deposits | Suggestion | cannot identify/don't know	3%	2%	15%	4%	2%	3%
4 Chapter 4 Financial Flows (30-39) | 33a: Treatment of unredeemed deposits | Concern | option 2 (general)	3%	0%	0%	0%	0%	0%
4 Chapter 4 Financial Flows (30-39) | 33a: Treatment of unredeemed deposits | Support | option 2 (general)	3%	0%	0%	0%	0%	0%
4 Chapter 4 Financial Flows (30-39) | 33a: Treatment of unredeemed deposits | Concern | option 2 (cost)	2%	0%	14%	0%	10%	3%

Concerns

Some respondents express general concerns about potential unintended consequences of option 2. Some of these comments suggest that Government's main objective is to make money from the scheme rather than reduce waste. Meanwhile, some respondents believe option 2 may adversely affect smaller producers and their finances, whilst a few respondents argue that option 2 could negatively affect levels of competition between retailers and reduce entry to the market, may increase costs for producers, or could disincentivise producer compliance with the scheme.

"With a large number of small drinks companies such as small craft beers, this puts greater pressure on small businesses compared to larger businesses. This will mean smaller businesses suffer more."

User ID 26478, Non-governmental organisation

Some respondents raise concerns about the fact that option 2 would not align with the proposed Scottish deposit return scheme. They say this will increase costs, add complexity, or inhibit the ability of the Deposit Management Organisation to work with the administrator of the Scottish deposit return scheme.

Furthermore, a few respondents suggest that option 2 may lead to producers switching materials or moving away from recyclable materials in order to reduce fees, whilst a few say that unintended impacts may fall upon consumers through higher prices which would disproportionately impact those on lower incomes.

A few respondents express concerns about both option 1 and option 2, saying that there may be unintended consequences regardless of what scheme is chosen.

Some respondents say that they do not have enough information, are not aware of evidence or do not have the knowledge to offer an opinion on this matter.

Support

A few respondents express support for option 1, with some saying that it would allow for unredeemed deposits to partly fund the scheme.

However, many respondents say that the unintended consequences of option 1 would be greater than those of option 2 or that they do not foresee any unintended consequences for option 2. Some respondents express support for option 2 because it would provide consistency in producer costs and would drive producer efficiency.

"Option 2 is not supported. Unintended consequences could include brands moving to packaging with lower producer fees. These may not be the most recyclable or beneficial environmentally."

User ID 129043, Packaging designer/ manufacturer/ converter

Suggestions

Some respondents make suggestions which include:

- producers covering the costs of the scheme under the 'polluter pays' principle;
- undertaking further research before choosing an option; and
- suggestions about how to spend unredeemed deposits.

8.5. Question 34

8.5.1. *If a floor is set do you consider that this should be set at…?*

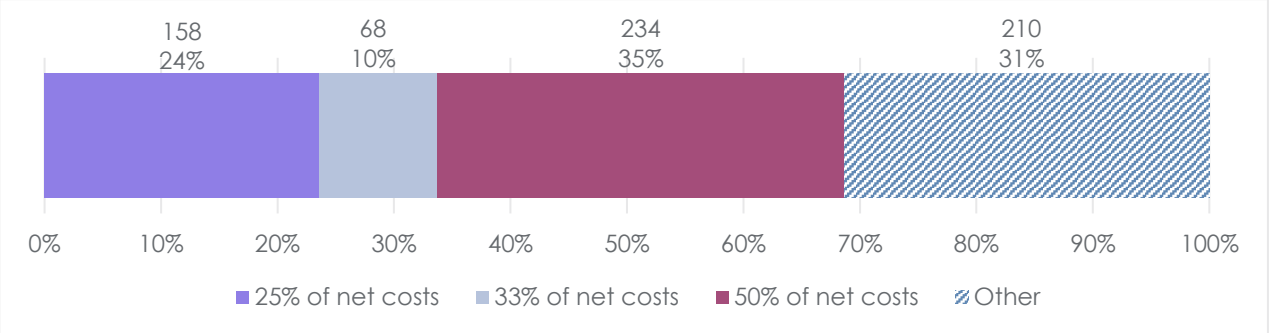

Figure 27: Question 34 (n=670)

8.5.2. *Please provide any evidence to support your response.*

This question was answered by 395 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 34a: Floor for producers | Other and general | suggestion	5%	0%	0%	0%	0%	0%
4 Chapter 4 Financial Flows (30-39) | 34a: Floor for producers | don't know/unsure	3%	1%	21%	0%	0%	0%
4 Chapter 4 Financial Flows (30-39) | 34a: Floor for producers | Comments about Option 2 | support a minimum producer fee | 50%	3%	1%	9%	28%	0%	3%
4 Chapter 4 Financial Flows (30-39) | 34a: Floor for producers | Comments about Option 2 | support a minimum producer fee | other percentage	2%	1%	7%	7%	19%	0%
4 Chapter 4 Financial Flows (30-39) | 34a: Floor for producers | Comments about Option 1 | support for option 1	2%	0%	0%	18%	25%	5%

Support

Respondents often state their support for various levels of minimum producer fee. Some support 25%, a few support 33% and many support 50%. Meanwhile, a few support a minimum producer fee of less than 25% or simply say that the percentage should be low. However, a few believe that a high percentage of the net costs of the deposit return scheme should be met through producer fees. Some respondents suggest an alternative percentage to those proposed (not necessarily higher or lower than the proposed range). Many say that it is difficulty to specify a percentage without further information, or argue that the level should be determined by the Deposit Management Organisation.

Some respondents support option 1 for the treatment of unredeemed deposits, with some of these respondents suggesting that option 2 (including the use of a producer floor fee) is unsuitable.

Suggestions

Other suggestions for the determination of a producer fee or the operation of the scheme include:

- use of a flat fee similar to that proposed for Scotland;
- use of a variable producer fee;
- a consultation process to be undertaken once a draft tender has been prepared;
- reinvestment of any excess funding secured from unredeemed deposits into the deposit return scheme.
- use of glass industry fees to calculate the level of producer fees; and
- regular reviews of the producer fee level.

8.6. Question 35

8.6.1. Do you agree that any excess funds should be reinvested in the scheme or spent on other environmental causes?

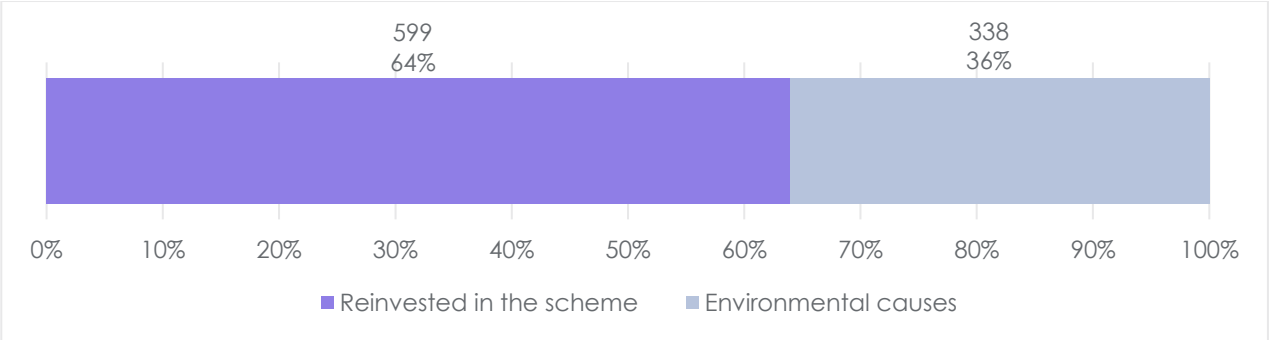

Figure 28: Question 35 (n=937)

8.7. Question 36

8.7.1. *What should be the minimum deposit level set in legislation?*

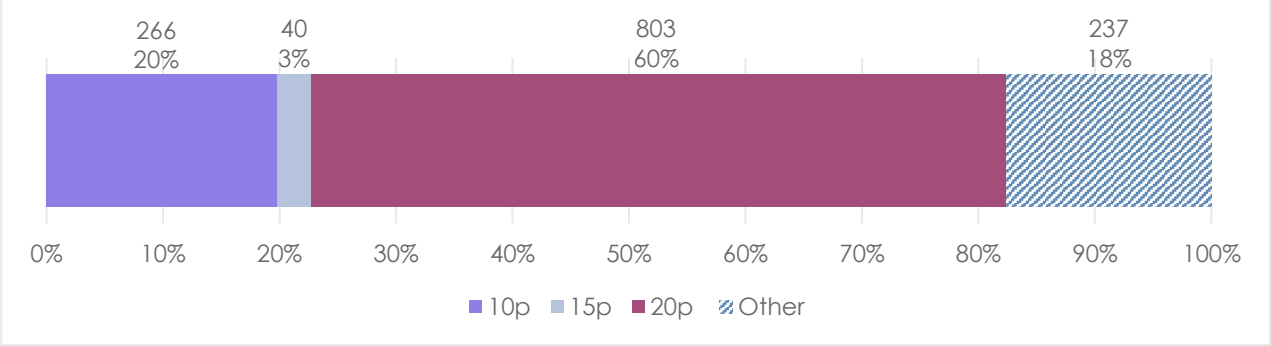

Figure 29: Question 36 (n=1346)

8.7.2. *If 'other' please specify.*

This question was answered by 497 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 36a: Deposit level | Suggestion | DMO should set level	8%	1%	22%	67%	33%	43%
4 Chapter 4 Financial Flows (30-39) | 36a: Deposit level | Suggestion | devolved administrations (consistency)	4%	1%	4%	9%	22%	30%
4 Chapter 4 Financial Flows (30-39) | 36a: Deposit level | Support | scottish model	4%	3%	5%	0%	11%	3%
4 Chapter 4 Financial Flows (30-39) | 36a: Deposit level | Concern | deposit amount (as incentive)	3%	1%	13%	2%	5%	3%
4 Chapter 4 Financial Flows (30-39) | 36a: Deposit level | Support | minimum level	2%	1%	1%	5%	6%	27%

Support

Some respondents would support any minimum deposit return level which mirrors the level set for the Scottish deposit return scheme. Meanwhile, some respondents support a minimum level without necessarily specifying what it should be.

"I believe it should be sufficient to truly deter the end user from not redeeming the deposit."

User ID 26450, Individual

Some respondents state what minimum level they would prefer, with a few variously offering support for a level set at less than 10p, 10p, 15p, 20p, more than 20p, 50p or £1.

Concerns

Some respondents express concern that the level of deposit set may not be sufficient to encourage behaviour change amongst consumers, or that it may cause behaviour change other than that which is intended. Some respondents also say that there is a need for an independent assessment to help determine the level of deposit set and question whether this should be undertaken by the Deposit Management Organisation.

A few respondents say that they are unsure what the minimum deposit level should be.

Suggestions

Many respondents say that the Deposit Management Organisation should be responsible for setting the level of the minimum deposit. Meanwhile, some argue that it is important that the level is the same across the UK.

Some respondents suggest a variable deposit level based on:

- inflation (or which varies over time as required);
- the material used;
- the number of containers in a pack;
- the size of the container; or
- the value of the product.

8.8. Question 37

8.8.1. Do you agree that there should be a maximum deposit level set in legislation?

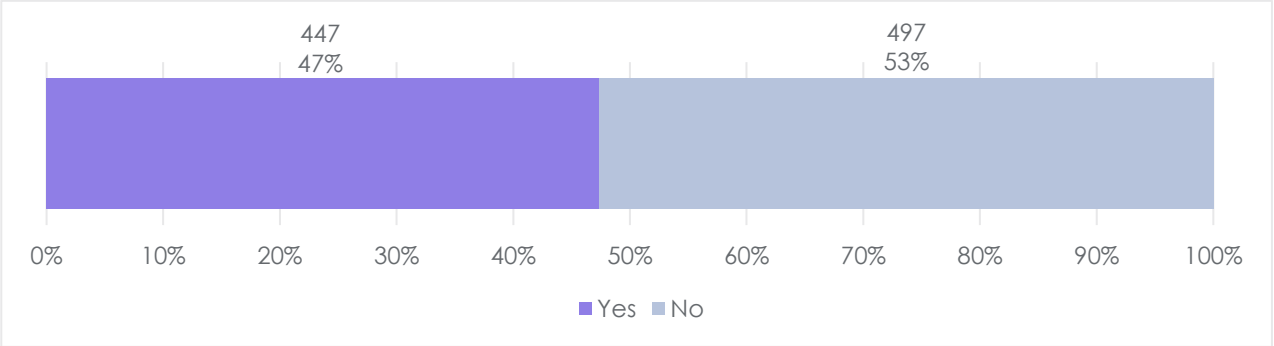

Figure 30: Question 37 part 1 (n=944)

8.8.2. *If yes, what should be the maximum deposit level set in legislation?*

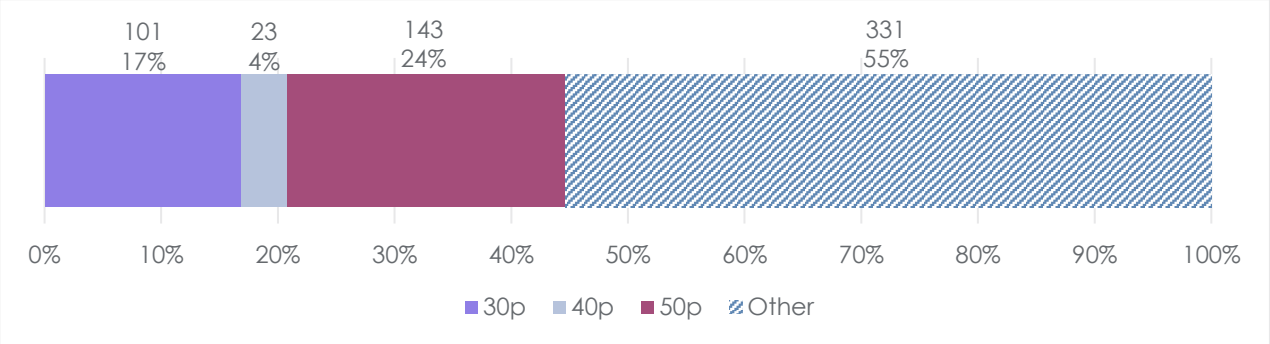

Figure 31: Question 37 part 2 (n=598)

8.8.3. *If 'other' please specify.*

This question was answered by 464 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 37a:Deposit level | Suggestion | DMO should set level	8%	1%	14%	65%	32%	46%
4 Chapter 4 Financial Flows (30-39) | 37a:Deposit level | Suggestion | Devolved administrations (consistency)	5%	1%	18%	5%	25%	35%
4 Chapter 4 Financial Flows (30-39) | 37a:Deposit level | Concern | disadvantage for certain social groups	5%	0%	39%	5%	6%	8%
4 Chapter 4 Financial Flows (30-39) | 37a:Deposit level | Suggestion | variable (number in packs)	2%	0%	22%	4%	2%	8%
4 Chapter 4 Financial Flows (30-39) | 37a:Deposit level | Suggestion | local authority representation	2%	0%	20%	0%	0%	3%

Concerns

Many respondents express a general concern that if the deposit required by the deposit return scheme is too high then this could disadvantage certain groups, particularly those from low income households.

A few respondents also raise concerns about the potential for fraud if the maximum deposit level is set too high.

Meanwhile, a few respondents say that they do not know the level at which it should be set.

Support

A few respondents express general positive comments towards the principle of a maximum deposit level without necessarily specifying what that should be. Some respondents also say the level at which they think the maximum deposit should be set, ranging from less than 10p to more than £2.

Suggestions

Many respondents argue that the Deposit Management Organisation should be responsible for setting and changing deposit levels. Many also say that the maximum deposit rate should be the same across all parts of the UK.

Some respondents feel that it is important for the views of local authorities to be represented, either through membership of the Deposit Management Organisation or through the consultation process for key stakeholders.

Meanwhile, some suggest that the deposit level set in legislation should be variable, depending on:

- the number of containers in a pack;
- inflation (or a level which varies over time as required);
- the material used;
- the size of the container; or
- the value of the product.

"[A fixed maximum deposit] ignores inflation and restricts the ability to trial the effectiveness of changes if the initial scheme doesn't work as hoped - it may be necessary to significantly increase the amount to make people act."

User ID 112253, Individual

However, a few respondents argue that the maximum deposit should be set in legislation at a fixed level.

8.9. Question 38

8.9.1. Recognising the potentially significant deposit costs consumers could pay on a multipack purchase, how best can we minimise the impact of the scheme on consumers buying multipacks?

This question was answered by 753 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 38: Minimise impact on consumers buying multipacks | support - variable rate	8%	3%	31%	47%	14%	16%
4 Chapter 4 Financial Flows (30-39) | 38: Minimise impact on consumers buying multipacks | same rate for single and multipacks	6%	3%	24%	2%	11%	5%
4 Chapter 4 Financial Flows (30-39) | 38: Minimise impact on consumers buying multipacks | not necessary	5%	5%	3%	2%	5%	5%
4 Chapter 4 Financial Flows (30-39) | 38: Minimise impact on consumers buying multipacks | support - minimise impact on consumers buying multipack	3%	1%	15%	18%	6%	8%
4 Chapter 4 Financial Flows (30-39) | 38: Minimise impact on consumers buying multipacks | suggestion - deposit level	3%	1%	8%	4%	6%	8%

Support

Many respondents express positive comments towards the proposal for a variable deposit rate where, for example, the charge could be proportionate to the volume purchased.

"In order to minimise the impact on consumers, especially lower income consumers, it is vital that a variable rate of deposit is introduced and specified in legislation."

User ID 127802, Packaging designer/ manufacturer/ converter

Meanwhile, some respondents express positive comments towards the principle of minimising the impact of the deposit return scheme on consumers buying multipacks.

Concerns

Many respondents say that it should not be necessary to minimise the impact of the deposit return scheme for consumers buying multipacks because deposits are returned when the item is recycled, so there is not financial impact for the consumer.

"It is a deposit, not a permanent cost, so when it is working the shopper will be getting their deposit back by returning the units from their last shopping trip, covering the added cost for the deposit for this shop. The scheme won't work unless people can get their money back when they return the bottles/cans individually, so each item in the multipack needs to work the same as an individual item."

User ID 112079, Individual

Some respondents feel that multipacks should be discouraged whilst a few respondents say that a low deposit level would not incentivise consumers to return containers.

Some respondents express concern that a flat rate deposit on multipacks would change consumer behaviour and result in less multipacks being bought. Some also argue that this could have a negative economic impact due to reduced sales, or conversely that it could increase waste and lead to more littering.

Meanwhile, a few respondents feel that the inclusion of deposits for multipacks could complicate the scheme and lead to consumer confusion, over, for example, instances where the sum of the return values of the individual items in a multi-pack appears to be less than the total deposit. A few are concerned that a deposit per item could cause a shift towards larger containers and therefore consuming larger amounts.

A few responses raise concerns about the definition of a multipack and ask what would fall within this category. They ask, for example, how many items would constitute a multipack or whether mixed materials would be included.

Suggestions

Many respondents suggest that the same deposit level should apply for single items and multipacks. They say the deposit levels should be consistent, that multipack items are consumed as single items, that each item has the same environmental impact, or that a single rate would prevent some parts of society benefitting more than others.

"A bottle causes the same amount of litter whether purchased as a single bottle or part of a multi pack. There should be no difference in deposit levels."

User ID 111778, Individual

Some respondents give suggestions in relation to the deposit level for multipacks. They say that there should be a maximum deposit rate, a minimum deposit rate, or they suggest a specific price for the deposit level for multipacks. Meanwhile, some respondents say that the Deposit Management Organisation should be responsible for setting or changing the deposit level for multipacks.

Some respondents suggest that good use of infrastructure and technology could help to minimise the impact of deposits for consumers purchasing multipacks by, for example, making the scheme accessible and easy to use. Meanwhile, some respondents argue that communication and education about deposit levels could minimise the impact of deposit levels for consumers purchasing multipacks by demonstrating that deposits are redeemable.

A few respondents say that producers or retailers could absorb some of the deposit, offer special promotions, or clearly label multipack items to lessen the impacts of the deposit scheme for consumers.

Other suggestions include:

- a standard rate for multipacks;
- a reduction in the size of multipacks; and
- specific exemptions or exclusions.

8.10. Question 39

8.10.1. Do you agree with our approach to letting the Deposit Management Organisation decide on whether to adopt a fixed or variable deposit level, particularly with regard to multipacks?

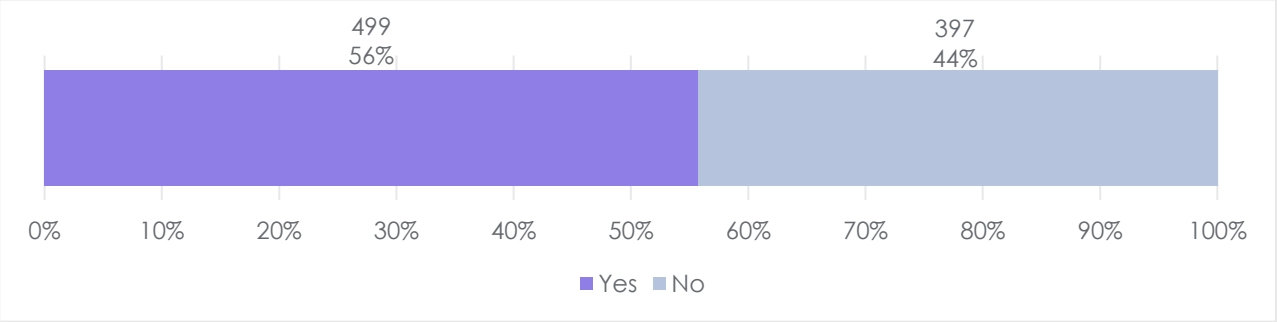

Figure 32: Question 39 (n=896)

8.10.2. Please provide evidence to support your answer.

This question was answered by 594 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
4 Chapter 4 Financial Flows (30-39) | 39: DMO decides on variable or fixed deposit level | Support | DMO should decide	8%	3%	23%	61%	25%	22%
4 Chapter 4 Financial Flows (30-39) | 39: DMO decides on variable or fixed deposit level | Concerns | multipack	7%	4%	38%	2%	11%	5%
4 Chapter 4 Financial Flows (30-39) | 39: DMO decides on variable or fixed deposit level | Support | variable rate	4%	1%	23%	12%	8%	11%

4 Chapter 4 Financial Flows (30-39) | 39: DMO decides on variable or fixed deposit level | Concerns | need for government oversight	3%	1%	8%	21%	6%	3%
4 Chapter 4 Financial Flows (30-39) | 39: DMO decides on variable or fixed deposit level | Concerns | DMO role and accountability	3%	1%	4%	23%	5%	8%

Support

Many respondents think that the Deposit Management Organisation is best placed to set the deposit level and should be responsible for this.

"The deposit level should not be set in legislation and should be the responsibility of the DMO and based on participation of the scheme and deal with any unintended consequences arising from material switching."

User ID 128971, Operator/ Reprocessor

Concerns

Some respondents express positive comments towards a variable rate for a variety of reasons. For example, they suggest that it could provide more flexibility, minimise the impact on consumers, or discourage the use of difficult-to-recycle products. Many respondents also specifically suggest that multipacks should be subject to a variable deposit rate.

"There has to be a degree of flexibility so the scheme can respond to how it influences purchasing patterns."

User ID 124334, Individual

However, some respondents express positive comments towards a fixed rate deposit level and suggest that such an approach would provide clarity for consumers. They comment that Government could alter the level at a later date if required.

Some respondents express concern that a Deposit Management Organisation would be unsupervised and run by private organisations. They think that this could result in it choosing a deposit level which favours industry, rather than consumers. Meanwhile, some respondents think that Government should set the deposit level or should have a mechanism to intervene if the deposit level set by the Deposit Management Organisation is too high or too low.

Suggestions

A few respondents offer various suggestions about what the deposit level should be. For example, some of these respondents suggest that the deposit level should be like the one used in Scotland.

9. Return points

9.1. Question 40

9.1.1. *Do you agree that all retailers selling in-scope drinks containers should be obliged to host a return point, whether it is an all-in or on-the-go deposit return scheme?*

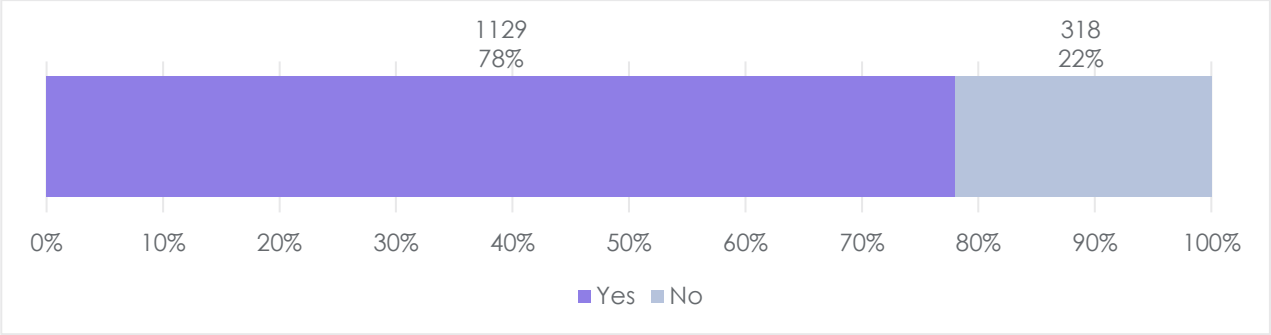

Figure 33: Question 40 (n=1447)

9.1.2. *Please provide any evidence to further explain your answer.*

This question was answered by 1031 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 40a: Hosting a return point | concern - small businesses	10%	3%	55%	14%	19%	11%
5 Chapter 5 Return Points (40-54) | 40a: Hosting a return point | Suggestion | campaign	9%	12%	0%	0%	0%	0%
5 Chapter 5 Return Points (40-54) | 40a: Hosting a return point | yes - general	9%	6%	15%	21%	22%	16%
5 Chapter 5 Return Points (40-54) | 40a: Hosting a return point | yes - easier for consumers	5%	4%	10%	5%	16%	8%
5 Chapter 5 Return Points (40-54) | 40a: Hosting a return point | concern - space	4%	2%	17%	9%	22%	5%

Support

Many respondents agree that all retailers selling in-scope containers should host return points. Some of these respondents say that if a retailer can sell an in-scope item, then they should be able to accommodate its return. Some respondents also argue that having a single return point for all used in-scope containers would be important from a consumer convenience point of view.

Some respondents think that consumers should be able to take any used in-scope containers to any retailer, saying this would enable the scheme to run smoothly. They add that by making the scheme as clear, comprehensive, and convenient as possible, more consumers would be encouraged to use it.

"This will provide greater ease of use for consumers - it will be significantly simpler to return containers if I can do so at any place I can buy drinks."

User ID 124548, Individual

Some respondents state that online retailers should also be obliged to host a return point or equivalent. They add that in their view, it is important that online retailers are not exempt from the scheme, as the volume of online purchasing by customers has increased.

Concerns

Many respondents express concern that small businesses may find it difficult to host and operate a return point. They think that small businesses should be given the choice to opt in or out or be exempt from hosting a return point completely. Further to this, some respondents make specific comments about businesses with a lack of physical space to conduct a return point facility, saying that space should be a consideration as to whether a retailer would be obliged to host a return point.

"There does need to be consideration of how very small businesses and on street sellers are impacted. They will often not have the space to site a RVM or the capacity to store containers if they operate a manual take back point. It seems reasonable that "retailers" on this scale are treated separately to larger retail sites and are considered for exemptions from hosting a return point. "

User ID 128813, Local government

Some respondents state that retail points where the selling of in-scope items is completed through vending machines should be exempt from hosting a return point and suggest that there should be signage stating where the nearest return point is. A few respondents express concern about the implications of the scheme, and any obligation to host a return point, on voluntary sector organisations which have vending machines selling in-scope products.

Some respondents believe that retailers should be able to apply to the Deposit Management Organisation for an exemption from an obligatory return point. They say that such exemptions could be awarded based on practical considerations or other specific circumstances.

A few respondents express concern that if all retailers selling in-scope products were

obliged to host return points, this could cause health and safety issues (such as contamination), for example in restaurants. They believe there should be exemptions for retailers for whom a return point could compromise health and safety compliance.

Meanwhile, a few respondents express concern that return points would not always be easy to access for all (groups of) consumers, for example because of disability or location. They believe this should be a consideration in discussions about where return points would be hosted.

A few respondents express concern that the proposals around return points do not seem to include online retailers, whilst others believe that the scheme could generate additional traffic and carbon emissions from additional vehicle movements to and from return points.

Suggestions

Many respondents, including a number who based their responses on a campaign template response, state that it would be easier if consumers could return all empty in-scope containers to any retailer they were able to purchase the products from.

Some respondents suggest that digital kerbside collections could provide an alternative to a comprehensive network of return points, and that this would suit consumers. Some respondents also suggest that small retailers near one another should be able to share a return point, which they believe would accommodate retailers in small towns and villages.

Some respondents make a range of suggestions about how to deal with retailers that are constrained for space. They include suggestions to make return points mandatory for retailers with more space and suggestions for retailers and local authorities to work together to identify appropriate spaces outside retailers' premises.

A few respondents think that a return-to-retail model would align with the Scottish model which would make it easier for both consumers and businesses to understand and operate within the scheme.

Meanwhile, a few respondents offer a variety of suggestions about the implementation of return points. These include the suggestion of a gradual introduction, suggestions about operating hours, and suggestions about putting return points in busy locations, such as stations and car parks.

9.2. Question 41

9.2.1. *Given the proposed extensive distribution and availability of return points for consumers to return bottles to, do you think consumers would be likely to experience delays / inconveniences in returning drinks containers?*

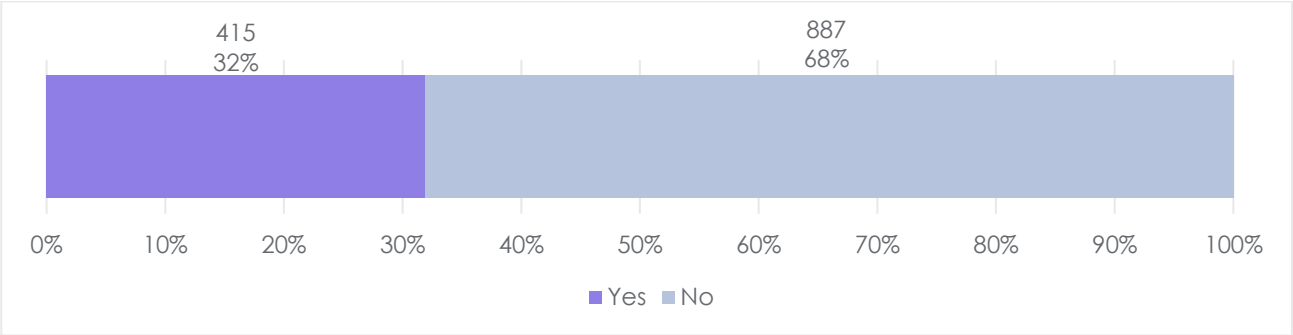

Figure 34: Question 41 (n=1302)

9.2.2. *If so, how long or how frequently would such delays be likely to arise for?*

This question was answered by 839 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 41a: Delays/inconvenience returning containers | Support | sufficient return points	15%	15%	13%	46%	11%	22%
5 Chapter 5 Return Points (40-54) | 41a: Delays/inconvenience returning containers | Concern | accessibility/usability	5%	0%	22%	42%	16%	8%
5 Chapter 5 Return Points (40-54) | 41a: Delays/inconvenience returning containers | Concern | difficult to know/don't know	5%	1%	29%	9%	13%	11%
5 Chapter 5 Return Points (40-54) | 41a: Delays/inconvenience returning containers | Concern | queueing	4%	1%	15%	16%	6%	11%
5 Chapter 5 Return Points (40-54) | 41a: Delays/inconvenience returning containers | Concern | consumers storing/bulk returns	4%	1%	30%	4%	10%	5%

Support

Many respondents, including a number who based their responses on a campaign template response, suggest that consumers would not experience any delays or inconveniences if there would be enough reliable reverse vending machines and if these were placed in busy, accessible areas.

> *"We would urge the Government in the DMO tender specification to include elements that focus on the DMO's implementation plan including specifically how they intend to deal with this dynamic such that returns points (including manual points and RVMs) do not become quickly overloaded and therefore unavailable which would clearly potentially act as a significant disincentive in terms of participation."*
>
> *User ID 135271, Local government*

Some respondents say that delays caused by return points would be limited if the system would be easy to use or if it aims to maximise convenience for consumers at return points. They assert that any delays would be justified when considering the environmental benefits the deposit return scheme would achieve. A few respondents believe that returning in-scope containers to return points could quickly become a habit and that this could promote individuals' sense of responsibility regarding waste.

A few respondents think that consumer convenience would be best served by ensuring that there are return points for all in-scope containers at all retailers where in-scope products are sold. However, a few respondents believe that there would be no inconveniences to consumers using return points, saying that similar deposit return schemes in other countries work well. A few caveat this by saying that there would be no delays or inconveniences to consumers, provided that the technology of the reverse vending machines is robust.

Concerns

Some respondents say that return points need to be inclusive and accessible for all, so that no one is deterred from utilising them.

> *"The process assumes that all consumers are able to collect, and the process must cater for the vulnerable consumer for whom the take back may actually become a major issue."*
>
> *User ID 124619, Business representative organisation or trade body*

Some respondents express concern that queues would be likely at return points in busy places at busy times, especially where no alternative return points are available nearby. Some respondents believe that delays would be likely during peak shopping times, as many consumers would be trying to return empty containers at the same time, whilst others assert that delays and inconveniences to consumers would be likely to happen around holidays and special events, as there would be heavier use of the reverse vending machines.

Some respondents express concern that consumers would experience delays and inconveniences if return points are not effectively managed. They highlight the importance of monitoring capacity, addressing technical faults, and keeping consumers

informed of where they can return their containers alternatively, or when a return point would be back in working order.

Meanwhile, some respondents think that delays or inconveniences to other consumers could occur if some consumers opt to return large numbers of items periodically, rather than making smaller, frequent container returns.

Some respondents think that immediately after the scheme introduction, there would be delays and inconveniences, as consumers and retailers are getting to grips with the new system. They believe that any delays or inconveniences would relatively quickly be overcome, as everyone adjusts their behaviours.

A few respondents express concern that consumer vehicle movements triggered by the need to return containers could cause inconveniences and delays, especially near return points. Some add that parking charges would add to the inconvenience.

Some respondents say that it is difficult to know how frequently or for how long consumers would face delays or inconveniences when using return points.

9.3. Question 42

9.3.1. Do you have a preference, based on the 3 options described, on what the schemes approach to online takeback obligations should be?

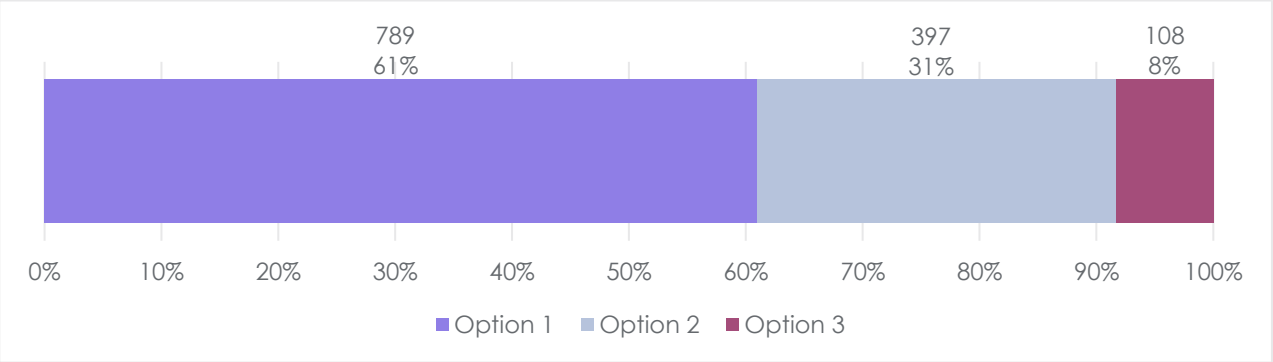

Figure 35: Question 42 (n=1294)

9.3.2. Please explain your answer.

This question was answered by 897 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 42a: Options for online takeback | Support | option 1 (mandatory takeback service)	20%	21%	10%	37%	21%	14%
5 Chapter 5 Return Points (40-54) | 42a: Options for online takeback | Support | option 2 (some exempt from takeback service)	10%	2%	66%	12%	16%	22%
5 Chapter 5 Return Points (40-54) | 42a: Options for online takeback | Suggestion | general/	3%	2%	11%	4%	16%	8%
5 Chapter 5 Return Points (40-54) | 42a: Options for online takeback | Concern | option 1 (pressure on small businesses)	2%	1%	4%	14%	10%	3%
5 Chapter 5 Return Points (40-54) | 42a: Options for online takeback | Support | option 3 (no obligation to have takeback service)	2%	1%	2%	11%	21%	8%

Option 1

Many respondents, including a number who based their responses on a campaign template response, support the takeback service being mandatory for all retailers. They say that this would ensure that online retailers have the same responsibilities as high street retailers, would make it easier for consumers, would be important for accessibility and would reduce litter and waste, including single-use plastics.

"Online retailers must be obliged to accept returns. As online sales continue to increase, they must share the same responsibilities as other retailers."

User ID 112070, Individual

However, some respondents believe that it would be difficult for small retailers to facilitate an online takeback scheme. This includes suggestions that it would be impractical for small retailers to offer an online takeback scheme and they would not have the space to do so.

A few respondents say that more road journeys could be needed for option 1 to accommodate demand, which would lead to increased vehicle use and carbon emissions.

Option 2

Many respondents believe that some should be exempt from the takeback service, particularly small businesses. These respondents say that a de minimis approach would restrict retailer obligations to sales.

"I can imagine a few retailers, such as mobile vans, where it would be difficult for consumers and the retailers, but exemptions must be very limited."

User ID 111917, Other

A few of these respondents say that online retailers should be included but small retailers should be excluded.

Option 3

Some respondents say there should not be an obligation to offer an online takeback service. They argue that online retailers should not have to collect items due to the additional cost, complexity and carbon emissions of the extra journeys.

> *"I feel it unnecessary to offer a take back service, and the logistics are prohibitive to the scheme outputs. If the service is planned well from the off, with a number of key return points, it seems pointless."*
>
> *User ID 116604, Local government*

Some respondents express concern about residents having to make additional journeys and the environmental impact of this if option 3 were selected.

General comments and suggestions

A few respondents express concern that there may be hygiene or safety implications arising from an online takeback scheme. They say that there could be issues with couriers collecting containers or contamination and storage issues with packaging.

Meanwhile, a few respondents say they do not know which option to select or that none of the options listed are ideal.

In terms of suggestions, some respondents say that online businesses should still have to contribute even if they are exempt from the online takeback scheme. Some of these respondents think that online retailers could pay a nominal fee per container to ensure it is returned.

A few respondents make other suggestions, including:

- alignment with the Scottish deposit return scheme;
- a digital deposit return scheme;
- allowing the Deposit Management Organisation to decide whether retailers should have to offer the option of an online takeback scheme;
- high street retailers and online retailers combining to provide a joint service; and
- offering online takeback at an additional cost to the consumer without it being mandatory.

9.4. Question 43

9.4.1. *Do you agree with the proposed criteria for the calculation of the handling fee?*

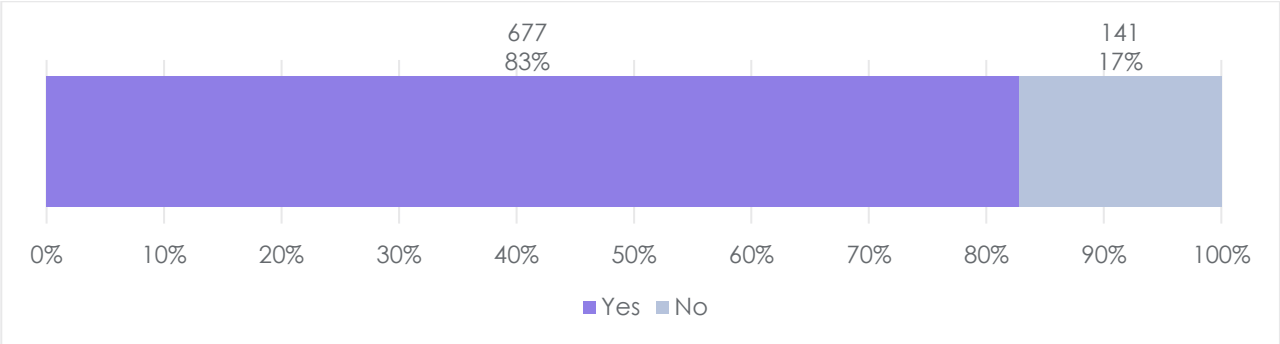

Figure 36: Question 43 (n=818)

9.4.2. *Would you propose any additional criteria are included for the calculation of the handling fee?*

This question was answered by 323 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 43a: Handling fee | Concern | concerns about small businesses	3%	1%	16%	5%	14%	3%
5 Chapter 5 Return Points (40-54) | 43a: Handling fee | Suggestion | DMO should determine	2%	0%	2%	11%	27%	5%
5 Chapter 5 Return Points (40-54) | 43a: Handling fee | Concern | need for an appeals procedure	2%	0%	15%	0%	0%	5%
5 Chapter 5 Return Points (40-54) | 43a: Handling fee | general support for a handling fee	2%	1%	5%	4%	13%	5%
5 Chapter 5 Return Points (40-54) | 43a: Handling fee | Suggestion | general/	1%	0%	3%	12%	3%	0%

Suggestions

Some respondents do not suggest any additional criteria being included in the calculation of the handling fee.

Some respondents propose that the handling fee should be determined by the Deposit Management Organisation. They suggest regular audits to drive efficiency.

A few respondents suggest a higher handling fee for glass to encourage retailers to switch to plastic from glass. or that the fee should not be too different to prevent market distortion.

A few respondents think that online retailers should be able to take a handling fee if they offer an online takeback service, requesting clarity on this issue.

A few respondents propose that the handling fee rate should be set in relation to retailers' sales, for instance calculating this using a per unit cost methodology. Some of these respondents argue that incentivising retailers to collect returns in relation to their sales will address issues of littering and prevent a closed loop mindset.

A few respondents think there should be flexibility within the handling fee scheme and make suggestions for it to be reviewed at set periods in consultation with retailers, for example to identify additional costs.

Support

Some respondents express general positive comments towards the introduction of a handling fee. Some of these respondents say that the handling fee should cover reasonable costs and that the criteria should be clearly defined. Others draw attention to examples from other countries, such as Denmark, where a handling fee has worked well.

"We suggest a fixed, transparent handling fee for the retailers. There are successful examples where additional services over and beyond collection at return points – such as back-hauling, baling, sorting, etc. – provided by retailers has been compensated through additional service fees. (i.e. Lithuania)."

User ID 129034, Retailer including online marketplace

Concerns

A few respondents oppose the idea of having a handling fee, with some arguing that it should be a legal obligation of retailers to facilitate returns and others saying that extra fees could have negative impacts such as corruption or lead to a fall in consumer confidence.

Many respondents commenting on this question express concern that a handling fee would have an adverse impact on small businesses, highlighting issues such as limited space. They state that small businesses would need to have the handling fee re-imbursed.

"Need to consider costs for specific types of retailers (e.g. small corner stores with limited storage space and high space and labour costs) in determining the handling fee. Need higher handling fee for such small stores where costs could be higher."

User ID 124608, Community group

Some respondents state that there is a risk that some retailers could be adversely impacted when costs are not paid on actual costs and argue that an appeals procedure should therefore be allowed.

A few respondents say they are unable to answer this question.

9.5. Question 44

9.5.1. *Please tick which exemptions you agree should be included under the scheme.*

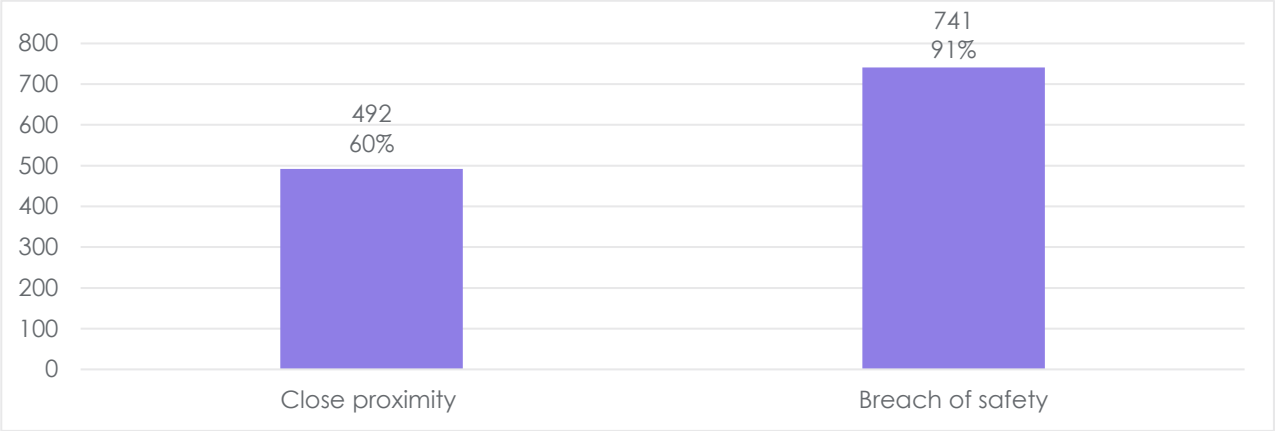

Figure 37: Question 44 – Respondents could select more than one option and the base number (n) is the number of respondents who selected at least one option, with all percentages calculated in relation to this figure (n=814)

9.5.2. *Any further comments you wish to make.*

This question was answered by 392 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 44a: Exemptions to hosting a RP | Suggestion | other exemptions - size of retailer	3%	1%	20%	0%	8%	3%
5 Chapter 5 Return Points (40-54) | 44a: Exemptions to hosting a RP | Suggestion | regular monitoring	3%	1%	24%	0%	5%	5%
5 Chapter 5 Return Points (40-54) | 44a: Exemptions to hosting a RP | Support | health/safety	3%	1%	19%	2%	8%	8%

5 Chapter 5 Return Points (40-54) | 44a: Exemptions to hosting a RP | Concern | health and safety exemption - clearer criteria	3%	0%	22%	0%	0%	3%
5 Chapter 5 Return Points (40-54) | 44a: Exemptions to hosting a RP | Concern | close proximity exemption - general	2%	0%	20%	0%	2%	8%

Support

Some respondents state that health/safety concerns should be included as exemption criteria.

"Safety of retailers, staff and consumers should always be a first priority so we agree with this exemption."

User ID 128973, Local government

Some respondents say there should be close proximity exemptions for hosting a return point.

Some respondents state that both close proximity and breach of safety should be included as grounds for exemption.

Some respondents express general positive comments towards the idea of hosting a return point because it will create an incentive for consumers to return containers and may also drive footfall.

Concerns

Some respondents say there should be no exemptions from return points, with some arguing that if retailers can stock products, they should be obliged to host a return point. A few say exemptions would decrease convenience and accessibility for consumers.

Some respondents state that health and safety concerns should not qualify for an exemption or that there should be a robust set of criteria to be met, which would need regular review and monitoring.

"Under a suitable system [respondent name] would not want to see this reason for exemption used to circumvent retailer compliance and obligations. This would need to include regular review and monitoring."

User ID 135221, Local government

Some respondents oppose close proximity exemptions, giving as reasons inconvenience, queues and consumers becoming disengaged. Some believe that close proximity exemptions would lead to unfair competition between supermarkets and local shops and/or cause a free-rider problem where neighbouring retailers share return points.

Suggestions

Some respondents suggest that retailers exempt from hosting a return point should be regularly reviewed and monitored.

Some respondents suggest that the size/capacity of retailers should provide grounds for

exemption because the deposit return scheme places a disproportionate burden on small retailers. A few respondents also propose allowing exemptions on the grounds of cultural and/or religious beliefs, for instance for retailers that do not sell alcohol for religious reasons.

"The government should consider an exemption for small stores which have limited sales and storage space to facilitate a deposit return scheme. Regardless of the method of take back (automated or manual), a retailer would be required to sacrifice space in-store to operate a deposit return scheme – either by storing drinks containers nearby the till and at back of house for collection, or with a reverse vending machine taking up significant space in store."

User ID 130451, Business representative organisation or trade body

A few respondents make a number of suggestions about the close proximity exemption including allowing it for small shops, requiring the exempted retailer to pay towards the cost of a return point and allowing retailers in close proximity to share return points.

Some respondents suggest that the exemptions should be aligned with the Scottish Deposit return scheme as this would lead to consistency across the UK.

Some respondents make the more general point that return points should be strategically located to encourage use by consumers, for instance by having a good spread of locations.

9.6. Question 45

9.6.1. *Please can you provide any evidence on how many small and micro sized retail businesses we might likely expect to apply for an exemption to hosting a return point, on the grounds of either close proximity to another return point or on the compromise of safety considerations?*

This question was answered by 481 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 45: Evidence of small businesses applying for exemption | not known	9%	4%	42%	5%	10%	14%

5 Chapter 5 Return Points (40-54) | 45: Evidence of small businesses applying for exemption | exemption - health/safety	2%	0%	6%	9%	6%	3%
5 Chapter 5 Return Points (40-54) | 45: Evidence of small businesses applying for exemption | exemption - lack of space	1%	1%	2%	9%	6%	3%
5 Chapter 5 Return Points (40-54) | 45: Evidence of small businesses applying for exemption | suggestions - other	1%	1%	2%	2%	2%	3%
5 Chapter 5 Return Points (40-54) | 45: Evidence of small businesses applying for exemption | further research needed	1%	0%	10%	2%	0%	3%

Suggestions

A few respondents provide a specific percentage of how many small businesses they expect will apply for exemption, with estimates ranging from 20% to 90%.

"71% of retailers responded that they either did not have the space to process bottle returns in-store or would have to make significant changes to their stores to facilitate a deposit return scheme."

User ID 135215, Business representative organisation or trade body

A few respondents say that the number of small businesses applying for exemption will vary by location, for example the number is likely to be higher in London.

A few respondents state that all small businesses will apply for exemption because retailers will want to avoid the time and money involved.

A few respondents say that Government needs to undertake further research to better understand the evidence, with some of them arguing that this should be considered on a national basis. A few respondents suggest learning from the experience in Scotland of why small businesses apply for exemption.

Some respondents make general points about exemptions, for instance the reasons why retailers will apply for exemptions (lack of space is mentioned) and a few put forward arguments against exemptions being allowed at all.

Some respondents comment on the scheme more broadly, for instance making suggestions on how to offer return points and delaying the rollout of the scheme because of the impact of Covid-19.

Many respondents state that they do not have enough knowledge to be able to provide a response to this question.

9.7. Question 46

9.7.1. *Do you think obligations should be placed on retailers exempted from hosting a return point to display specific information informing consumers of their exemption? If yes, please tick what information retailers should be required to display.*

Figure 38: Question 46 – Respondents could select more than one option and the base number (n) is the number of respondents who selected at least one option, with all percentages calculated in relation to this figure (n=971)

9.7.2. *Additional comments*

This question was answered by 348 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 46: Exempt retailer obligation to inform consumers | suggestion - signage/information about other return point	4%	1%	26%	4%	11%	5%
5 Chapter 5 Return Points (40-54) | 46: Exempt retailer obligation to inform consumers | suggestion - signage about exemption	4%	1%	15%	4%	16%	32%
5 Chapter 5 Return Points (40-54) | 46: Exempt retailer obligation to inform consumers | suggestion - signage/branding about drs	3%	1%	13%	21%	6%	5%

5 Chapter 5 Return Points (40-54) | 46: Exempt retailer obligation to inform consumers | concern - mandatory signage	2%	1%	8%	5%	2%	0%
5 Chapter 5 Return Points (40-54) | 46: Exempt retailer obligation to inform consumers | oppose/limit exemptions	1%	1%	1%	0%	0%	3%

Support

Many of the respondents who provide additional comments support the proposals that retailers exempted from hosting a return point should display signage to signpost customers to the nearest return point and that they should display signage indicating that they do not host a return point.

A few respondents make positive comments which are general in nature.

Concerns

Some respondents oppose allowing exemptions for retailers, or support exemptions only on limited and specific grounds.

Meanwhile, some respondents express concern about the nature of the information which retailers may be obliged to display if they do not host a deposit return point. They say it may be difficult to provide up-to-date information about return points they do not manage or that the provision of such information may encourage consumers to shop at other retailers.

A few respondents raise concerns about the opening hours which retailers hosting a return point may be permitted to operate under, or about the noise which may be generated by consumers returning products.

Suggestions

Many respondents comment on the information which should be displayed when a retailer is granted an exemption from hosting a return point, such as the grounds for exemption.

Among respondents who support the proposal to display signage which signposts the nearest return point, a few suggest that information should be kept up to date, whilst some suggest the creation of a website or app which shows consumers where their nearest return point is.

"Information about return points could also be included on the retailers website, and perhaps an app could be produced to show where return points are, this would be especially helpful for residents wanting to return something while they are away from home as they could locate their nearest RVM."

User ID 116618, Local government

Some respondents say that signage should be clear and consistent to support recognition amongst consumers.

A few suggest that signage promoting the message that consumers must not litter should

be displayed in premises which have been granted an exemption, whilst others say that consumers should be provided with information which would allow them to challenge a retailer's exemption.

A few respondents believe that the Deposit Management Organisation should be obliged to provide consumer information as to how and where deposit return points can be accessed and to ensure that any information provided by retailers is up-to-date.

A few also say that any retailer obligation should be aligned with the proposed Scottish deposit return scheme.

9.8. Question 47

9.8.1. Do you agree with our rationale for not requiring retailers exempted on the basis of a breach of safety not to be required to signpost to another retailer?

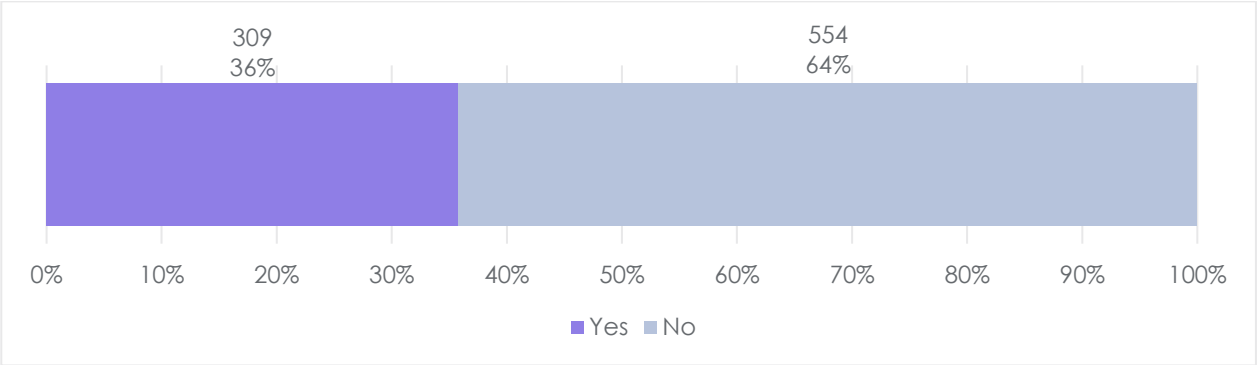

Figure 39: Question 47 (n=863)

9.8.2. Please explain your answer.

This question was answered by 509 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 47: Rationale to not signpost to competitor | support - signage about other return point	7%	3%	26%	49%	13%	16%
5 Chapter 5 Return Points (40-54) | 47: Rationale to not signpost to competitor | oppose rationale about competitors	3%	2%	3%	32%	2%	3%

5 Chapter 5 Return Points (40-54) | 47: Rationale to not signpost to competitor | prioritise convenience	3%	2%	3%	2%	14%	8%
5 Chapter 5 Return Points (40-54) | 47: Rationale to not signpost to competitor | agree with rationale about competitors	2%	0%	8%	14%	11%	11%
5 Chapter 5 Return Points (40-54) | 47: Rationale to not signpost to competitor | oppose exemptions	1%	1%	0%	0%	3%	0%

Concerns

Many respondents say that there should be a requirement for retailers to signpost return points if they do not host one themselves or that they oppose the rationale that retailers who do not host a return point should have not have to signpost to a competitor.

"To make it as easy as possible for the consumer to return their container, they need to be informed of the nearest location. All retailers should be obliged to support the scheme."

User ID 125434, Local government

Meanwhile, some respondents say that retailers should not be able to exempt themselves from hosting a return point.

A few respondents say that the priority must be the environment and not whether retailers should advertise competitors.

A few respondents believe this question is confusingly phrased.

Support

Some respondents agree that retailers should not have to advertise potential competitors if they are unable to host a return point due to safety considerations.

However, some respondents do agree that retailers should have to display signage indicating whether they do or do not host a return point. A few express positive comments towards the proposal that retailers who opt out of hosting a return point, rather than being unable to host one due to safety considerations, should have to signpost to the nearest point.

Suggestions

Some respondents believe that retailers should prioritise consumer convenience and therefore be obliged to direct customers to the nearest location which hosts a return point.

Meanwhile, some respondents suggest that retailers which do not host a return point could direct consumers to locations that do using signage which does not advertise or specifically identify a competitor.

9.9. Question 48

9.9.1. *How long do you think exemptions should be granted for until a review date is required to ensure the exemption is still required?*

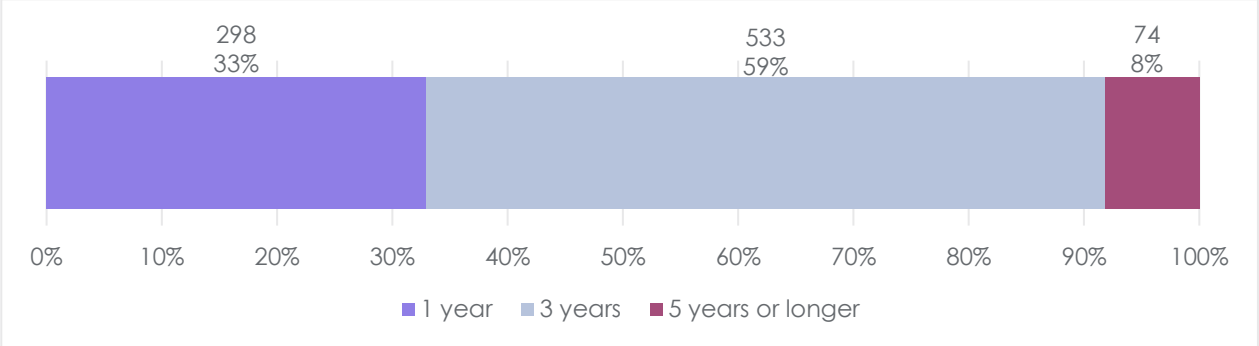

Figure 40: Question 48 (n=905)

9.10. Question 49

9.10.1. *Do you think the scheme could benefit from technological solutions being incorporated as a method of return, alongside reverse vending machines and manual return points?*

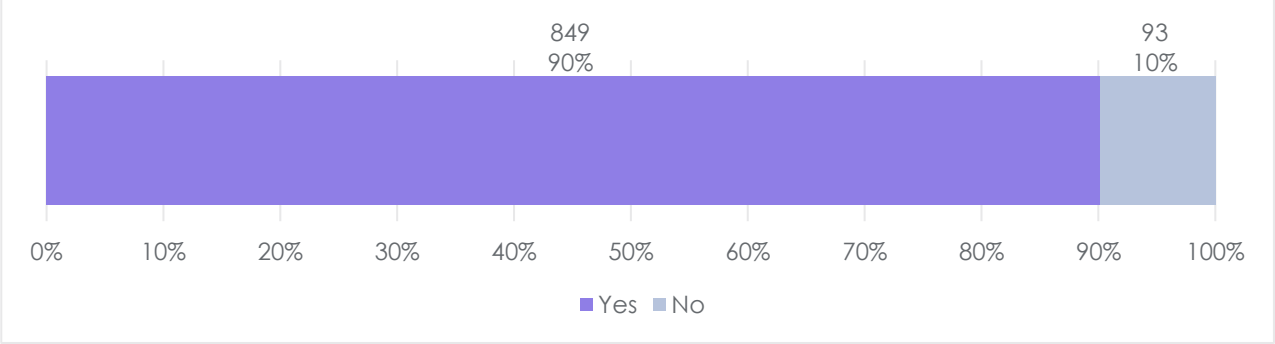

Figure 41: Question 49 (n=942)

9.11. Question 50

9.11.1. *How could a digital deposit return scheme solution be integrated into existing waste collection infrastructure? Please explain your answer.*

This question was answered by 597 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 50. Digital Deposit Return Scheme | general support for digital drs	7%	1%	30%	49%	21%	35%
5 Chapter 5 Return Points (40-54) | 50. Digital Deposit Return Scheme | suggestion - integrate with current recycling systems	7%	1%	37%	18%	14%	30%
5 Chapter 5 Return Points (40-54) | 50. Digital Deposit Return Scheme | suggestions - unique barcode/qr code	6%	1%	32%	9%	14%	22%
5 Chapter 5 Return Points (40-54) | 50. Digital Deposit Return Scheme | don't know/no expertise	4%	3%	11%	5%	6%	5%
5 Chapter 5 Return Points (40-54) | 50. Digital Deposit Return Scheme | suggestion - app/online accounts	4%	1%	15%	16%	14%	11%

Support

Many respondents express positive comments towards the implementation of a digital deposit return scheme, arguing that it would be simpler to use, more cost effective and that it is sensible to make this type of provision in an increasingly digital society.

"We believe there are numerous benefits to be gained from digital DRS systems. Not least consumer convenience, accessibility to those who cannot access physical return points, and the ability to apply unique variable deposits to individual items. Allowing for digital return system will future-proof the DRS."

User ID 129011, Other

Concerns

Some respondents oppose the implementation of a digital deposit return scheme. They feel it would affect the successful functioning of the current kerbside collection system and that it could be confusing or difficult to use for some people.

Some respondents say that a digital deposit return scheme could put pressure on local authorities in terms of financial and administrative burden. They argue that such a scheme could shift responsibility away from producers and retailers and onto local authorities as they manage kerbside collection.

"Local authorities are obligated to collect paper, card, metals, plastic and glass and include the proposed in-scope materials in existing collection systems. We believe the use of unique bar codes / scanning to redeem deposits is overly complex, costly and problematic."

User ID 135247, Local government

Meanwhile some respondents raise concerns that a digital deposit return scheme could be open to fraud if there are no mechanisms to guarantee a container is actually

returned after it is scanned. They call for the scheme to implement verification methods to avoid such a situation.

Some respondents argue that the intention to implement a digital deposit return scheme demonstrates the need to delay implementation of a deposit return scheme in general. They say that it would be better to wait until other waste management schemes have been implemented and the impacts of Covid-19 have been understood, or until a consistent scheme can be rolled out across all four nations of the UK.

Some respondents say that a digital deposit scheme could face challenges when dealing with damaged labels or barcodes and that this needs to be taken into account when designing the scheme.

Some respondents say that a digital deposit return scheme may impact the quality of recyclate or the volume of other waste schemes.

A few respondents also express concerns about consumers who do not have access to technology or smartphones and say that they may find it more difficult or might not be able to participate in the scheme.

A few respondents say that a digital deposit return scheme may lead to problems at the time of redemption. For example, households with more than one family may struggle to decide who should receive the payment.

Many respondents say that they do not feel able to answer this question.

Suggestions

Many respondents provide varied suggestions about how a digital deposit return scheme could be integrated with other existing waste collection infrastructure. They feel this would simplify the scheme and make data collection more consistent.

Many respondents also suggest the use of barcodes or QR codes to identify specific containers so that they can be identified during kerbside collection and the deposit value redeemed by the consumer. Similarly, some respondents suggest the use of tracking technology such as blockchain as a means of implementing a digital deposit return scheme.

"A successful digital DRS could see a deposit system in place but utilise existing recycling infrastructure such as the kerbside system and on-the-go bins with the use of smartphone app, QR code labelling and blockchain technology."

User ID 129157, Product designer/ manufacturer/ pack filler

Some respondents say that phone applications or online accounts should be used as part of a digital deposit return scheme. They feel this could make the experience easier for the user and offer valuable data about the functioning of the scheme.

Some respondents suggest that trials should be carried out to gather more information about the functioning of a digital deposit return scheme.

Some respondents say that a digital deposit return scheme should function separately from existing kerbside recycling mechanisms, as integration may lead to lower quality recyclate or not be viable.

A few respondents make other suggestions, which include:

- making the Deposit Management Scheme responsible for innovation, design and implementation of a digital deposit return scheme;
- making any digital deposit return scheme simple and convenient for users;
- learning from experiences of other countries which have implemented digital deposit return schemes; and
- use of smart bins.

9.12. Question 51

9.12.1. What are the potential fraud control measures a digital deposit return scheme could bring? Please explain your answer.

This question was answered by 567 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 51: Potential fraud control measures for a digital deposit return scheme | suggestion - unique barcode/qr code	8%	1%	50%	19%	25%	27%
5 Chapter 5 Return Points (40-54) | 51: Potential fraud control measures for a digital deposit return scheme | concern about fraud - scan misuse	5%	0%	44%	2%	13%	8%
5 Chapter 5 Return Points (40-54) | 51: Potential fraud control measures for a digital deposit return scheme | don't know/no expertise	5%	3%	23%	9%	8%	3%
5 Chapter 5 Return Points (40-54) | 51: Potential fraud control measures for a digital deposit return scheme | DMO should enforce	3%	0%	18%	30%	2%	11%
5 Chapter 5 Return Points (40-54) | 51: Potential fraud control measures for a digital deposit return scheme | digital drs reduces fraud	3%	0%	3%	40%	13%	14%

Many respondents answering this question propose that containers should have a unique barcode or QR code to ensure the containers are only redeemed once and reduce risk of fraud.

"Use barcodes that can only activate a return on one single transaction- afterwards, once used, they will be incapable of creating a return transaction."

User ID 104440, Individual

Some respondents argue that tracking technology would reduce fraud, for instance because information will be personally identifiable and tracking a unique ID would ensure multiple deposit collections do not occur.

A few respondents suggest that each pack should have a distinct identifying label, although some of them think that this would be expensive and/or impractical.

Many respondents express concern that scanning containers as a measure to control fraud has the potential to lead to scan misuse, with some stating that systems would need to check containers are put in the correct bins and/or not littered.

"Systems would also be required to confirm that the product, once scanned ends up in the correct recycling collection bin/box and not placed in the residual waste. Similarly, there would need to be controls that prevents items being scanned in the shop, but not purchased and then the deposit requested via the kerbside system."

User ID 128542, Waste management company

Some respondents make general suggestions of fraud control measures, for instance having a cashless scheme, auditing returns, and having a standard deposit price to prevent cross-border fraud. Some respondents suggest that the deposit could be redeemed by an application or online account.

A few respondents state the digital deposit return scheme would be complicated and that keeping the scheme simple will make it harder for fraud to occur.

Some respondents believe that the enforcement of a digital deposit return scheme should not be left to local authorities and that the Deposit Management Organisation should manage/enforce it.

A few respondents say there are risks to data storage with a digital deposit return scheme such as IT glitches, systems being hacked and breaches of confidentiality.

Some respondents suggest that digital deposit return schemes outside of the UK should be researched to see what lessons on controlling fraud can be learned from them.

Respondents make some general observations on the likelihood of fraud. Some respondents believe that a digital deposit return scheme would reduce fraud and for instance would control the risk of organised crime and assist in reducing cross-border fraud. Some other respondents express opposition to a digital scheme because it would lead to opportunities for fraud.

Some respondents believe that fraud is unavoidable and will happen regardless of which scheme is chosen because there is always the potential for fraud when money is involved.

Some respondents say that fraud due to a digital deposit return scheme is not a concern for instance because the market will identify solutions to deal with fraud and the fraud from a digital scheme will be less than from a reverse vending machine scheme.

Some respondents state that the scheme would lead to bin-mining/bin diving where consumers pull containers out of bins and scan items to see if they can reclaim a deposit from in-scope materials.

A few respondents argue that the implementation of a digital deposit return scheme needs to be delayed, for instance to test it at scale to understand its limitations.

Some respondents say that they do not have the knowledge or expertise to respond to this question, with some of these respondents saying that this issue should be guided by current research and evidence.

"We are not best placed to answer this however; experiences elsewhere should be used to inform any decisions on control measures."

User ID 128826, Local government

9.13. Question 52

9.13.1. Do you think a digital deposit return scheme could ensure the same level of material quality in the returns compared to a tradition return to retail model, given containers may not be returned via a reverse vending machine or manual return point where there is likely to be a greater scrutiny on quality of the container before being accepted?

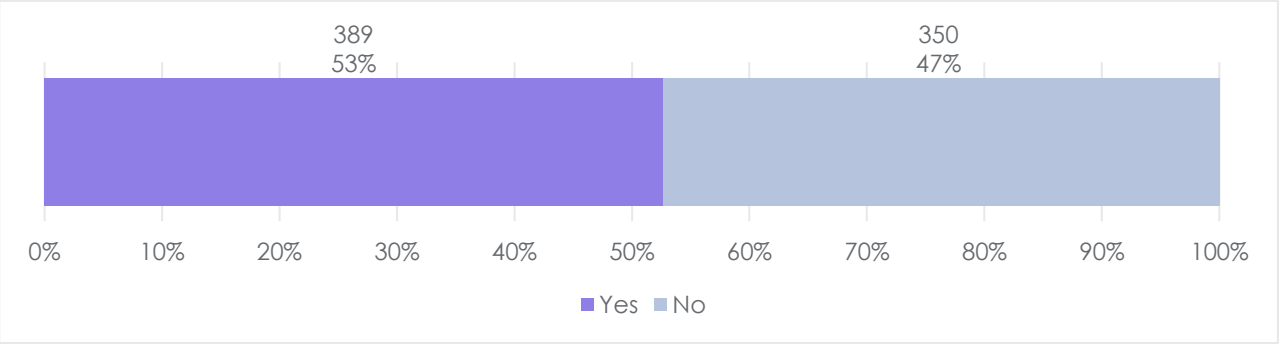

Figure 42: Question 52 (n=739)

9.13.2. Please explain your answer

This question was answered by 522 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 52: Material quality in the returns | yes - same quality	8%	2%	33%	42%	13%	30%
5 Chapter 5 Return Points (40-54) | 52: Material quality in the returns | no - worse quality	7%	2%	41%	2%	16%	8%
5 Chapter 5 Return Points (40-54) | 52: Material quality in the returns | no difference	5%	1%	34%	2%	8%	11%
5 Chapter 5 Return Points (40-54) | 52: Material quality in the returns | new technology needed	4%	2%	7%	30%	6%	5%
5 Chapter 5 Return Points (40-54) | 52: Material quality in the returns | unsure/no expertise	3%	2%	9%	16%	10%	11%

Support

Many respondents state that a digital deposit return scheme would capture similar quality of returns or not make any difference to the quality of material returns compared to a traditional return model. Some of these respondents point out that we are already used to kerbside collections needing dry/clean recyclables to be accepted.

"We are positive that with the right level of engagement, investment and consistency from all stakeholders, this complementary route for DRS material would deliver sufficient quantity and high-quality material."

User ID 128833, Retailer including online marketplace

Some respondents believe that a digital deposit return scheme would increase the quality of material returns, for instance because of greater levels of public engagement and less material is likely to get broken during sorting.

Concerns

Conversely many other respondents believe that the digital deposit return scheme would result in worse quality material returns, with reasons given including the potential for consumers to return low quality items because of a lack of monitoring and contamination issues.

"DRS should remove the contamination problems associated with kerbside and comingled collections whereas a 'Digital DRS' – unless every kerbside recycling bin were to be separated at source – would not be able to achieve this."

User ID 128684, Product designer/ manufacturer/ pack filler

Other respondents express general concerns about a digital deposit return scheme, with some saying that there is potential for misuse of scanning materials and a few that some consumers may not be able to access the necessary technology. A few respondents state

that the digital scheme is not viable. A few respondents suggest delaying the implementation of the scheme, for instance until the experience in Scotland has been evaluated.

Some respondents say they do not know enough to be able to answer this question.

Suggestions

Some respondents propose that new technology is needed to check the quality of material returns, with suggestions including that the technology could check weights and detect materials and could refuse some collections.

Some respondents state that trials are needed to identify if a deposit return scheme would have the same level of material quality returns as a traditional return model. Some of these respondents comment that the level of quality returns cannot be determined without experience and/or further research.

9.14. Question 53

9.14.1. If the digital deposit return scheme system can be integrated into the existing waste collection infrastructure would its implementation and running costs be lower? Please provide evidence to support your answer.

This question was answered by 522 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 53: Digital DRS system less expensive? | running costs would be lower (general)	7%	2%	34%	19%	10%	24%
5 Chapter 5 Return Points (40-54) | 53: Digital DRS system less expensive? | don't know/unsure	4%	3%	13%	5%	5%	8%
5 Chapter 5 Return Points (40-54) | 53: Digital DRS system less expensive? | lower costs would be lower - existing infrastructure	4%	1%	28%	0%	8%	8%
5 Chapter 5 Return Points (40-54) | 53: Digital DRS system less expensive? | needs to be assessed/researched	3%	0%	12%	40%	13%	14%
5 Chapter 5 Return Points (40-54) | 53: Digital DRS system less expensive? | concern - pressure on local authorities	2%	0%	20%	2%	2%	5%

Lower costs

Many respondents say that costs would be lower if the digital deposit return scheme could be integrated into existing waste collection infrastructure. Some respondents say that less staff time would be required to implement and run the scheme.

"Evidence published by The Digital DRS Industry Working Group says that a digital scheme could reduce the cost of implementation by £3.3bn over 11 years compared with an all-in reverse vending machine DRS as well as a benefit to cost ratio more than twice the value calculated in the RVM option."

User ID 128834, Business representative organisation or trade body

Some respondents say that running costs may be cheaper but that, for example, a decision should only be taken once the results of any trial schemes have been properly evaluated.

Some respondents express positive comments towards the integration of a digital deposit return scheme with existing waste collection infrastructure but do not necessarily comment on whether this would reduce running costs.

Same or increased costs

Some respondents say that a digital deposit return scheme would not be cheaper if integrated into existing waste collection infrastructure and may be more expensive. A few respondents say that aspects such as labelling and sorting waste would be too complex and costly, a few cite previous digital systems which have proven to be expensive, and a few say there would be a need to mitigate for higher levels of contamination.

"While on paper it may look attractive from a capital cost perspective, there may be many other costs incurred both for producers, operators and local authorities which would in fact amount to higher overall costs. For example, the increased waste levels from articles entering kerbside collections would require further sorting, and potentially increase costs."

User ID 129032, Business representative organisation or trade body

A few respondents oppose the proposed integration of a digital deposit return scheme with existing waste collection services without necessarily raising its impact on costs.

General comments and suggestions

Many respondents say that they have insufficient knowledge or would need more evidence to be able to answer this question adequately. Some respondents argue there is a need to properly research and assess the costs associated with the integration of a digital deposit return scheme and existing waste collection infrastructure.

Some respondents say that a digital deposit return scheme would increase pressure on local authorities.

A few respondents say that a digital deposit return scheme would still be dependent on other recycling options, such as outdoor reverse vending machines.

A few respondents express concern that if a network of external reverse vending machines were installed then these would be at risk of anti-social behaviour.

In terms of suggestions, a few respondents say that implementation of the deposit return scheme should be delayed because of the need for research, the impact of Covid-19 and the possibility that existing waste collection is adequate.

9.15. Question 54

9.15.1. Do you support the proposal to introduce a new permitted development right for reverse vending machines, to support the ease of implementation for the scheme?

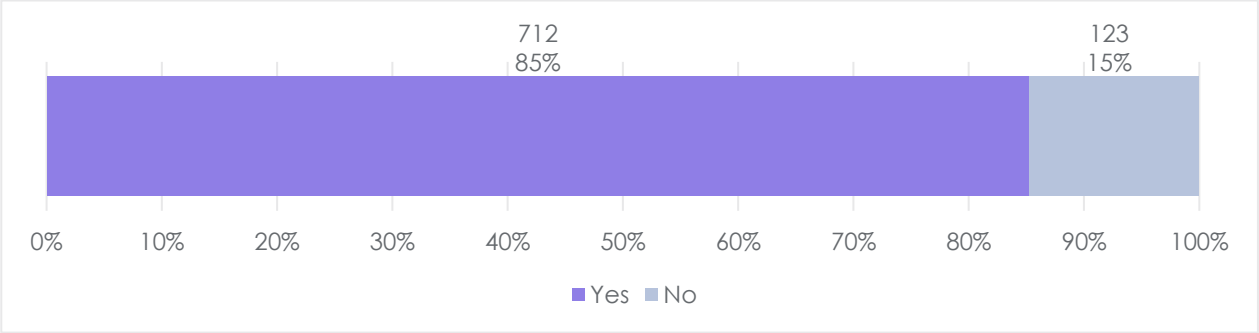

Figure 43: Question 54 (n=835)

9.15.2. Do you have any amendments or additional parameters you would propose are reflected in the permitted development right?

This question was answered by 361 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
5 Chapter 5 Return Points (40-54) | 54: New permitted development right for reverse vending machines | support development right (if strict criteria apply)	6%	1%	41%	5%	13%	5%
5 Chapter 5 Return Points (40-54) | 54: New permitted development right for reverse vending machines | impact on environment	5%	1%	33%	9%	2%	5%
5 Chapter 5 Return Points (40-54) | 54: New permitted development right for reverse vending machines | oppose - planning permission	3%	0%	26%	0%	0%	8%

5 Chapter 5 Return Points (40-54) | 54: New permitted development right for reverse vending machines | concerns about size/appearance	3%	1%	16%	5%	0%	8%
5 Chapter 5 Return Points (40-54) | 54: New permitted development right for reverse vending machines | accessibility	2%	0%	18%	0%	3%	3%

Support

Many respondents answering this question say their support for the permitted development right is conditional on strict criteria being applied, such as specified design for the installation of reverse vending machines, where they will be located and their size.

"Providing that strict criteria for size, location and design for installation is developed. We have seen issues with textile bank operators siting banks without permission causing issues for residents, landowners and LA in dealing with the issues, so strict guidance would avoid these issues."

User ID 128985, Local government

A few respondents state they do not have any amendments, with some of these respondents saying that this was because they do not want to suggest any amendment which may hinder the implementation of the scheme, as this needs to happen urgently.

Concerns

Many respondents express concerns about the environmental impacts of using reverse vending machines as part of a deposit return scheme, and argue that factors such as light, noise and air pollution need to be taken into account. Some of these respondents suggested expanding the types of area which can be excluded.

"We believe that RVM's should not be allowed on listed buildings or conservation areas, and there should be controls on how many are located within a given area."

User ID 135283, Local government

Some respondents think that reverse vending machines may be too big and obstruct pavements, with some also saying they may be visually unattractive.

A few respondents express general concerns about the costs and issues businesses would face if reverse vending machines were implemented as part of the scheme. A few other respondents said the machines should be simple and easy to use.

A few respondents say they do not have the expertise to answer this question or do not have any opinion on it.

Suggestions

Some respondents state that planning permission should be required for reverse vending machines to check if proposed sites are suitable and to give local communities the opportunity to raise concerns. Conversely, some respondents argue that if the setting up

of reverse vending machines requires planning permission, their implementation will not be complete within the suggested timeframe.

Respondents also make a number of suggestions about the location of reverse vending machines, with some saying that pavements should be kept clear to ensure accessibility, a few saying they should be located inside rather than outside retailers and others that they should be placed alongside other recycling schemes' units.

10. Labelling

10.1. Question 55

10.1.1. Do you agree that the following should be part of a mandatory label for deposit return scheme products?

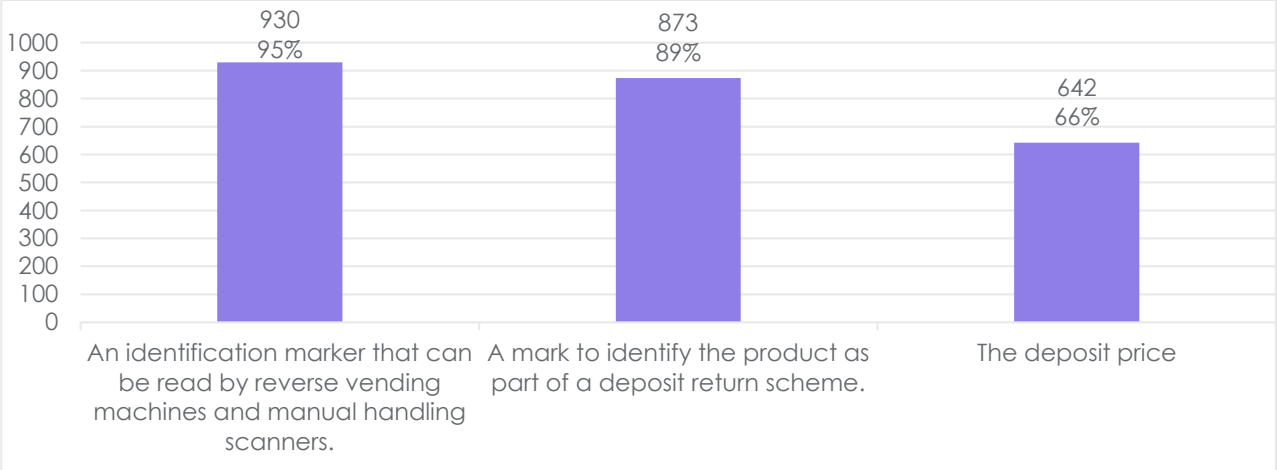

Figure 44: Question 55 – Respondents could select more than one option and the base number (n) is the number of respondents who selected at least one option, with all percentages calculated in relation to this figure (n=980)

10.2. Question 56

10.2.1. Are you aware of further measures that can be taken to reduce the incidence and likelihood of fraud in the system?

This question was answered by 568 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 56a: Measures to reduce fraud | no/don't know	9%	4%	53%	2%	2%	14%
6 Chapter 6 Labelling (55-63) | 56a: Measures to reduce fraud | Concern | devolved administrations - consistency	6%	1%	17%	61%	30%	16%
6 Chapter 6 Labelling (55-63) | 56a: Measures to reduce fraud | Suggestion | unique identifier	4%	1%	18%	4%	11%	11%

6 Chapter 6 Labelling (55-63) | 56a: Measures to reduce fraud | Suggestion | digital solutions/ digital drs	2%	0%	10%	5%	8%	8%
6 Chapter 6 Labelling (55-63) | 56a: Measures to reduce fraud | Suggestion | general/	2%	1%	7%	0%	10%	14%

Concerns

Many respondents say that they are not aware of any further measures to reduce fraud.

Meanwhile, many respondents express concern that if a deposit return scheme were to be inconsistent across the devolved administrations, then the likelihood of fraud would increase. A few also argue that fraud would be incentivised if the deposit level were to be set too high.

However, a few say that fraud is unavoidable and should not be a priority concern.

Suggestions

Some respondents suggest the use of a unique identifier such as barcode on bottles which are in scope, whilst a few suggest an unremovable label.

Some respondents suggest that digital solutions, such as blockchain technology or digital personal payment systems, could be used to lessen the incidence of fraud, whilst some say that lessons should be learnt from schemes which have already been implemented.

A few respondents say that fraud may be lessened by auditing the deposit return scheme, whilst a few say that machinery which can accurately measure the weight of returned items would prevent fraud where someone attempted to take multiple deposits for one item.

10.3. Question 57

10.3.1. Do you agree with our proposals to introduce mandatory labelling, considering the above risk with regards to containers placed on the market in Scotland?

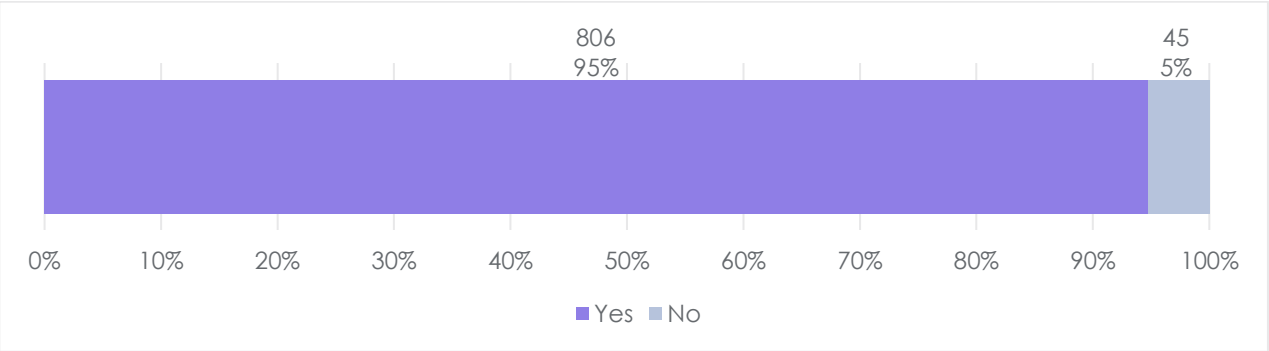

Figure 45: Question 57 (n=851)

10.4. Question 58

10.4.1. Do you consider the risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland via Scotland to be a significant risk?

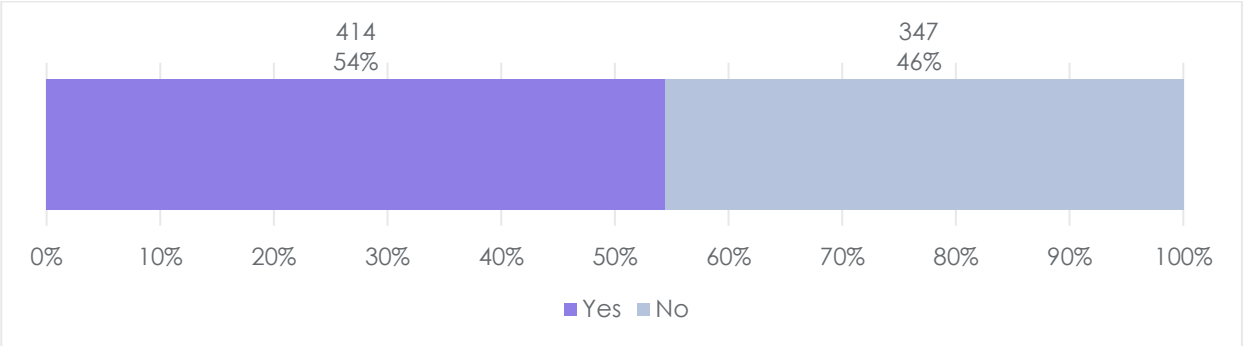

Figure 46: Question 58 (n=761)

10.4.2. Please provide any evidence to support your answer.

This question was answered by 455 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 58a: Incorrectly labelled products | Support | uk-wide labelling	4%	1%	20%	9%	17%	11%
6 Chapter 6 Labelling (55-63) | 58a: Incorrectly labelled products | Concern | confusing	4%	1%	24%	11%	14%	14%
6 Chapter 6 Labelling (55-63) | 58a: Incorrectly labelled products | don't know/no evidence	4%	0%	31%	0%	0%	5%
6 Chapter 6 Labelling (55-63) | 58a: Incorrectly labelled products | Support | clear labelling	4%	1%	15%	11%	11%	19%
6 Chapter 6 Labelling (55-63) | 58a: Incorrectly labelled products | risk (general)	3%	2%	8%	11%	13%	8%

Support

Some respondents do not consider the risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland via Scotland to be a significant risk.

Concerns

Some respondents do consider the risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland via Scotland to be a significant risk. Some respondents are concerned that incorrectly labelled products, or inconsistent labelling between Scotland and the rest of the UK, may cause confusion for users of a deposit return scheme. A few respondents also feel that littering may increase near borders.

"Drink containers originating in Scotland are imported to the UK market. As they would be unlabelled, that could cause confusion regarding the operating of the deposit return scheme in England and Wales."

User ID 112089, Individual

Some respondents say that they do not know whether it would pose a significant risk or that they do not have enough evidence to answer the question.

Suggestions

Some respondents suggest that labelling should be consistent across England, Scotland, Wales and Northern Ireland to remove the risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland via Scotland. Furthermore, some respondents say that the deposit return scheme school be consistent across the four nations.

Meanwhile, some respondents suggest that if labelling is clear and easy to understand then this may mitigate the significance of the risk of incorrectly labelled products entering the markets of England, Wales or Northern Ireland.

Other suggestions include:

- keeping the scheme simple;
- greater enforcement through border controls;
- quality controls; and
- regular audits and penalties.

10.5. Question 59

10.5.1. Do you consider leaving any labelling requirements to industry to be a better option that legislating for mandatory labelling requirements?

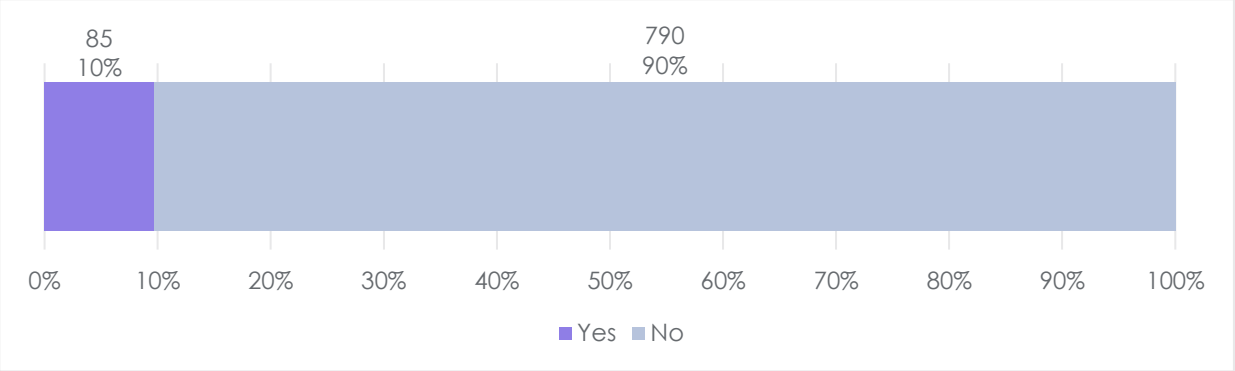

Figure 47: Question 59 (n=875)

10.5.2. Please explain your answer.

This question was answered by 611 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 59a: Labelling requirements | Support | legislation (consistency)	13%	5%	58%	49%	25%	32%
6 Chapter 6 Labelling (55-63) | 59a: Labelling requirements | Suggestion | industry lead but follow legislation	6%	1%	20%	51%	38%	16%
6 Chapter 6 Labelling (55-63) | 59a: Labelling requirements | Concern | industry (different labelling)	5%	2%	32%	0%	6%	8%
6 Chapter 6 Labelling (55-63) | 59a: Labelling requirements | Concern | industry (general)	3%	3%	5%	0%	2%	3%
6 Chapter 6 Labelling (55-63) | 59a: Labelling requirements | Support | general support for labelling requirements	2%	0%	9%	2%	8%	5%

Support

Some respondents express general support for industry deciding on labelling requirements, whilst some say that having specialist knowledge of industry would help to make decisions around labelling requirements.

Meanwhile, some respondents express positive comments towards the principle of labelling requirements more broadly.

A few respondents say that mandatory labelling may affect or have a disproportionate impact on certain industries in the UK.

Concern

Many respondents express concern that if businesses have different labelling systems it will lead to inconsistency or create confusion and therefore argue that mandatory labelling is required. Some of these respondents say that local authorities would have to deal with queries about different labelling.

"Mandatory labelling would simplify messaging to householders, and help to reduce confusion on what is in scope and alignment with mandatory labelling under EPR for materials which are not in-scope but can be recycled at the kerbside."

User ID 127830, Local government

Some respondents say that industry would not be right or cannot be trusted with responsibility for labelling requirements.

Suggestion

Many respondents emphasise the importance of consistency to reduce confusion for consumers.

Many also suggest the industry should lead on labelling requirements but should follow legislation.

10.6. Question 60

10.6.1. Are you aware of any other solutions for smaller producers who may not currently label their products? Please explain your answer.

This question was answered by 533 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 60: Labelling for small producers | no/not sure/don't know	10%	4%	35%	37%	24%	14%
6 Chapter 6 Labelling (55-63) | 60: Labelling for small producers | Suggestion | stickers	6%	1%	39%	2%	13%	11%
6 Chapter 6 Labelling (55-63) | 60: Labelling for small producers | Suggestion | standard labelling	2%	2%	4%	0%	10%	5%
6 Chapter 6 Labelling (55-63) | 60: Labelling for small producers | not a problem for small producers	1%	1%	2%	0%	8%	3%
6 Chapter 6 Labelling (55-63) | 60: Labelling for small producers | support exemption for small producers	1%	0%	8%	0%	3%	3%

Many respondents answering this question propose providing small producers who do not currently label their products with stickers to attach to their products. Some of these respondents argue that this would make it easier for producers who use all sizes and types of container and/or do not have the capacity to produce their own labels.

"The application of self-adhesive labels, purchased from the DMO, are the usual practise in other DRS schemes."

User ID 128948, Packaging designer/ manufacturer/ converter

Some respondents argue that all producers, regardless of size, should be required to label their products, with some stating that it is already the case that they have to label their products. A few say in addition to this point that there should be no exemptions to the scheme based on this. A few state that small producers should adhere to the minimum requirement of adding barcodes to their containers.

"If Government can set out its final Regulations with sufficient lead time for producers, it is reasonable for smaller producers to adopt the minimum requirement of an identification marker that can be read by reverse vending machines and manual handling scanners (i.e. ensure all in-scope containers carried a barcode)."

User ID 127804, Operator/ Reprocessor

A few respondents make specific suggestions such as making free downloadable and printable labels available to small producers and allowing producers to mark the container with something such as symbol which identifies it as being in scope.

A few respondents think that labelling should be the responsibility of the Deposit Management Organisation.

A few respondents suggest that grants or loans should be provided to small producers who are not able to label their products to help them do so.

Some respondents believe there will not be any issues for smaller producers who do not currently label their products saying, for example, that it is only a small change.

Some respondents express concern that if stickers were to be made available for small producers who do not label their products, they could come off, become damaged, or not be clear enough for consumers.

Some respondents state that they would support the exemption of small producers from the deposit return scheme if they are not able to label their products because, for example, small producers have little negative impact on the environment. Respondents also state that extra costs for small producers would be a burden.

A few respondents argue that there is no need to label in-scope containers.

Many respondents say that they do not know or do not have any suggestions for smaller producers who do not currently label their products.

10.7. Question 61

10.7.1. We believe 18 months is a sufficient period of time for necessary labelling changes to be made. Do you agree?

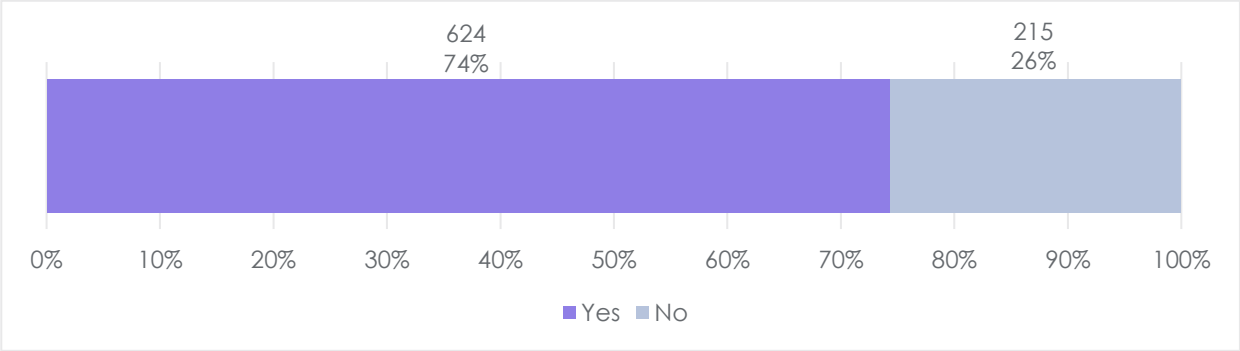

Figure 48: Question 61 (n=839)

10.7.2. Can you provide any evidence to support your answer?

This question was answered by 414 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 61a: Time for labelling changes | more than 18 months	5%	1%	3%	60%	41%	14%

6 Chapter 6 Labelling (55-63) | 61a: Time for labelling changes | 18 months	3%	2%	7%	5%	8%	5%
6 Chapter 6 Labelling (55-63) | 61a: Time for labelling changes | no (general)	2%	1%	17%	5%	2%	11%
6 Chapter 6 Labelling (55-63) | 61a: Time for labelling changes | less than 18 months	2%	3%	2%	0%	2%	3%
6 Chapter 6 Labelling (55-63) | 61a: Time for labelling changes | concerns about timeline/	2%	0%	13%	0%	8%	5%

Concerns

Many respondents answering this question argue that 18 months is not long enough for producers to make the necessary labelling changes. They state that producers will need more time, but do not give specific suggestions as to how long this should be.

"With Government noting that respondents to previous consultation proposals said that lead times of 2 to 3 years may apply to them, we firmly believe that the Government's proposed 18-month lead time is unrealistic, especially as new secure technology may need to be developed and rolled out at scale."

User ID 124293 Retailer including online marketplace

Conversely, some respondents believe that 18 months is too long for producers to make the necessary labelling changes. These respondents also do not give specific suggestions on a suitable period of time is.

Some respondents disagree that 18 months is a suitable period of time for producers to make the necessary labelling changes, but offer no alternative suggestions.

Some respondents query how the timeline fits with the overall roll-out of the deposit return scheme, for instance whether this period will start when producers find out which containers are in scope. Some of these respondents argue that the sufficiency of the 18 months depends on when this period will start in relation to the scheme.

Support

Some respondents agree that 18 months is a sufficient period of time for producers to make the necessary labelling changes, with some of these respondents commenting that 18 months should be the maximum time considered.

"Industry has referenced 18 months being required to make sufficient changes and use up existing stocks. This would be 18 months from the point of which the label requirements are set."

User ID 128677, Distributor

Suggestions

In terms of specific suggestions for a shorter time period, some respondents propose 12

months, while a few recommend 6 months or 6-9 months.

Some of these respondents say that the question of timings should be left to producers to decide and that they feel unqualified to answer this question themselves.

10.8. Question 62

10.8.1. Will your processes change as a result of mandatory labelling?

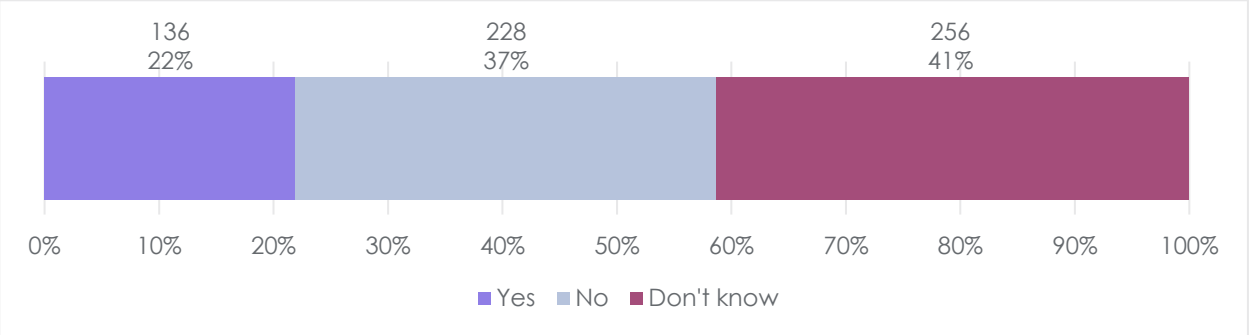

Figure 49: Question 62 (n=620)

10.8.2. Please explain your answer.

This question was answered by 389 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 62a: Process change due to labelling requirements | not a producer / can't answer	8%	2%	49%	12%	3%	11%
6 Chapter 6 Labelling (55-63) | 62a: Process change due to labelling requirements | concern - processes and technology	4%	1%	3%	37%	37%	22%
6 Chapter 6 Labelling (55-63) | 62a: Process change due to labelling requirements | concern - time to change	2%	0%	0%	37%	6%	3%
6 Chapter 6 Labelling (55-63) | 62a: Process change due to labelling requirements | process won't change	1%	0%	3%	0%	2%	0%
6 Chapter 6 Labelling (55-63) | 62a: Process change due to labelling requirements | process will change	1%	0%	3%	4%	6%	0%

Concerns

Many respondents answering this question state that additional technology will be required for the change in labelling requirements.

> *"[Respondent] will need to put significant investment into our internal IT systems and online customer facing systems across thousands of lines. We will also need to change our shelf edge labelling within store. We will also need to make changes to our logistics at a depot level to track items through the supply chain and track any waste items which fall within DRS. We will also need to ensure stores which offer online deliveries across borders are able to properly track in-scope items e.g. Carlisle delivering to Scotland and Welsh/English border. "*
>
> *User ID 129098, Retailer including online marketplace*

Some respondents comment that the printing of labels is a complex process, highlighting factors such as inventory rotation, design and fraud measure testing.

A few respondents express concern that re-producing labels will involve significant costs, as many different stock-keeping units (SKUs) are involved.

A few respondents comment more generally that they expect changes to their processes.

Support

A few respondents make general positive comments, for instance saying that they are happy to make changes to their processes due to the scheme's labelling requirements.

Some respondents state that there will be no change to their processes or that they see no reason to change processes. Some of these respondents state that there will be no foreseeable impact on local authorities.

> *"Stock may need to be different for different parts of the world but we already have details of other deposit schemes."*
>
> *User ID 104419, Other*

A few respondents say that they are unsure or that it will depend upon factors such as the minimum requirements and interoperability across schemes in the UK.

Many respondents state that they are unable to answer this question, with some saying that this is because they are not a producer.

Suggestions

A few respondents suggest that changes need to be promoted to consumers, with some saying they expect to signpost consumers to the scheme once it is up and running.

A few respondents make more general suggestions about labelling requirements, for instance to extend the timeline is extended or make the scheme UK wide.

10.9. Question 63

10.9.1. Do you agree that our proposed approach to labelling will be able to accommodate any future changes and innovation?

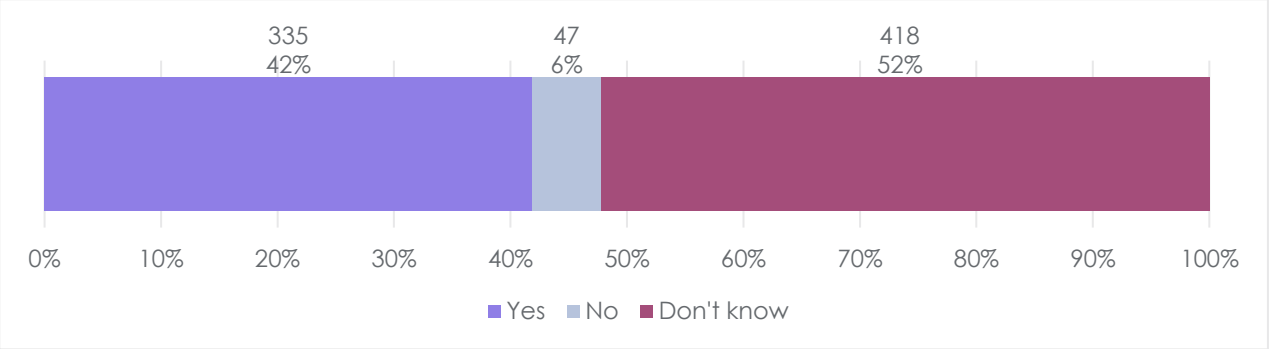

Figure 50: Question 63 (n=800)

10.9.2. Are you aware of any upcoming technology in the field of labelling?

This question was answered by 264 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
6 Chapter 6 Labelling (55-63) | 63a: Upcoming labelling technology | no/don't know/unsure	6%	2%	29%	0%	5%	16%
6 Chapter 6 Labelling (55-63) | 63a: Upcoming labelling technology | suggestion - DMO should advise	1%	0%	1%	2%	13%	3%
6 Chapter 6 Labelling (55-63) | 63a: Upcoming labelling technology | yes - general	1%	0%	1%	4%	2%	3%
6 Chapter 6 Labelling (55-63) | 63a: Upcoming labelling technology | concern - fast changing technology	1%	0%	4%	4%	2%	3%
6 Chapter 6 Labelling (55-63) | 63a: Upcoming labelling technology | suggestion - barcode/ qr code	1%	0%	0%	2%	6%	0%

Suggestions

Many respondents answering this question say they are unsure or do not know of any upcoming technologies. A few respondents comment that specialist labelling companies or industry experts are best placed to answer this question.

A few respondents make specific suggestions about potential or upcoming technologies which could be used for labelling:

- Digital watermarking technology.
- Blockchain technology, with some commenting this would reduce fraud.
- Radio-frequency identification devices (RFID), although some think this would be open to fraud.
- Smart devices, such as fridges, that record each container entering and being removed.

Some respondents state that the Deposit Management Organisation should manage any technological developments and determine labelling standards.

"Once the DMO is established, any developments – technological or other – should be managed by them."

User ID 124621, Business representative organisation or trade body

Some respondents highlight upcoming technologies, such as digital printing, which could potentially help with labelling. Some other respondents make the more general point that technology is always changing. In both cases, some of these respondents comment that the scheme needs to be flexible enough to adopt to different technologies or to use future technical research, with the role of the Deposit Management Organisation specifically highlighted.

"As much as possible scheme should be future proofed to allow for adoption of proven technology that facilitates targets and objectives of DRS, cost effectively."

User ID 128691, Other

Some respondents suggest using barcodes/QR codes for labelling, with some arguing that this will help reduce fraud.

Concerns

A few respondents make more general points about labelling - mandatory labelling could affect UK trading and/or reduce consumer choice and labelling creates litter.

A few respondents express their opposition to the deposit return scheme more broadly, for instance because it will increase costs to consumers.

11. Local authorities and local councils

11.1. Question 64

11.1.1. Do you agree that local authorities will be able to separate deposit return scheme containers either themselves or via agreements with material recovery facilities to regain the deposit value?

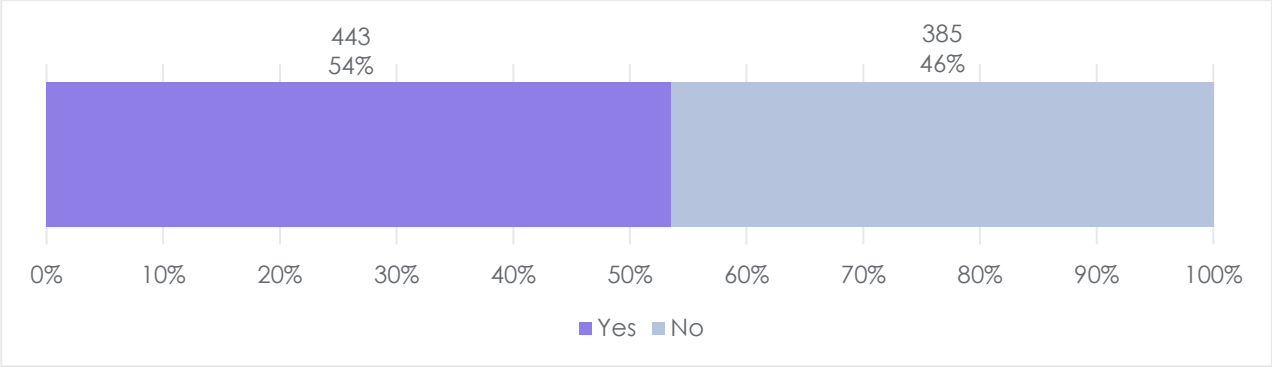

Figure 51: Question 64 (n=828)

11.1.2. Please explain your answer.

This question was answered by 521 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
7 Chapter 7 Local Authorities and Local Councils (64-68) | 64a: Local authorities separate in-scope containers | Concern | sorting materials	9%	1%	58%	51%	14%	14%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 64a: Local authorities separate in-scope containers | Concern | impact on local authority (cost)	6%	1%	44%	12%	5%	11%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 64a: Local authorities separate in-scope containers | Concern | oppose on-the-go	4%	0%	24%	7%	16%	11%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 64a: Local authorities separate in-scope containers | Concern | contract issues	3%	0%	21%	2%	3%	11%

7 Chapter 7 Local Authorities and Local Councils (64-68) | 64a: Local authorities separate in-scope containers | Support | incentives	2%	1%	5%	14%	11%	5%

Support

Some respondents agree with the suggestion that local authorities should be able to sort deposit return scheme containers and some say that the deposit return monies will provide sufficient incentive for local authorities to do this.

Concerns

Many respondents argue that it will be difficult for local authorities to separate deposit return scheme materials, either themselves or via agreements. They say that the practice of mixing collected materials would make it difficult to accurately identify materials and add that containers collected kerbside may be too damaged to correctly identify.

"it would not be possible to establish in and out of scope containers, for example all PET would be sorted together regardless of the size of the bottle. Likewise, glass would not be distinguished between jars and in and out of scope bottles. If in scope items are required to have the caps on to be eligible for the deposit this is not something a MRF would be able to check for."

User ID 124623, Local government

Many respondents also express concern about the cost to local authorities of implementing this proposal, particularly the cost of the additional technology and infrastructure required to separate in-scope materials.

Some respondents believe that the proposal to divert in-scope materials would impact the viability of contracts which local authorities hold with Materials Recycling Facilities. They say that these facilities would not be able to identify which local authority materials came from and that pre-existing contracts are long-term so changes would take a long time to implement, and research would be required.

Some respondents also feel that local authorities would not be able to reasonably manage the potential administrative challenges of separating the in-scope materials as proposed. They say that they would not have the resources required to implement additional separation methods at Materials Recycling Facilities.

Some respondents say that consumers will have the additional burden of storing and sorting materials at home and may not know how to recycle items if there are several options available.

"Consideration must be given as to how smaller properties, flats and HMOs will be able to accommodate a separate container for DRS targeted material."

User ID 135214, Local government

A few respondents raise concerns about how local authorities would separate in-scope materials if labels or marking are unclear, whilst a few question the ability of private companies and local authorities to separate in-scope materials without Government

involvement.

Many respondents express concerns about on-the-go deposit return schemes more broadly and say the implementation of such a scheme would make the separation of materials by local authorities harder.

Some respondents argue that local authorities should not be involved in separating deposit return materials, and some respondents say that they do not wish to or feel able to answer this question.

Suggestions

Some respondents say that a digital deposit return scheme should be used as it would ensure that deposits are redeemed appropriately and would reduce the administrative burden of recycling in-scope materials. They say that use of digital infrastructure within the Extended Producer Responsibility is a sensible example of using technology and should be considered when designing the deposit return scheme.

A few respondents say that local authorities should liaise with the Deposit Management Organisation on a range of issues including the collection of deposit return materials and the management of funds from returned and unredeemed deposits.

A few respondents believe that collections should be aligned with the deposit return schemes across the devolved administrations.

11.2. Question 65

11.2.1. Do you agree that local authorities will be able to negotiate agreements with material recovery facilities to ensure gate fees reflect the increased deposit values in waste streams or a profit-sharing agreement on returned deposit return scheme containers was put in place?

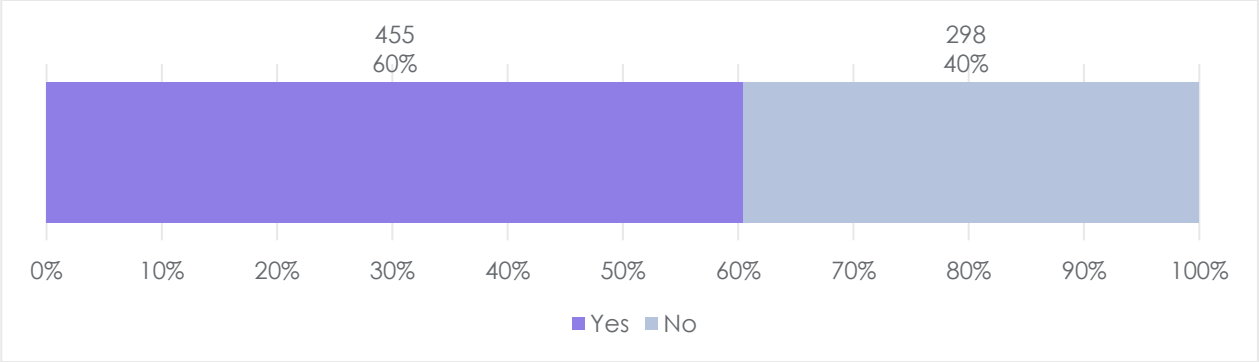

Figure 52: Question 65 (n=753)

11.2.2. Please explain your answer.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and

- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
7 Chapter 7 Local Authorities and Local Councils (64-68) | 65a: Agreements with material recovery facilities Option 1 | Concern | contract issues	7%	1%	51%	32%	5%	8%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 65a: Agreements with material recovery facilities Option 1 | Concern | sorting materials	6%	1%	37%	37%	8%	22%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 65a: Agreements with material recovery facilities Option 1 | Suggestion | general/	4%	1%	31%	5%	10%	16%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 65a: Agreements with material recovery facilities Option 1 | disagree (general)	3%	1%	20%	2%	8%	0%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 65a: Agreements with material recovery facilities Option 1 | Support | general/	3%	1%	15%	2%	0%	5%

Support

Some respondents agree or express confidence in local authorities' ability to negotiate gate fees with material recovery facility operators. A few say that this is more likely to be the case because of the potential financial benefit for either or both parties.

Concerns

Some respondents state their general disagreement with the proposal for local authorities to negotiate gate fee agreements with material recovery facilities operators.

Many raise concerns about the challenges of sorting deposit return scheme materials from other materials either kerbside or at material recovery facilities. They also argue that contractual problems may occur if local authorities negotiate gate fees with material recovery facilities because there are existing contracts in place.

> *"Contractual agreements are already in place between local authorities and material recovery facilities. Any agreement may need to be a profit/loss contract as contamination level could de-value the waste stream and mean that a deposit cannot be recovered if the bar code or label cannot be read."*
>
> *User ID 124616, Packaging designer/ manufacturer/ converter*

Some respondents raise concerns about the cost to local authorities of negotiating gate fees as they may incur additional costs.

A few respondents say that negotiating contracts will place an increased administrative

burden on local authorities, whilst a few say that these contracts should be negotiated nationally or have Government oversight.

A few respondents feel that conflicts of interest could occur if local authorities negotiate agreements with material recovery facility operators.

Some respondents say that more information is needed to enable them to comment on this issue.

Suggestions

A few respondents suggest that fee agreements should be subject to regular review.

Some respondents comment more broadly on how the deposit return scheme should operate.

11.3. Question 66

11.3.1. In order to minimise the risk of double payments from the Deposit Management Organisation to local authorities, where should data be collected regarding the compositional analysis to prevent the containers being allowed to be redeemed via return points?

This question was answered by 544 respondents. Their comments are summarised below. The various options are laid out in the consultation document.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
7 Chapter 7 Local Authorities and Local Councils (64-68) | 66: Data to prevent containers from being redeemed twice Option 2 | Data collection - at/by materials recovery facility (MRF)	5%	1%	28%	16%	10%	8%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 66: Data to prevent containers from being redeemed twice Option 2 | Suggestion - security / fraud prevention	4%	0%	30%	7%	8%	14%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 66: Data to prevent containers from being redeemed twice Option 2 | Data collection - at collection/entry point	3%	1%	6%	53%	3%	11%

7 Chapter 7 Local Authorities and Local Councils (64-68) | 66: Data to prevent containers from being redeemed twice Option 2 | Data collection - at/by local authorities	3%	1%	23%	0%	2%	11%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 66: Data to prevent containers from being redeemed twice Option 2 | Concern - funding	3%	0%	26%	0%	0%	14%

Support

Some respondents express general positive comments towards option 2 or say that it seems the most reasonable if material cannot be separated.

Concerns

Some respondents question how funding would be apportioned under option 2 or say that payment mechanisms for efficient collection require further consultation, whilst some respondents express concern about the complexity of completing a compositional analysis for this option. A few respondents argue that compositional analysis can only identify the overall mix of materials, rather than individual containers, and is therefore not suitable for preventing leakage of individual containers from the system.

A few respondents believe that further modelling and analysis would be needed once the system is in place to be able to ensure that payments are representative of the amount of materials being collected.

Some respondents say that they do not know, do not have enough information, or lack the expertise necessary to be able to answer the question.

Suggestions

Many respondents say that the data for compositional analysis should be collected at the materials recovery facility because it is the first sorting point and they have the knowledge expertise, as well as the space and resources. However, some feel the data should be collected from the first point of entry into the system, including kerbside where this is the relevant entry point.

"A compositional analysis should take place at the kerbside at the point of collection in order to capture reliable and accurate data."

User ID 128808, Business representative organisation or trade body

Some respondents say that the data should be collected by local authorities. These respondents say that local authorities work with Government and would be unlikely to abuse the system, or that local authorities already have the capacity to collect and transport kerbside waste. However, some respondents feel that this data should not be collected by local authorities as they already have ongoing financial pressures and existing responsibilities.

Some respondents suggest that data should be collected by the Deposit Management Organisation because they are responsible for eliminating fraud and would have access

to data from the materials recovery facility and reverse vending machines.

A few respondents suggest that a combination of organisations should collect this data, with some saying that local authorities should partner with specialist organisations whilst others feel information should feed into a central database.

Many respondents say that security or fraud measures will be necessary to minimise the risk of double payments from the Deposit Management Organisation to local authorities, whilst some suggest that a digital deposit return scheme could be used to eliminate the risk of double payments.

> *"A risk might be perceived around persons (employees or otherwise) seeking to steal material and redeem value. Security processes can be put in place to prevent this and the balance of risk / pay-off is unlikely to make this a significant problem. Additionally payments to LAs at a bulk level will be based on weight received at the reprocessors, so any material removed illegally or otherwise in the process of collection or sorting would not be paid for again."*
>
> *User ID 128837, Other*

A few respondents suggest that existing compositional analysis measures could be adapted, whilst others say that WTS sampling should be explored as a tool to prevent containers being redeemed twice.

A few respondents say that local authorities should have an option to return any deposit return scheme container in bulk once collected at kerbside, whilst a few say that kerbside recycling and deposit return scheme waste streams should be kept separate to prevent containers being redeemed twice.

11.4. Question 67

11.4.1. How difficult do you think this option would be to administer, given the need to have robust compositional analysis in place? Please explain your answer.

This question was answered by 528 respondents. Their comments are summarised below. The various options are laid out in the consultation document.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
7 Chapter 7 Local Authorities and Local Councils (64-68) | 67: How difficult to manage Option	7%	0%	47%	49%	10%	24%

3 | Concern - accuracy of measuring/reporting						
7 Chapter 7 Local Authorities and Local Councils (64-68) | 67: How difficult to manage Option 3 | Oppose - Option 3	4%	1%	31%	5%	13%	8%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 67: How difficult to manage Option 3 | Difficulty - high / complexity issues	4%	2%	15%	4%	10%	5%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 67: How difficult to manage Option 3 | don't know/ more evidence needed	3%	2%	5%	5%	11%	5%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 67: How difficult to manage Option 3 | Suggestion - mass balance	2%	0%	18%	0%	0%	3%

Support

A few respondents offer general positive comments about option 3 or say that it provides an appropriate incentive for local authorities to return deposit return scheme containers from their waste streams so that the scheme can achieve high return rates.

Where respondents comment on the difficulty of implementation, some say that it would create additional administrative and reporting difficulties but that these would be manageable. They sometimes suggest that option 3 would not be more difficult than the other options proposed.

Concerns

Many respondents state their opposition to option 3.

Where respondents comment on the difficulty of implementation, many respondents say that it would be difficult to secure accurate data for a compositional analysis, that the technology required would be complex and could go wrong, and that a hybrid option would be difficult to manage.

"The approach suggested under option 3 appears to be reliant on regular waste compositional analysis (WCA). There is nowhere near sufficient capacity to allow all local authorities to conduct waste compositional analysis on an annual basis."

User ID 124623, Local government

Furthermore, many argue that there would be risk of misreporting due to a reliance on insufficient compositional analysis data. As a result, the feel that local authorities may benefit unfairly from payments. They add that the additional reporting needed to prevent double payment to producers would be too complex and create an increased workload for local authorities. Some say that the costs associated with option 3 are too high and there is not enough evidence of risk of double payment to take this option forward.

A few respondents say that local authorities would not have the resources needed to properly separate materials so this may impact their ability to receive payments, whilst a few question how disputes over payments would be resolved or would impact key relationships.

Some respondents feel that they do not have the experience to respond to this question or say that more research is needed to understand how the proposed options would work.

Suggestions

Some respondents suggest that a funding formula payment would be an easier option for local authorities, but that there is too much regional variation for funding formula payments to be one-size-fits-all.

A few respondents say that Government would be best placed to monitor deposit return scheme materials collected by local authorities and express concern over conflicts of interest. They say that systems for managing compositional analysis must be established.

Meanwhile, a few respondents say that pilot schemes should be run to gather more evidence before a nationwide rollout, whilst a few say that calculating the mass balance of containers could be a better and cheaper way to assess how many deposit return scheme containers have been captured through kerbside collection.

11.5. Question 68

11.5.1. What option do you think best deals with the issue of deposit return scheme containers that continue to end up in local authority waste streams?

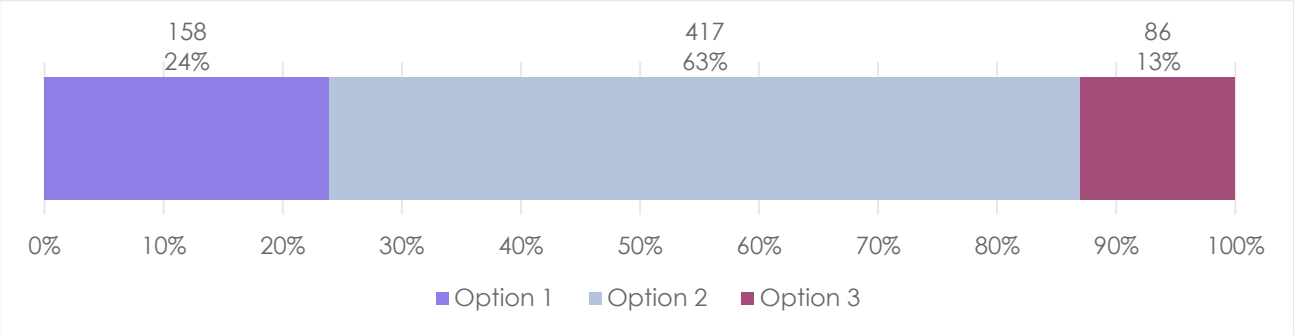

Figure 53: Question 68 (n=661)

11.5.2. Please briefly state the reasons for your response. Where available, please share evidence to support your view.

This question was answered by 454 respondents. Their comments are summarised below. The various options are laid out in the consultation document.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code

applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
7 Chapter 7 Local Authorities and Local Councils (64-68) | 68a: Preferred option and why | Reason - financial flows	6%	0%	50%	7%	5%	16%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 68a: Preferred option and why | Suggestion - general / other	4%	1%	24%	4%	17%	16%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 68a: Preferred option and why | Reason - simplicity	4%	1%	11%	32%	13%	3%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 68a: Preferred option and why | Concern - complexity	3%	1%	13%	30%	6%	5%
7 Chapter 7 Local Authorities and Local Councils (64-68) | 68a: Preferred option and why | Reason - robustness	2%	1%	14%	5%	5%	14%

Support

Many respondents say that they support their chosen option because it guarantees appropriate financial flows to cover local authorities for any expenses related to the deposit return scheme. Most of these respondents selected option 2 as their preferred option.

"I think it makes sense for LPAs to be paid up front for their recycling processes, rather than having to deposit as if they were a private person."

User ID 104419, Other

Many respondents support their chosen option because they feel it is the simplest solution. Most of these respondents selected option 2 as their preferred option but a significant minority selected option 1.

"The principle of option 2 sounds reasonable, as it provides solutions for those authorities who would be able to separate out DRS materials, but also doesn't penalise authorities who aren't able to separate all DRS materials."

User ID 128551, Local government

Some respondents say that they chose a particular option because it would ensure the robustness and fairness of the scheme. Most of these respondents selected option 2 as their preferred option but a significant minority selected option 3.

Some respondents support an option because they feel it ensures the responsibility for implementing the scheme would fall upon a specific actor, such as the Deposit Management Organisation or local authorities. Most of these respondents selected option 2 as their preferred option.

Some respondents believe that their chosen option aligns with other schemes. Most of

these respondents selected option 2 as their preferred option but a significant minority selected option 1. Those who selected option 1 often suggest that it aligns best with the deposit return scheme which is to be implemented in Scotland.

Some respondents say that they support Defra's preferred option (option 2).

Some respondents state that their support for a particular option is dependent on specific conditions being met. For example, some of these respondents say that they support option 1 but only if an on-the-go scheme is adopted.

A few respondents state that they don't have a preference, do not feel able to answer, or would need more information to provide an informed view.

Oppose

Some respondents specifically oppose option 1 as they feel it leaves local authorities to pay to deal with materials which are in the scope of the deposit return scheme.

Some respondents oppose all the options presented.

Many respondents express concern about the complexity of the impact which a deposit return scheme could have on waste streams currently managed by local authorities. They argue that the scheme may be too complex to warrant local authorities claiming back the deposit for relevant items in their waste streams. Most of these respondents selected option 2 as their preferred option. Relatedly, a few respondents say that the interactions between a deposit return scheme and existing waste schemes currently managed by local authorities will pose difficulties in terms of data collection.

Suggestions

Many respondents offer a range of suggestions about the deposit return scheme, including how local authorities could be funded and deposit return scheme items left in other waste streams.

12. Compliance and monitoring enforcement

12.1. Question 69

12.1.1. Are there any other producer obligations you believe the Environmental Regulators should be responsible for monitoring and enforcing?

This question was answered by 516 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 69: Regulation of producer obligations | no	9%	3%	51%	7%	21%	11%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 69: Regulation of producer obligations | yes - monitor recycling	2%	1%	0%	42%	3%	11%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 69: Regulation of producer obligations | yes - general	2%	1%	2%	2%	8%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 69: Regulation of producer obligations | yes - appeals and arbitration	2%	0%	12%	0%	2%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 69: Regulation of producer obligations | unsure/don't know	1%	1%	6%	2%	2%	3%

Suggestions

Many respondents said that there were not any other obligations which the Environmental Regulators should be responsible for monitoring and enforcing, whilst some said that there were not sure, needed more information, or did not feel able to answer the question.

Among those who proposed additional producer obligations which the Environmental Regulators should be responsible for monitoring and enforcing, some said they should monitor the sale, disposal, and recycling of end materials to improve levels of closed loop applications.

Others felt that appeals and arbitrations processes should be introduced to support the

operation of the Deposit Management Organisation. They say this may be necessary to manage potential disputes between the Deposit Management Organisation and the Extended Producer Responsibility or to consider appeals against the Deposit Management Organisation's refusal to grant exemptions. Some also advocate that the Environmental Regulators should have the authority to impose penalties on producers to ensure compliance with their obligations.

Some suggest that producer obligations should also include providing information to consumers or businesses about the deposit return scheme and deposit levels.

A few respondents raise other suggestions, including:

- responsibility for the Environmental Regulator to monitor the packaging used by producers to ensure it is in scope where possible;
- responsibility for the Environmental Regulator to monitor producer use of materials and any attempts to switch to materials which fall outside the scope of the scheme;
- a producer obligation which requires transparency around costs, auditing, and evaluation processes;
- a producer obligation to monitor environmental impact; and
- a producer obligation to provide clear labelling on their products.

12.2. Question 70

12.2.1. Are local authorities (through the role Trading Standards and the Primary Authority Scheme) best placed to enforce certain retailer obligations?

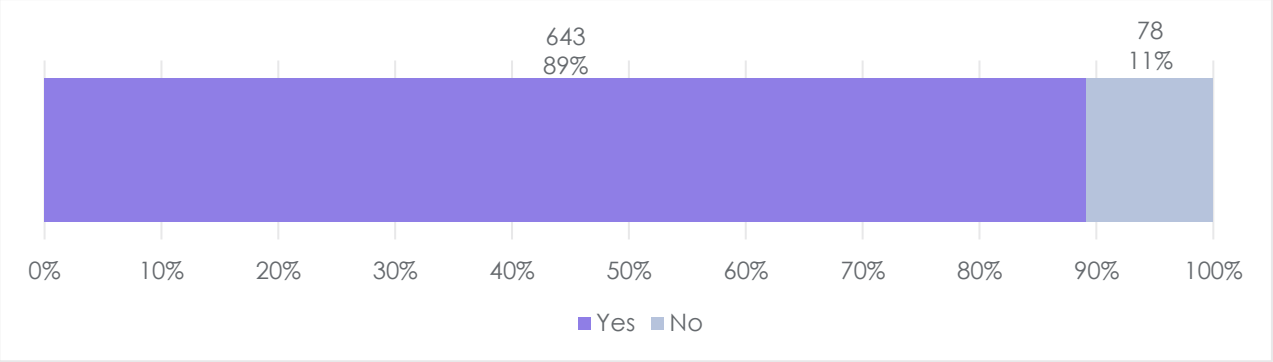

Figure 54: Question 70 (n=721)

12.2.2. Please give any alternative suggestions.

A few respondents say that the Deposit Management Organisation should themselves, or in partnership with local authorities, add monitoring and enforcement work for the deposit return scheme to the other duties they would carry out with retailers.

12.2.3. To what extend will local authorities be able to add monitoring and enforcement work for the deposit return scheme to existing duties they carry out with retailers?

This question was answered by 431 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or

make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | concern resources - cost	9%	3%	62%	18%	5%	16%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | concern resources - staff	5%	1%	38%	4%	0%	3%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | LA might struggle	4%	1%	33%	7%	2%	3%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | LA will manage	4%	1%	17%	4%	8%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | don't know/unsure	2%	1%	3%	0%	6%	8%

Support

Some respondents say that local authorities would manage to add monitoring and enforcement work for the deposit return scheme to their existing duties which they carry out with retailers.

Concerns

Some respondents express concern about local authorities adding monitoring and enforcement work for the deposit return scheme to their existing duties which they carry out with retailers.

Many respondents raise concerns about the cost implications for local authorities and question whether they would have the funds, whilst many also question whether they would have enough staff to carry out these duties. A few respondents suggest difficulties may arise if there were not to be consistency between these new duties and existing duties.

Some respondents say that they do not feel able to answer the question.

Suggestions

A few respondents say Government should introduce legislation to allow local authorities to make the changes necessary to add monitoring and enforcement work to their existing obligations.

12.3. Question 71

12.3.1. In addition to those in the table, are there any other types of breaches not on this list that you think should be? If so, what are they? These may include offences for participants not listed eg. reprocessors or exporters.

This question was answered by 487 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | concern resources - cost	7%	3%	24%	12%	14%	11%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | concern resources - staff	2%	0%	11%	9%	5%	8%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | LA might struggle	2%	1%	7%	11%	2%	3%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | LA will manage	1%	0%	0%	30%	0%	3%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 70a: Local authority regulation of retailer obligations | don't know/unsure	1%	0%	9%	0%	0%	5%

Suggestions

Many respondents say that they are not aware of any further potential breaches of regulation which should be added to the list, whilst some say that they do not know or

need more information.

Additional breaches which are identified by respondents include:

- improper sale of material;
- incorrect labelling of in-scope containers;
- fraud (across all four nations of the UK);
- failure to meet key performance indicators;
- failure by the Deposit Management Organisation to accurately calculate the handling fees of return points;
- failure by the Deposit Management Organisation to undertake due diligence in relation to the waste collector and its treatment of packaging waste;
- provision of inaccurate data to the Deposit Management Organisation;
- failure to meet mandatory reporting requirements in relation to breaches or non-compliance; and
- failure by a retailer to direct customers to the closest available return point.

Some respondents suggest that various organisations should be consulted on this matter, including:

- regulators;
- local authorities;
- those running other schemes; and
- specialists in this field.

Some respondents suggest ongoing monitoring and reviewing of potential breaches of regulation following implementation, whilst a few feel importers, exporters and reprocessors should be included in the bodies which could breach regulations.

Concerns

Some respondents say that some of the given breaches need more detailed definitions, whilst a few argue that 'not setting correct producer fees' should be seen as an accounting issue rather than a breach of regulation.

A few respondents express concerns about material exports and say that recyclate must be exported responsibly, whilst a few raise concerns about the burden this list could place on regulators.

12.4. Question 72

12.4.1. Are there any vulnerable points in the system? Please explain your answer.

This question was answered by 480 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a

percentage of all respondents to the consultation; and

- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 72: Other vulnerable points | ability to enforce	2%	0%	12%	18%	11%	8%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 72: Other vulnerable points | no - general	2%	1%	10%	7%	2%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 72: Other vulnerable points | fraud	2%	0%	6%	11%	16%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 72: Other vulnerable points | unsure/don't know	2%	1%	7%	9%	3%	0%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 72: Other vulnerable points | review/monitor after implementation	2%	1%	11%	0%	0%	11%

Support

Many respondents say that there are no further vulnerabilities to identify, whilst a few say that the current list of potential breaches is satisfactory.

Concerns

Some respondents suggest areas of concern which include:

- the potential for fraud;
- hotels, restaurants, and cafes, and how they would be able to engage with a deposit return scheme;
- a lack of consistency across the four nations of the UK;
- the ability of regulators, the Deposit Management Organisation and Government to enforce proposed measures;
- the potential for fly-tipping or littering if return sites are not well managed;
- the security of reverse vending machines;
- provision of inaccurate data; and
- the complexity of the scheme.

Some respondents say that they do not feel able to answer the question or do not have sufficient information.

Suggestions

Some respondents suggest that once the scheme has been implemented it should be monitored and reviews should be produced to determine necessary adaptions.

A few respondents say that the Deposit Management Organisation should be responsible for identifying breaches, whilst a few say that local authorities or regulators should be consulted on potential vulnerabilities.

12.5. Question 73

12.5.1. Do you see a role for the Deposit Management Organisation to seek compliance before escalating to the Regulator?

This question was answered by 529 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 73: DMO to seek compliance | yes - general	8%	3%	33%	14%	24%	30%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 73: DMO to seek compliance | yes - more efficient for regulator	4%	0%	28%	2%	10%	8%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 73: DMO to seek compliance | yes - advisory role/remedial action	3%	1%	5%	37%	5%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 73: DMO to seek compliance | yes - clear guidance/route of escalation	2%	0%	15%	0%	3%	11%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 73: DMO to seek compliance | yes - best placed to communicate/understand	2%	0%	12%	4%	5%	3%

The DMO should have a role

Many respondents agree that the Deposit Management Organisation has a role to play in seeking compliance before escalating any issues with the regulator.

"We would support the use of a resolution mechanism led by the DMO wherever possible."

User ID 135738, Business representative organisation or trade body

Some respondents believe that the Deposit Management Organisation can encourage compliance by advising or encouraging remedial action amongst participants in the scheme before escalating to the regulator.

Some respondents state that this role can alleviate the administrative burden on the regulator by addressing less significant issues.

"The DMO is well placed to manage relationships across all parts of the supply chain that relate to its responsibilities. Better for the Regulator to receive a case file it can act upon rather than needing to carry out investigations right from the start."

User ID 124648, Local government

Some respondents say that the Deposit Management Organisation should have this role because it is best placed to understand the issues and communicate with relevant stakeholders.

A few respondents believe that the Deposit Management Organisation performing this role can prevent unnecessary costs, particularly for retailers.

A few respondents highlight the need for the Deposit Management Organisation to play this role during the implementation period and allowing participants in the scheme to adjust to the new regulations.

While some respondents agree that the Deposit Management Organisation has a role in seeking compliance, they highlight that there must be clear guidance as to when and how issues should be escalated.

A few respondents think that the Deposit Management Organisation should perform this role but are concerned that it would not be able to ensure full compliance or prevent fraud, particularly in reference to organised criminality.

A few respondents suggest that the Deposit Management Organisation's role in compliance is covered by the tender process.

The DMO should not have a role

Some respondents generally disagree that the Deposit Management Organisation should have a role in seeking compliance before escalating with the regulator.

A few respondents argue that if the Deposit Management Organisation had this role, it would make the system too complicated, or add undesired layers of bureaucracy.

A few respondents say that it is possible that the Deposit Management Organisations could have a role in seeking compliance before escalating issues with the regulator.

A few respondents call for any regulations relating to the Deposit Return Scheme to be enforceable.

A few respondents feel unsure or do not know whether the Deposit Management

Organisation should have a role in seeking compliance before escalating any issues with the regulator.

12.6. Question 74

12.6.1. Do you agree with the position set out regarding enforcement response options?

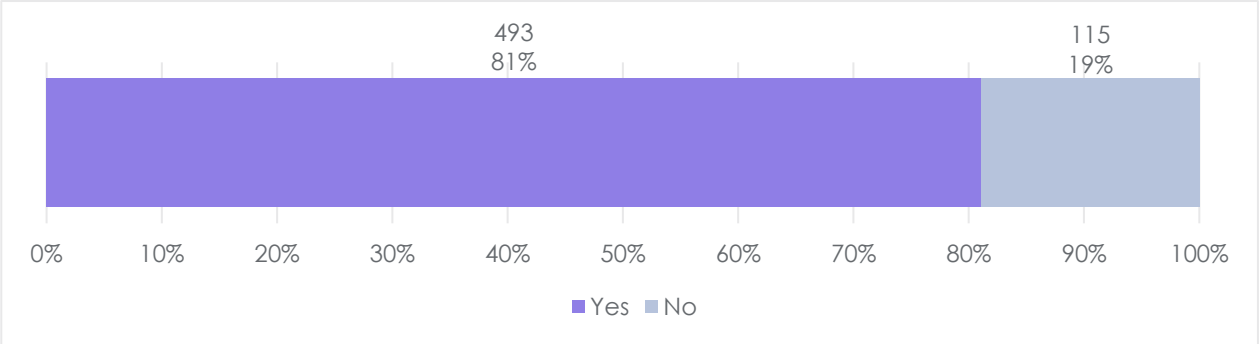

Figure 55: Question 74 (n=608)

12.6.2. If not, please expand on your answer.

This question was answered by 608 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 74a: Enforcement response options | more detail on financial consequences	2%	0%	22%	0%	0%	5%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 74a: Enforcement response options | concerns about organised crime	2%	0%	5%	16%	17%	8%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 74a: Enforcement response options | concern - breaches by the DMO	2%	0%	15%	0%	0%	3%
8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 74a: Enforcement response options | support tiered approach	2%	0%	17%	0%	0%	3%

8 Chapter 8 Compliance Monitoring and Enforcement (69-74) | 74a: Enforcement response options | support enforcement (general)	1%	1%	8%	9%	0%	0%

Support

Some respondents agree with a tiered approach and for resolutions of increasing significance before time-consuming legal approaches.

A few respondents express a general positive comments towards the principle of enforcement, whilst a few would support the inclusion of criminal prosecutions in the enforcement options.

Concerns

Some respondents feel that there is not enough detail about tackling organised crime, whilst a few raise concerns about the funding and resources available for enforcement.

A few respondents express concern that breaches by the Deposit Management Organisation are not adequately addressed in the proposed enforcement options, whilst a few respondents call for more details on the financial penalties or suggest that these are insufficient.

A few respondents say that the scheme is too complex, and this may impact how effectively it works.

Suggestions

A few respondents say that this question should be answered by experts.

13. Implementation timeline

13.1. Question 75

13.1.1. Do you have any comments on the delivery timeline for the deposit return scheme? Please pose any views on implementation steps missing from the above?

This question was answered by 1936 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
9 Chapter 9 Implementation Timeline (75-77) | 75: Delivery timeline | Concern | campaign	33%	42%	2%	0%	3%	0%
9 Chapter 9 Implementation Timeline (75-77) | 75: Delivery timeline | Concern | interaction with EPR implementation	11%	2%	60%	46%	44%	32%
9 Chapter 9 Implementation Timeline (75-77) | 75: Delivery timeline | Concern | campaign (bulk)	11%	14%	0%	0%	2%	0%
9 Chapter 9 Implementation Timeline (75-77) | 75: Delivery timeline | Concern | no delays/as soon as possible	11%	14%	0%	0%	2%	0%
9 Chapter 9 Implementation Timeline (75-77) | 75: Delivery timeline | Support | longer timeline	8%	1%	41%	58%	25%	24%

Support

Many respondents, including a number who based their responses on a campaign template response, would support a speedy implementation of the scheme. The main points these respondents raise are: (1) Over 8 billion bottles and cans are wasted every year in the UK so there is no justification for delaying the start of the deposit return system again. (2) Following the pandemic and the subsequent increase in litter, it is needed even more urgently than before. (3) A deposit return system is a core part of a green and fair recovery from the pandemic. (4) The Conservative Party manifesto committed to the implementation of the scheme.

Some respondents call for no delays in the implementation of the scheme and state that it as needed as soon as possible. Some of these respondents argue that there is no justification for delaying implementation and that delay will lead to increases in waste and litter.

"There can be no justification for delaying the start of the scheme. It is an urgent problem that must be addressed as soon as possible."

User ID 111801, Individual

However, some respondents express general positive comments towards the proposed implementation timeline for the deposit return scheme, for instance commenting that the timeline is reasonable or achievable.

Concerns

Some respondents argue that the proposed delivery timeline is too long, and a quicker rollout of the scheme is needed, with some commenting that implementation in 2024 would be too late. In a similar vein, some respondents state that the scheme should be put in place immediately, with some of these respondents saying that Government should get started with implementation or that the scheme is needed now.

A few respondents express concern that delaying the implementation of the scheme might affect Government credibility in the UK and internationally.

Some respondents argue that the timeline for the implementation of the scheme needs to be extended or propose later start dates, saying that it is unrealistic or too fast.

"Depending on the decisions taken, particularly around labelling and retailer obligations 24 months may not be sufficient from when the full design and entail of the scheme is announced. It may take longer than forecast to have a DMO in place. Furthermore, the timeline needs to consider Covid-19 and continued disruption to society and business."

User ID 112323, Retailer including online marketplace

A few respondents say that they are unsure or do not know how to respond to the question.

Suggestions

Some respondents state that there should be alignment and consistency with the Extended Producer Responsibility scheme during the implementation of the scheme. Some of these respondents propose that start dates for both schemes should be co-ordinated or that the implementation of a deposit return scheme should be deferred until the outcomes of the Extended Producer Responsibility and Consistency in Recycling policies are known.

"It is vital that industry has clarity on requirements for reporting targets and how the transition from PRNs to EPR to a DRS will work for containers in scope of a DRS. It is vital industry, local authorities and consumers have clear information, clear timelines, and not overtly penalised where errors in compliance are made as a result of confusion arising from concurrent timescales."

User ID 129116, Operator/ Reprocessor

Some respondents suggest that the implementation of the scheme should be aligned with Scotland and other UK nations, for instance arguing that an aligned scheme across devolved administrations will reduce the risks of cross-border fraud, confusion and would be less expensive. Some of these respondents comment that devolved governments should work with industry to design a coherent and efficient scheme across the UK.

"The misalignment in timescales for DRS across the United Kingdoms' four nations will almost certainly incur issues and consumer confusion, which risk undermining the success of all schemes. These risks will only be compounded by misalignment in core scheme rules such as deposit levels and labelling."

User ID 129093, Business representative organisation or trade body

Some respondents suggest that trials or pilot schemes should be rolled out before scaling the scheme up to a national level, for example to allow for digital trials to be completed to design a scheme that is fit-for-purpose across the UK.

A few respondents state that urgent action is needed to support the implementation of a digital deposit return scheme solution in the UK, with some highlighting the advantages of a digital scheme and saying it would be a missed opportunity if it is not implemented.

A few respondents express positive comments towards an all-in deposit return scheme.

13.2. Question 76

13.2.1. How long does the Deposit Management Organisation need from appointment to the scheme going live, taking into account the time required to set up the necessary infrastructure?

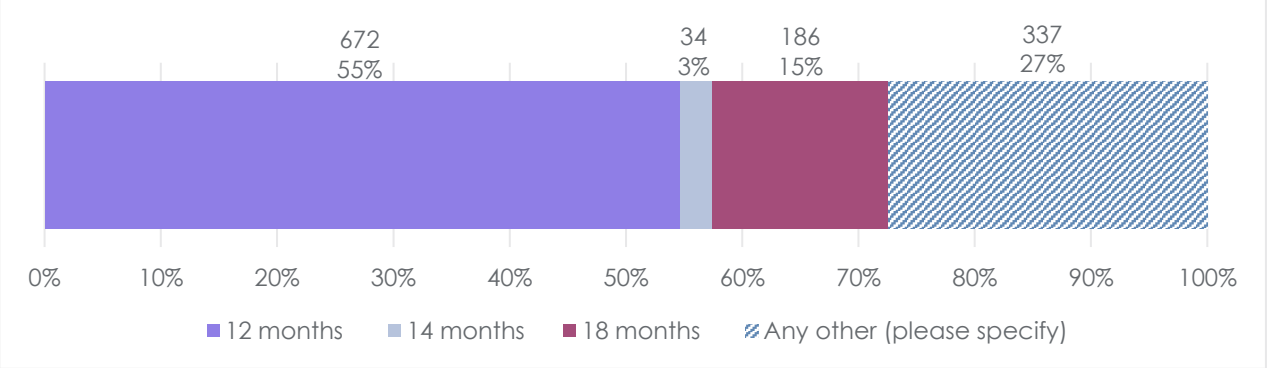

Figure 56: Question 76 (n=1229)

13.2.2. Please provide evidence to support your answer.

This question was answered by 452 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code

applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
9 Chapter 9 Implementation Timeline (75-77) | 76b: Time form appointment to live | 24 months - support	6%	0%	33%	30%	29%	19%
9 Chapter 9 Implementation Timeline (75-77) | 76b: Time form appointment to live | difficult to know - timeframe	5%	1%	41%	4%	3%	3%
9 Chapter 9 Implementation Timeline (75-77) | 76b: Time form appointment to live | Suggestion - alternative timeline / approach	5%	2%	23%	11%	19%	14%
9 Chapter 9 Implementation Timeline (75-77) | 76b: Time form appointment to live | Agree - sooner the better	5%	6%	0%	0%	2%	0%
9 Chapter 9 Implementation Timeline (75-77) | 76b: Time form appointment to live | 18 months - support	3%	1%	6%	30%	6%	8%

Timescales

Many respondents offer timescales which they believe would be acceptable ranging from a few months to more than two years. Many of these respondents say they would support a 24 month timescale, some would support an 18 month timescale and some would support a 12 month timescale from appointment of the Deposit Management Organisation to the scheme going live. Some also support a timescale of between 18 months and 24 months.

Many argue simply that the sooner the scheme can be taken live the better. However, some respondents say they favour careful implementation whilst others feel there is a need to be realistic about timescales.

Concerns

Many respondents say that it is difficult to know what the timeframe should be for the scheme going live, with some suggesting that there are too many unknown factors.

A few respondents say that Government has already delayed the implementation of a deposit return scheme for too long, whilst a few state their opposition to the deposit return scheme as a whole.

Suggestions

Some say the Deposit Management Organisation should follow existing deposit return schemes from other countries to learn from them, whilst some say that the implementation should be delayed until the Extended Producer Responsibility has been implemented.

Meanwhile, some say that the Deposit Management Organisation should consult with contractors or operators to design a system which works coherently across the UK.

13.3. Question 77

13.3.1. Depending on the final decision taken on the scope of the scheme in England and Northern Ireland – all-in or on-the-go – what, if any, impact does this have on the proposed implementation period?

This question was answered by 602 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
9 Chapter 9 Implementation Timeline (75-77) | 77: Impact of scope on timeline | All-in takes longer / on-the-go quicker	7%	1%	49%	14%	10%	27%
9 Chapter 9 Implementation Timeline (75-77) | 77: Impact of scope on timeline | No impact expected	4%	4%	2%	32%	3%	8%
9 Chapter 9 Implementation Timeline (75-77) | 77: Impact of scope on timeline | Impact - other comment	4%	1%	18%	16%	16%	5%
9 Chapter 9 Implementation Timeline (75-77) | 77: Impact of scope on timeline | Unsure / don't know	2%	1%	7%	2%	10%	0%
9 Chapter 9 Implementation Timeline (75-77) | 77: Impact of scope on timeline | Support - all-in	2%	2%	0%	2%	8%	0%

Comparing all-in and on-the-go

Many respondents think that an on-the-go deposit return scheme would be quicker or easier to implement than an all-in scheme. Some of these respondents refer to potential difficulties with developing appropriate scheme infrastructure.

> *"In terms of the sheer scale and number of return points and RVMs required, as well as a need to ensure that the scheme is set up to work efficiently for consumers on day 1, it seems reasonable to assume that more time will be needed to implement an 'all-in' DRS compared to 'on the go'."*
>
> *User ID 129021, Charity or social enterprise*

Conversely, a few respondents think that an all-in deposit return scheme would take less

time to implement than an on-the-go scheme. In their view an all-in scheme would be quicker and easier to implement, saying for instance that the multipack aspect of an on-the-go scheme would take longer.

Some respondents make comments about how the final decision between an on-the-go and an all-in deposit return scheme could impact on implementation timescales. For example, respondents mention the time needed to ensure scheme infrastructure and operational contracts are in place. A few respondents make similar comments with a focus on the potential differences in scheme implementation between devolved nations, saying that a common approach would be beneficial for a swifter implementation.

Some respondents believe the final decision to implement an on-the-go or an all-in deposit return scheme would not have a significant impact on implementation timescales.

"The differences in scope should not impact the achievability of the proposed timeline as many of the different tasks should be able to be achieved concurrently."

User ID 26457, Individual

Some respondents express positive comments towards the implementation of an all-in deposit return scheme, whilst a few object specifically to the implementation of an on-the-go deposit return scheme.

Some respondents state that they do not know whether the final decision to implement an on-the-go or an all-in deposit return scheme would affect implementation timescales.

General comments and suggestions

A few respondents express positive comments towards the principle of implementing a deposit return scheme as soon as possible. For example, they say it should be implemented immediately or they oppose any delays.

A few respondents voice their opposition to the implementation of any deposit return scheme.

Some respondents make suggestions as to how to implement a deposit return scheme. For example, they suggest what type of infrastructure would be required, the use of trials, or the level of deposits needed to incentivise people to return containers.

14. Summary of approach to Impact Assessment

14.1. Question 78

14.1.1. Do you agree with the analysis presented in our Impact Assessment?

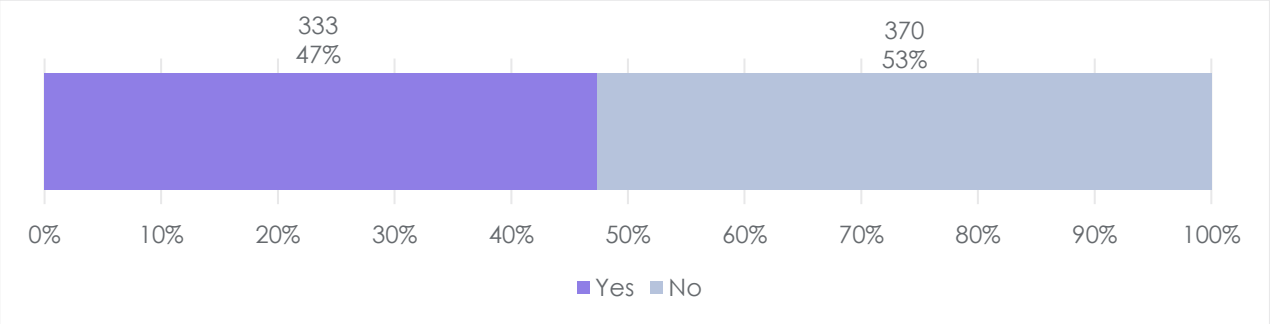

Figure 57: Question 78 (n=703)

14.1.2. Please briefly state the reasons for your response. Where available, please share evidence to support your view.

This question was answered by 536 respondents. Their comments are summarised below.

The table below lists the codes most commonly applied to all responses to the open question. These include comments that express positive comments, express concerns or make suggestions about the proposals.

The table shows:

- All respondents – the respondents who had the corresponding code applied as a percentage of all respondents to the consultation; and
- Group 1/2/3/4/5 – the respondents in that group who had the corresponding code applied as a percentage of all respondents in that group.

	All respondents	Group 1	Group 2	Group 3	Group 4	Group 5
9.1 Chapter 10 Summary Approach to IA | 78: Impact assessment | Concern about impact assessment | challenge figures / assumptions	10%	1%	56%	54%	19%	16%
9.1 Chapter 10 Summary Approach to IA | 78: Impact assessment | Concern about impact assessment | incomplete / information missing	8%	1%	63%	18%	17%	24%
9.1 Chapter 10 Summary Approach to IA | 78: Impact assessment | Disagree with impact assessment - general	2%	0%	9%	2%	5%	14%
9.1 Chapter 10 Summary Approach to IA | 78: Impact assessment | Other comments | support all-in	2%	2%	1%	4%	6%	3%
9.1 Chapter 10 Summary Approach to IA | 78: Impact assessment | Other comments | comment about recycling / waste / litter	2%	0%	12%	11%	0%	5%

General comments on the Impact Assessment

A few respondents say they agree with the analysis provided by Defra in its Impact Assessment, whilst a few more say that they agree conditionally, provided that, for example, the economic Impact Assessment and modelling framework used have been tested by experts.

Some respondents state that they disagree, in part or wholly, with Defra's Impact Assessment.

Specific concerns

Many respondents question the accuracy and reliability of calculations in Defra's Impact Assessment or challenge the scope or content of the analysis. For example, respondents question the anticipated costs to business, whether the underlying principles used in the risk assessment are adequate, and whether the calculations of the potential benefits of a deposit return scheme are accurate.

"We would question whether the disamenity figures within the Impact Assessment are correct and note that lost sales have not been taken into account."

User ID 129094, Product designer/ manufacturer/ pack filler

Many respondents also express concern about the lack of information provided in Defra's Impact Assessment. For example, respondents say the assessment of cost implications for small businesses is incomplete. Others argue that the Impact Assessment should consider the implications on existing schemes, such as kerbside recycling, or the potential impact of digital scheme solutions.

"Other factors not captured within the impact assessment include: substitution of material (increase in plastic use and less glass used should be assessed and longitudinal assessment for micro-plastics), reduced access to the UK market and reduced entrants, reduction in UK wine or spirit trade (due to different labelling requirements and cost of proposals to obligated industry), reduction in clear flint glass quality recyclate, increase in vehicular emissions due to DRS, increased social inequality, increased consumer costs and increased consumer time 'non-monetised'."

User ID 112323, Retailer including online marketplace

Some respondents raise specific concerns about the cost projections in Defra's Impact Assessment, including concerns about how the scheme would be funded and how it would impact financially on retailers and industry.

Some respondents believe the Impact Assessment underestimates the benefits of an on-the-go scheme, for example through discounting multipacks.

Some respondents raise specific concerns about Defra's Impact Assessment regarding waste, recycling and/or litter. For example, respondents express concern about the proposed disamenity value for litter or the inclusion of glass recycling within the scheme.

A few respondents question whether a comprehensive equalities Impact Assessment has been completed as part of Defra's final Impact Assessment. Meanwhile, a few respondents express concern about impacts relating to the level and allocation of deposits, whilst others raise concerns about the potential for fraud. For example, respondents think there would be potential for fraud at the Irish border due to the operation of different schemes on either side.

A few respondents identify other possible general implications of implementing a deposit return scheme. For example, respondents comment on potential consumer behaviour change and/or product switching by manufacturers.

A few respondents state that they are unable to make a judgement as to whether they agree with the contents of Defra's Impact Assessment, saying for example that it is too specialist, too long and/or too complicated for them to consider.

Other comments

Some respondents express general concern about the scope of the proposed deposit return scheme. They question why certain types and sizes of product would be included in or excluded from scheme.

A few respondents suggest that the proposed scheme could be extended to, for example, include further materials or to embrace digital solutions.

Meanwhile, a few respondents request that after a period of implementation a review is undertaken to assess the effectiveness and impacts of the scheme.

Some respondents express express positive comments towards an all-in deposit return scheme, with some arguing that an on-the-go scheme would be unsustainable.

A few respondents express general positive comments towards the introduction of a deposit return scheme, whilst others call for the implementation of the deposit return scheme as soon as possible. However, a few respondents express general opposition to the introduction of a deposit return scheme.

Appendix A: List of participating organisations

The following organisations responded to the consultation. This list only includes those which answered 'no' to the consultation question 'Would you like your response to be confidential?'.

Alliance for Beverage Cartons and the Environment (ACE UK)
360 Environmental Ltd
38 Degrees
AB InBev
Adur District Council
Alliance for Beverage Cartons and the Environment (ACE UK)
ALLIANCE WINE CO LTD
Allied Glass Containers
Alupro
Ambleside Action For A Future
Ardagh Group
Asda
Associated Beverage Services Limited
Association for the Protection of Rural Scotland
Association of Directors of Environment, Economy, Planning and Transportation (ADEPT)
Association of London Cleansing Officers (ALCO)
Automatic Vending Association
Axite Ltd
Babergh District Council
Bannagh Community Project
Barnsley Metropolitan Borough Council
Basildon Borough Council

Basingstoke and Deane Borough Council
BCP Council
Beatson Clark Ltd
Belfast City Council
Belvoir Farm Drinks Ltd
Benders Paper Cups
Bentley Parish Council
Bericap UK Ltd
Bettavend Ltd
Billericay Litter Pickers
Birmingham Friends of the Earth
Bishops Stortford Climate Group
Bolton Council
Boots UK
Boston Borough Council
BPIF Cartons
Brighton and Hove City Council
Bristol City Council
British Beer and Pub Association (BBPA)
British Glass
British Retail Consortium
British Soft Drinks Association (BSDA)
Britvic plc
Broadland District Council
Bromley Friends of the Earth

Bromsgrove District Council
Bryson Recycling
Buckinghamshire Council
Bunzl Catering & Hospitality
Caerphilly County Borough Council
Cafe Connections Limited
Cafe Connections Ltd
Cafepoint LLP
Cambridgeshire County Council
Cambridgeshire County Council - RECAP Waste Management Partnership
Camden Council
Camden Friends of the Earth
Can Makers Committee
Canned Food UK
Canterbury City Council
Cardiff Council
Carlisle City Council
Castle Point Borough Council
Celebration Packaging Ltd
Central Bedfordshire Council
CGAN
Charlestown Chums litter picking group
Charnwood Borough Council
Charpak Ltd
Chelmsford City Council

Cherwell District Council
Cheshire East Council
Chesterfield Litter-Picking Group
Chichester District Council (CDC)
Ciner Glass Ltd.
Circularity Solutions Limited
City of London Corporation
City of Wakefield Council
City of Wolverhampton Council
City of York Council
Climate Action Frodsham, part of the Transition Network
Coca-Cola Europacific Partners
Coinadrink Ltd
Community of Christ Clay Cross
Compliance Link
Comply Direct Ltd
Confederation of Paper Industries
Constellium (NYSE: CSTM)
Cornwall Council
CPRE Kent
CPRE Lancashire, Liverpool City Region and Greater Manchester
CPRE Northumberland
CPRE Sussex
CPRE
Crediton Dairy Ltd

Crooks fish bars LTD
Crown Holdings UK Ltd
Crown Packaging Manufacturing UK Ltd
Crown Packaging Manufacturing UK Ltd (Botcherby)
Crown Packaging Manufacturing UK Ltd (Braunstone)
Crown Packaging Manufacturing UK Ltd (Crown Technology)
CTPA
Cumbria County Council
Cumbria Strategic Waste Partnership
D G Payne Ltd t/as Vending Enterprises
Dacorum Borough Council (DBC)
Dairy UK
Danone UK and Ireland
Daventry Litter Wombles
Decorum Vending Ltd
Derbyshire County Council
Derbyshire Dales District Council
Devon Authorities Strategic Waste Committee
Devon County Council (DCC)
Diageo Great Britain
Diageo Northern Ireland
District Councils' Network (DCN)
Divest Brent
Doncaster Council
Dorset Council

Drumbeat School and ASD Service
DWF Law
East Devon District Council (EDDC)
East Hertfordshire Council and North Hertfordshire District Council
East Herts Council and North Hertfordshire District Council
East Lindsey District Council
East London Waste Authority
East Suffolk Council (ESC)
East Sussex County Council ESCC
East Sussex Joint Waste Partnership
Eco Chi
Ecosurety
ecoVeritas
Edingley Old Schoolroom Association
Emballator UK Ltd
Emmi UK
Encirc
Enfield Climate Action Forum
Envases Liverpool Limited
Envipco UK Ltd
Environment Agency
Environmental Services Association
Enviroo
Epsom & Ewell Borough Council
Equanimator Ltd

Erdington Litter Busters
Essex County Council
Exeter City Council
Fareham Borough Council
FCC Environment
Fenland District Council
Food and Drink Federation
Foodservice Packaging Association
Freelance
Friends of Chorlton Meadows
Friends of Hollingbury & Burstead Woods
Friends of Marie Louise Gardens
Friends of North Thames Estuary - Thames21 Badged Group
Friends of Surrey Square Park
Friends of the Fallowfield Loop (Manchester)
Friends of the Lake District
Friern Barnet School
Frith Resource Management
Gloucestershire Resources and Waste Partnership
Gravesham Borough Council
Great Yarmouth Borough Council
Greater Manchester Combined Authority
Green Alliance
Greener & Cleaner UK
Greening Tetbury Climate Action Group

Greenpeace UK
Greenpeace, University of Oxford
Greenredeem Ltd
Grundon Waste Management
GS1 UK
Guildford Borough Council
Gwynver Car Park
H Weston & Sons Ltd
Hampshire County Council
Handsworth Helping Hands
Hanover Action
Harborough District Council
Harlow District Council
Hart District Council
HCC Student recycling group
Heineken UK
Herefordshire Council
Hertfordshire County Council (HCC)
Hertfordshire Waste Partnership (HWP)
Herts. WithOut Waste ('HertsWOW')
Hertsmere Borough Council
Hinckley and Bosworth Borough Council
Hitchin Forum
Hoole Hardware & DIY
Horsforth Civic Society

Hotel Chocolat
Hull City Council
Huntingdonshire District Council
Hythe Environmental Community Group
Iceland Foods Ltd
Ide PC Climate and Environment Emergency Working Group
Industry Council for Packaging and the Environment - INCPEN
Inglehurst Foods Ltd
innocent drinks
IOM3 - Institute of Materials, Minerals and Mining
Ipswich Borough Council
Islington Council
Jigsaw
Joint Waste Solutions
Joss Bay Surf School
Keen Ltd
Keep Northern Ireland Beautiful
Kent County Council
Kent Resource Partnership
Kirklees Council
Kwan Yick (UK) Ltd
LARAC (The Local Authority Recycling Advisory Committee)
Leaf Group
Leicester City Council
Leppitt Associates

Lewisham Council
Liberal Democrats
Lincolnshire County Council
Lincolnshire Waste Partnership
Lisburn & Castlereagh City Council
Litter Action Group for Ealing Residents (LAGER Can)
Litter and Recycling Group Elmbridge (LARGE)
Litter Free Bramham - community litter picking group
Little Melton Parish Council
Local Authority
Local Government - Solihull Metropolitan Borough Council
Local Government Association (LGA)
London Borough of Barnet
London Borough of Bromley
London Borough of Hackney
London Borough of Harrow Council
London Borough of Hillingdon
London Borough of Hounslow
London Borough of Sutton
London Borough of Tower Hamlets
London Borough of Waltham Forest
London Environment Director's Network (LEDNet) / London Councils' Transport and Environment Committee (TEC)
Macpac Ltd
Maldon District Council
Malvern Hills District Council

Manchester City Council
Manchester Friends of the Earth
Marine Conservation Society
Marks & Spencer plc
Medway Council
Merseyside Recycling and Waste Authority (MRWA) responding on behalf of Merseyside and Halton Waste Partnership (MHWP).
Metal Packaging Manufacturers Association
Mid – Suffolk DC
Mid Devon District Council
Milbank Ventures
MKD32
Mole Valley District Council
Molson Coors Beverage Company
Moneyneena & District Development Initiative
Montagu Group
Moreton Action on Plastic
Mutual Aider who supports CPRE
NACM Cider Makers Ltd
National Association of Waste Disposal Officers (NAWDO)
National Trust
Natural Source Waters Association
Neath Port Talbot CVS
NERA, a residents' association representing 365 flats in London NW3
Nestle UK&I
New Ash Green Village Association

New Forest District Council NDFC
New Southgate Millennium Green
Newcastle City Council
Newcastle-under-Lyme Borough council
Newport City Council
NFFF
NFRN
Nichols PLC
Nipak
NIVO Ltd
Nom Wholefoods
Norfolk County Council
Norfolk Waste Partnership
North Kesteven District Council
North London Waste Authority (NLWA)
North Northamptonshire Council
North West Leicestershire District Council
North West Vending
North Yorkshire County Council
Northern Ireland Environment Link
Northern Ireland Local Government Association (NILGA)
Northumberland County Council
Nottingham Open Spaces Forum
Nottinghamshire County Council
Novelis UK Ltd.

NSPCC
Ocado Retail
ODS
O-I Glass Limited i
Old Hatfield Residents Association (OHRA)
O'Neills Nisa Extra
OPRL Ltd
Options Management Ltd
oshea graphic design
OxClean
Oxford Friends of the Earth
Oxfordshire County Council
Oxfordshire Resources & Waste Partnership ORWP
Oxshott Litter Pickers (Oxshott Surrey)
Paperpak Ltd
Park Langley Litter Pickers
Paul G Meins
Pendle Council
Pernod Ricard
'Pick Up For Pendle' Litter Picking Group
PLACE
Planet Purbeck CIC
Plastic Free Chesterfield
Plastic Free Congleton
Plastic Free Faversham. Oare Parish Council

Plastic Free Silsden
Plastic-Free Hackney CIC
Plymouth City Council
Polytag
Portsmouth City Council
Presteigne Plastic Project (Powys)
Princes Limited
Project Integra
Pupils 2 Parliament
re3 (Bracknell Forest/Reading/Wokingham)
RECOUP
Recycle NI
Recycle Wales
Recycle-pak Ltd
Recyclever
Redditch Borough Council
Refreshment Systems Ltd
Regen Waste Limited
Reigate & Banstead Borough Council
ReLondon (previously the London Waste and Recycling Board)
Reloop
Retford Civic Society
Richmond-Upon-Thames Borough Council (LBRuT)
RLM Packaging Ltd
Roberts Metal Packaging Ltd.

Robinson plc
Rother District Council
Royal Borough of Greenwich
Royal Borough of Windsor and Maidenhead
Rubbish Friends Norton Lindsey and Rubbish Friends Warwick District
Rushmoor Borough Council
Ryedale District Council
Sacks Consulting
Sainsbury's
Saltash Environmental Action
Scotch Whisky Association
SDLP Belfast City Council
Selby District Council
Select Catering Solutions Ltd
Selecta UK Limited
Shropshire Council
SIG Combibloc Ltd.
Smart Comply Ltd
Somerset Waste Partnership
South Cambs / Cambridge City Council
South Derbyshire District Council
south devon vending ltd
South Hams District Council
South Holland District Council
South Lakeland District Council

South Norfolk Council
South Oxfordshire District Council
South Staffordshire Council
South Tyne and Wear Waste Management Partnership (consisting Gateshead Council, South Tyneside Council, Sunderland City Council)
Speira
Spencers Wood Village Hall
St Neots Museum
Stafford Borough Council
Staffordshire Waste Partnership (representing all 10 local authorities in Staffordshire)
Steady State Manchester
Stevenage Borough Council
Stevenage Wombles
Stoke Climsland Climate Change Action Group
Stop Portland Waste Incinerator
Strandliners CIC
Stretford Litter Pickers
Suffolk County Council
Suffolk Waste Partnership (SWP)
Surfers Against Sewage
Surrey County Council
Surrey Environment Partnership
Sustainable Cottenham
Sustainable Henfield 2030
Sustaineers
Swale Borough Council

SWS Compak
Synergy Compliance Ltd.
Tandom Metallurgical Group Ltd
Teignbridge District Council
Tenby Connects
Test Valley Borough Council
Thames Distillers Ltd
The Canal & River Trust
The Co-operative Group
The Highland Spring Group
The London Borough of Havering
THE PACKAGING FEDERATION
The Scarab Trust
The Society of Independent Brewers (SIBA)
The Upton Group
The Wine and Spirit Trade Association
The Wine Society
Three Rivers District Council. (TRDC)
Tinmasters Ltd
Todmorden Riverside Improvement Group
Tonbridge & Malling Borough Council
Torbay Council
Torfaen County Borough Council
Townswomen's Guilds
Transition Town Bridport

Transition Truro
TRESA CiC
Trivium Packaging UK Ltd
UKH
Unicorn Grocery
University of Cambridge
University of Newcastle upon Tyne
University of Oxford
University of Roehampton
University of the West of England
Unpackaged Innovation Ltd
Vale of White Horse District Council (VOWH)
Valpak
Vending Solutions Ltd & therudefoodvendingco Ltd
Vendmaster Ltd
Veolia
Viridor Limited
Wandsworth Borough Council
Warwickshire Waste Partnership
Wastepack EA
Wastepack NI
Wastepack SEPA
Welwyn Hatfield Council
West Devon Borough Council
West London Waste Authority

West Oxfordshire District Council
West Suffolk Council (WSC)
West Sussex County Council
West Sussex County Council/West Sussex Waste Partnership
West Sussex Waste Partnership
West Yorkshire Vending Solutions Ltd
Western Riverside Waste Authority
Westminster BIDs
Wigan Council
Wildlife and Countryside Link and Wales Environment Link
Wiltshire Council
Winterbourne Environmental Group
Wm Say & Co Ltd
Woking Borough Council
Worcester City Council
Worcestershire County Council
Word to Dialogue Limited
WRAG (Welwyn Rubbish Action Group)
WRAP (the Waste & Resources Action Programme)
Wychavon District Council
Wyre Council
Wyre Forest DC

TRAVERSE

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Department for Environment Food & Rural Affairs

Llywodraeth Cymru
Welsh Government

Department of Agriculture, Environment and Rural Affairs

Introducing a Deposit Return Scheme for drinks containers in England, Wales and Northern Ireland

Government Response

20 January 2023

Defra

We are the Department for Environment, Food and Rural Affairs. We're responsible for improving and protecting the environment, growing the green economy, sustaining thriving rural communities and supporting our world-class food, farming and fishing industries.

We work closely with our 33 agencies and arm's length bodies on our ambition to make our air purer, our water cleaner, our land greener and our food more sustainable. Our mission is to restore and enhance the environment for the next generation, and to leave the environment in a better state than we found it.

Welsh Government

Wales has its own government, making policies and laws for our country. We are working to help improve the lives of people in Wales and make our nation a better place in which to live and work.

Our responsibilities include environment, agriculture and rural affairs. We make decisions on matters regarding these areas, for Wales as a whole, develop policies and implement them and propose Welsh laws (Senedd bills).

DAERA

The Department of Agriculture, Environment and Rural Affairs (DAERA) has responsibility for food, farming, environmental, fisheries, forestry and sustainability policy and the development of the rural sector in Northern Ireland. The Department assists the sustainable development of the agri-food, environmental, fishing and forestry sectors of the Northern Ireland economy, having regard for the needs of the consumers, the protection of human, animal and plant health, the welfare of animals and the conservation and enhancement of the environment.

OGL

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Update on delivery of a deposit return scheme

Background

Many countries have successfully used deposit return schemes (DRS) to increase recycling rates of drinks containers, with well-functioning schemes achieving collection targets of 90% or higher. This document sets out the response to the second consultation held in 2021 on developing a DRS, and the next steps for scheme delivery.

In early 2018, in the UK Government's 25 Year Environment Plan for England, Defra committed to develop and consult on a deposit return scheme for drinks containers and, in late 2018, set out its objectives for a DRS in the Resources and Waste Strategy. In the 2019 manifesto, the UK Government committed to introducing a DRS in England. The Environment Act 2021 includes the primary powers required to deliver a DRS.

In 2021, the Welsh Government published *Beyond Recycling – A strategy to make the circular economy in Wales a reality*. The goal is that discarded materials are reused, recycled and re-circulated within the economy, with the strategy setting out objectives to tackle littering, improve recycling and infrastructure, with a specific commitment to introducing a deposit return scheme as a key lever to achieve this.

In Northern Ireland a DRS supports meeting targets in regulation for the Circular Economy Package[1] and the *New Decade New Approach* agreement on tackling climate change and plastic pollution. It also supports the Department of Agriculture, Environment and Rural Affairs in Northern Ireland Green Growth Strategy and Draft Environmental Strategy.

DRS will play an important role in increasing the supply of high-quality plastic suitable for recycling, so both complements and supports the objectives of the Plastic Packaging Tax.

Two consultations have been held on developing a DRS. The first, in 2019, explored the design and scope that a DRS model could take. On 24 March 2021, the UK Government, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland launched a second consultation on delivery of a DRS for single use drinks containers. The consultation ran for 10 weeks and closed on 4 June 2021 receiving 2,590 responses from a broad range of stakeholders.

[1] https://www.legislation.gov.uk/nisr/2020/285/made/data.pdf

Why a DRS?

It is a priority for Government[2] to move towards a circular economy, where resources are protected and kept in use for as long as possible and waste is minimised. Introducing a DRS for single use drinks containers forms a key part of delivering this, as well as supporting government ambitions to reduce litter, and to combat the effects of plastic pollution.

Current recycling rates in the UK for drinks containers are around 70%, lower than other countries that have a DRS in place. This leaves approximately 4 billion plastic bottles and 2.7 billion cans that are not recycled every year. Drinks containers often end up in landfill or sent to incineration plants, releasing highly polluting greenhouse gas emissions and increasing the demand for virgin materials, which also generate greenhouse gas emissions associated with creating new products. Although plastic bottles and aluminium cans are fully recyclable, recent packaging recycling rates demonstrate that there are significant improvements to be made in drinks container recycling. We consider that a well-designed DRS for drinks containers could achieve recycling rates of 90% or higher.

A DRS will create a cleaner, segregated waste stream for in-scope drinks containers which separates containers by material at the point of return. This will reduce the level of contamination and the amount of recycling that is subsequently rejected. Securing higher quality material through the scheme means UK producers will have access to a steady supply of high-quality recycled material creating a closed loop and making them less reliant on imported and virgin material.

The implementation of a DRS is expected to substantially reduce littering of in-scope containers in our streets and countryside. In 2019, a report by Keep Britain Tidy[3] found that small plastic bottles and non-alcoholic cans together made up 43% of the volume of all litter. Through the financial incentive provided to consumers to return disposable drinks containers, we estimate that 85% fewer drinks containers will be discarded as litter. The same report found that there were more than three times as many litter items found per site, on average, in the 10% most deprived areas as compared to the 10% most affluent areas. Furthermore, the overall environmental quality of a site was clearly interrelated with levels of litter – sites with higher levels of graffiti, staining, and flyposting also had more litter present. Tackling litter will therefore contribute to the UK Government's Levelling Up agenda.

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[2] Unless otherwise stated, "Government" refers to the UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland. Where the term local authority is used it shall refer to local councils when considered with regards to Northern Ireland.

[3] http://sciencesearch.defra.gov.uk/Default.aspx?Module=More&Location=None&ProjectID=20212&FromSearch=Y&Publisher=1&SearchText=eq0121&SortString=ProjectCode&SortOrder=Asc&Paging=10

What do the public think about a DRS?

The 2021 consultation recognised the disruption caused by the Covid-19 pandemic and asked respondents how the pandemic may have influenced their views on a DRS. The appetite for introducing a DRS remained strong, with 83% of respondents expressing support for the introduction of a scheme. They cited the impacts the pandemic has had on the environment, including the creation of more waste combined with more time spent outdoors, which in turn resulted in increased levels of littering, meaning the need for a DRS is even greater. Responses also set out the benefits of economic stimulation through investment and the creation of jobs from the scheme.

Some respondents raised concerns about the costs and implementation time required for the scheme and suggested delaying the scheme or reviewing its implementation programme in response to Covid-19, as many businesses continue to recover.

We have also undertaken research[4] directly with consumers to understand their views on a DRS. This has also demonstrated strong support for the implementation of a DRS - with 74% of survey participants supporting a DRS. This is reinforced by further research[5] which found high levels of support for a DRS in principle. We have taken note of points raised in consultation responses regarding social inequalities being magnified by the pandemic and have considered how to ensure easy consumer accessibility to the scheme which is set out later in this response.

Cost of living

The UK Government and devolved administrations are acutely aware of the rising cost of living currently being felt across the country. The costs of operating the DRS will largely be met by revenue from the sale of collected material and revenue from unredeemed deposits, as a result it is anticipated that minimal costs will be passed on by the producers of drinks containers covered by the scheme to consumers.

The introduction of a DRS should stimulate the growth in green jobs in the economy. Studies have shown that the introduction of a DRS could increase the number of jobs available by between 3,000 and 4,300[6], particularly focussed in areas like collection/transport logistics, retail operations, and within the Deposit Management

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[4] Defra: Consumer research to inform the design of an effective deposit return scheme, August 2019. https://sciencesearch.defra.gov.uk/ProjectDetails?ProjectId=20253

[5] Defra: Quantifying and exploring the potential impact of a future deposit return scheme, 2021. http://sciencesearch.defra.gov.uk/Default.aspx?Menu=Menu&Module=More&Location=None&ProjectID=20660&FromSearch=Y&Publisher=1&SearchText=deposit%20return%20scheme%20&SortString=ProjectCode&SortOrder=Asc&Paging=10#TimeScaleAndCost

[6] https://www.cpre.org.uk/wp-content/uploads/2019/11/from_waste_to_work.pdf

Organisation[7] (DMO). Government is keen to encourage employment opportunities through policies like this, particularly given the challenging economic climate we currently face.

We recognise that the introduction of a DRS is a new undertaking for industry, and with the continued pressures facing consumers and businesses every day, the impact of change is not to be underestimated. On this basis, we are committed to continuing engagement and working collaboratively with industry to deliver a cost effective, well-functioning scheme. We are also committed to continuing to review the impact on small businesses and considering further mitigations or support they might need as we move into implementation. This includes working through potential solutions to minimise costs and business risks and apply learning from schemes operating in other countries.

Geographic extent

Since waste management is a devolved policy area, it is the responsibility of each nation of the UK to decide on the approach to a DRS that fits its policy needs. The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland have worked collaboratively on this consultation response. We are committed to working together across these three nations to deliver a DRS. In this response, when we refer to 'the DRS', we mean the DRS schemes to be established in England, Wales and Northern Ireland. Scotland is moving forward with its own DRS delivery. We will continue to work across all four nations on how the schemes interact.

Next steps

The DRS will be an industry-led scheme. International experience of DRS implementation has shown that schemes can work best where they are industry-led, and industry are able to use their expertise and vested interest in having a successful scheme to operate the DRS themselves. We think this is a sensible and well-proven method which should be replicated in the DRS in England, Wales and Northern Ireland.

Government recognises the need to work closely with stakeholders and we intend to manage the implementation of the DRS in phases. The next phase will be to work through development of the legislation, taking necessary steps to ensure it will work in practice, and appointment of the deposit management organisation. Further phases are DMO set up and subsequent industry led roll-out of the scheme.

[7] The DMO will be an independent, industry-led organisation established to run the DRS. For more information, see chapter Scheme Participants and Governance.

Industry engagement

DRS will directly impact a number of stakeholders, in particular drinks producers and importers, retailers, wholesalers and distribution partners, and waste collection and logistics companies. These stakeholders have the knowledge and expertise to assess how the DRS will impact their business operations going forward. Whilst DRSs operate effectively around the world, there are specific features in how the schemes in the UK will operate that we need to work through with stakeholders.

We see the following as key priorities as we work to finalise the DRS regulations and appoint the DMO:

- testing how online retailers can provide a takeback service
- confirmation of the VAT arrangements for deposits on in-scope containers
- establishing the upper limit for the deposit level
- continuing to review the impact of DRS on small businesses, including producers, and considering any further mitigation or support they may require
- further exploration of the implications of differences between DRS schemes in the UK, including implications of separate England/NI regulations and Welsh regulations
- compliance monitoring and enforcement, including a charging scheme for the regulators

We intend to start further industry engagement shortly and will explore these areas further as a means to ensuring the design of the DRS is robust and deliverable.

DRS regulations

Regulations made using powers in the Environment Act 2021 will be used to establish the DRSs in England, Wales and Northern Ireland. Government aims to take secondary legislation through Parliament (and Senedd in Wales) which will set the framework for, and obligations under, the schemes. We are currently drafting regulations for the schemes to be taken through Parliament/Senedd. These regulations will reflect the policy outcomes set out in this response and the further industry engagement planned for the next phase of delivery. They will act as the legislative vehicle for bringing the schemes into existence.

The Welsh Government intends to bring forward its own separate regulations to establish the DRS in Wales. This means that some legal and commercial distinctions will need to be reflected in the operation of the scheme and the DMO(s) in Wales, including the appointment process of a DMO(s), management of financial accounts and separate reporting requirements by nation. Further work is needed to ensure we understand the impact of this approach on scheme participants and the operation of DRS across the UK and the Republic of Ireland.

We are aiming to be in a position to appoint the DMO(s) as soon as is feasible after the regulations have entered into force, following a fair and open process. We intend to engage with prospective consortia interested in being the DMO(s) shortly after publication of the response.

The decisions set out in the following chapters will form the basis of the DRS policy and will be laid out in the forthcoming legislation. As is standard practice with any new policy measure and statutory instrument, the Government will keep the legislation establishing the DRS under regular review to ensure the regulations are meeting the policy objectives.

The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland would like to take this opportunity to thank all those who took the time to respond to the consultations on introducing a DRS, as well as any individual or organisation who has participated in Government's broader engagement concerning the development of the DRS policy. This represents an important milestone in the journey towards achieving key Government objectives of transitioning towards a more sustainable and circular economy.

Materials in scope of the DRS

Key announcements:

- Size of containers in scope of DRS: All-in (50ml – 3l) across England, Wales and Northern Ireland.
- Materials in scope of DRS – England and Northern Ireland: Polyethylene terephthalate (PET) bottles; steel and aluminium cans.
- Materials in scope of DRS – Wales: Polyethylene terephthalate (PET) bottles; steel and aluminium cans; and glass bottles.

Since waste management is a devolved policy area, it is the responsibility of each nation of the UK to decide the scope of its own DRS in a way that fits its policy needs.

The Government's response to the consultation on the introduction of Extended Producer Responsibility for packaging was published on 26 March 2022[8]. Details regarding the size and materials of containers in scope of the DRS were announced as part of this response. We have also set out these conclusions in this chapter for completeness.

Size of container

On size of containers in scope of the scheme, the UK Government and the Department of Agricultural, Environment and Rural Affairs in Northern Ireland consulted on either an all-in scheme (including drinks containers up to 3l in size) or an on-the-go scheme (drinks containers under 750ml in size and excluding those containers sold in multipacks), with the Welsh Government consulting on an all-in-scheme. Most consultation responses were strongly in favour of an all-in DRS with many respondents pointing to improved environmental outcomes and ease of understanding for consumers. Defra, Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland have decided to implement an all-in DRS in relation to the size of containers in scope. Therefore, single-use drinks containers containing at least 50ml and up to 3l of liquid will be in-scope of the DRS across the three nations. This will include containers sold both individually and as part of a multipack.

Materials

On the types of materials to be included in the DRS, the consultation proposed that the scheme would include polyethylene terephthalate bottles, steel and aluminium cans, and glass bottles.

Consultation responses and engagement with stakeholders has been mixed regarding the inclusion of glass. Some cited the benefits of including glass, such as tackling a key source of litter, providing a key recyclable resource, covering as wide a range of materials as possible, and reflecting that most international DRS do include some drinks in glass bottles. Some stakeholders also suggested that the inclusion of glass in the DRS could reduce the likelihood of any material switching between packaging formats.

[8] https://www.gov.uk/government/consultations/packaging-and-packaging-waste-introducing-extended-producer-responsibility

However, some consultation responses raised concerns over glass, including increased handling costs and equipment complexity. Reverse vending machines will need to be emptied more frequently and will carry additional safety risks associated with handling broken glass in retail environments. For retailers offering a manual take-back service, glass bottles will require more space to be stored safely which could disproportionately impact on small retailers. In addition, points were raised regarding the weight of glass and the potential for breakages posing increased inconvenience for consumers.

Having reflected on these points following the consultation, the materials captured in the DRS in England and Northern Ireland will be drinks containers made from polyethylene terephthalate plastic, steel, and aluminium. Glass bottles will not be captured by DRS in England and Northern Ireland as the respective governments believe the addition of glass will add additional complexity and challenges to delivery of DRS, in particular for the hospitality and retail sectors, as well as additional consumer inconvenience. Given concerns raised on managing glass in a DRS, delivery of the scheme will focus on plastic bottles and aluminium/steel cans in England and Northern Ireland.

Whilst not in scope of the DRS in England and Northern Ireland, glass drinks bottles will be covered by the Extended Producer Responsibility for packaging scheme in both nations, which will place targets on producers in relation to glass recycling. Northern Ireland will keep under review the inclusion of glass when the DRS is fully operational to ensure glass beverage containers are meeting the relevant recycling targets. England and Northern Ireland welcome continued engagement with the glass sector on how glass recycling rates can be improved through kerbside collections.

In assessing the range of materials to be included, the Welsh Government has considered the impact of a DRS against the baseline recycling rate in Wales, and the statutory requirements of the Well-being of Future Generations (Wales) Act 2015 alongside the overarching commitments to become a net zero carbon and zero-waste nation by 2050. Acknowledging the consultation responses advocating for the inclusion of as wide a range of materials as possible and also advances in digital DRS technology solutions that could allow bottle deposit return via existing kerbside collection infrastructure thereby reducing the reliance on return to retailer reverse vending machines, against a higher baseline recycling rate the inclusion of glass provides an overall better rate of return from the economic impact assessment of the scheme in Wales. Welsh Government is therefore progressing with the option as set out in the consultation to introduce an all-in DRS in Wales which includes polyethylene terephthalate plastic, steel and aluminium cans, and glass bottles.

For information, the materials in scope of the DRS in Scotland are polyethylene terephthalate plastic, steel and aluminium cans, and glass bottles.

Finally, the consultation explored the inclusion of the cap as part of the in-scope drinks container. When returning containers to a return point, consumers across all three nations will be required to keep containers intact. However, redemption of the deposit will not be dependent on the cap being returned with the container. Caps/lids are more likely to be removed or misplaced. An obligation to return the bottle with the cap could, therefore, result in less in-scope material being returned where the cap has been misplaced. Consumers will instead be encouraged to return the container with the cap/lid attached. This will increase the recycling rates of materials used in the cap and reduce littering.

Interoperability of DRSs across the nations

Government recognises the challenges that the differences in scope between DRS schemes in the UK presents for the supply chain. We are committed to continuing our engagement with industry as they develop solutions to ensure effective, workable DRSs can be established across the nations. In England, Wales and Northern Ireland, for polyethylene terephthalate plastic and aluminium/steel cans, consumers will be able to redeem a deposit in any of those nations. Given glass bottles are only captured in the Welsh scheme, their return will only be mandated in Wales. We would encourage the DMO to work with the Scottish scheme to explore interoperability and reciprocal return arrangements between schemes.

Labelling

The consultation explored the contribution that clear labelling of in-scope containers could make to the success of the scheme, both from a consumer understanding point of view, and also to ensure the scheme operates effectively with regards to scanning of containers and redemption of deposits.

Labelling could include:

a) a mark to identify the product as part of a DRS

b) an identification marker that can be read by a return point within the scheme

The consultation saw overwhelming support for introducing some form of mandatory labelling (95%). We recognise the importance of ensuring that consumers know if a drinks container has been subject to a deposit or not, which a DRS logo (or similar) on the container could help support. We also know that 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.

Defra, Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland intend to mandate the use of both a mark to identify the product as part of a DRS and the use of an identification marker such as a barcode or QR code to enable the container to be recognised at the return point. The specific details and design of these markings would be for the DMO(s) to decide.

Scheme Participants and Governance

Key announcements:

- The Deposit Management Organisation(s) will be appointed through an application process set out in the regulations.

Scheme participants

A successful DRS is dependent on a range of participants fulfilling their individual obligations under the scheme. Producers, retailers and the Deposit Management Organisation (DMO - an organisation to be appointed to run the DRS) all have a role to play. The DRS regulations will set out the obligations to be placed on scheme participants.

As set out in the consultation, by producers we mean brand owners or manufacturers of drinks in in-scope containers that are then sold in England, Wales or Northern Ireland, and includes those persons who import drinks containers to put on the market. Retailers are only considered to be a producer where they place own-brand drinks on the market in the relevant nation. Those who manufacture physical containers are also not included. For producers, obligations include placing the deposit on the container when it is sold and paying a producer registration fee to the DMO to fund the set up and ongoing operational costs of the DRS (more information on producer registration fees can be found in the Financial Flows chapter). Producers will be required to register with and report data to the DMO.

A retailer is a person who sells an in-scope container directly to a consumer in England, Northern Ireland and Wales. They will be required to add the deposit value to the purchase price and ensure pricing information clearly displays the price of the in-scope container and the deposit attached. The retailer will also be required to operate a return point for the scheme (with limited exemptions). More information on retailer obligations can be found in the section Retailers and return points.

Scheme Governance

The DMO(s) will be responsible for managing the overall operation of the DRS as well as for meeting the collection targets set out in regulations, which the DMO(s) will fulfil on behalf of all registered producers. The DMO(s) will be an independent, not for profit and private organisation(s). The term ‘DMO’ below shall encompass one body or several bodies if more than one is appointed. If more than one is appointed then they will be obligated by the regulations to coordinate their approach, where appropriate, such as in setting the deposit level.

Following a review on options for appointing the DMO(s), Defra, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland have decided to appoint the DMO(s) through an application process set out in regulations rather than through a competitive tender process, which was proposed in the consultation. This

approach will reduce Government costs by not requiring regular competitive tender processes and give increased long-term security to the DMO(s) (subject to Government reviews of performance). Whilst consultation responses on the question of the proposed length of the DMO's contract were split across the proposed time frames, longevity was favoured, with 70% of responses being in favour of 5 years or more. Under this approach, accountability will be through the regulations, which will place legal obligations on the DMO, and through conditions of their appointment.

Since there will be separate regulations for the scheme in England/Northern Ireland and in Wales, a DMO applicant will be required to apply to the UK Government to operate the scheme in England and Northern Ireland and apply to the Welsh Government to operate the scheme in Wales. We are working to ensure that the application process is nonetheless as joined up as possible to minimise any additional administration this may require of an applicant.

In broader terms, the existence of separate regulations means that some legal and commercial distinctions will need to be reflected in the operation of the scheme by the DMO(s); we are looking at what may be required of all parties to facilitate this. The UK Government for England, the Welsh Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland are also working to understand any impacts or unintended consequences this could have on industry in practice, as well as working to maximise alignment so that the DRS will, as far as possible, be experienced as a single scheme by consumers and obligated industry participants.

As set out in the consultation, the scheme will be industry led and part funded by producer registration fees. The leadership of the DMO(s) will need to be representative of key stakeholders actively involved in the DRS and is likely to be made up of individual companies or trade associations which represent drinks producers, retailers, importers and/or logistics. Any applicant to become the DMO should be able to demonstrate strong support from the obligated producers and retailers or trade associations representing obligated organisations under the scheme. Some consultation responses flagged the need to ensure the interests of small producers, small retailers and local authorities are also represented in the delivery and ongoing management of the scheme. Any applicant will be required to demonstrate how they would protect the interests of smaller producers and ensure that they have a proportionate influence in the DMO.

The DMO(s) will be held to account by the obligations placed upon it via the regulations and in the conditions of its appointment. In making the application to be the DMO the applicant will need to set out details of how it plans to meet the obligations in the regulations. We would expect the DMO application to cover many of the proposed considerations listed in the consultation (questions 26 and 27[9]). Over 90% of responses to these questions agreed with these considerations. The DMO should be transparent in its operations and will be required to report annually on its delivery of the scheme on a

[9] https://consult.defra.gov.uk/environment/consultation-on-introducing-a-drs/supporting_documents/DRS%20Consultation%20FINAL%20.pdf

nation-by-nation basis, including progress against both its various statutory obligations and broader policy objectives of the DRS, as well as an overview of the scheme's financial performance. This will be supported by regular performance reviews. The relevant ministers (i.e. in England and Northern Ireland on one hand, and in Wales on the other) will have the right to withdraw a DMO's approval if it is considered to be falling short of its statutory duties and obligations.

Targets

Key announcements:

- A 90% collection target in regulations to be achieved within 3 years of the operation of the scheme.

Government will set a 90% collection target in the regulations, to be achieved within three years of the first reporting year of the scheme, and every year thereafter (with the option of this target being increased if it is deemed appropriate as part of the regular reviews of the policy already mentioned). The collection target will be phased in at 70% in year 1, 80% year 2, and 90% year 3 onwards. Responses to the consultation overwhelmingly supported a robust approach to achieve high collection targets in the scheme.

Following further consideration, we have decided to place collection targets on producers. This obligation will be passed on to the DMO when the producer registers with the DMO, and the DMO will then fulfil the obligation on the producer's behalf. It will be an obligation on producers that they must register with a DMO once appointed and supply any requested information to the DMO.

The reporting period for collection targets will be based on a calendar year, commencing on 1 January of a given year, ending on 31 December. From year 3 onwards, each material in scope must achieve a minimum 85% collection rate to avoid one material subsidising the 90% collection target for others. Dissuasive monetary penalties will be imposed on the DMO by the regulators[10] where the DMO fails to meet its collection targets.

As set out in the consultation, we will not be setting a recycling target for material on the DMO in addition to collection targets, due to difficulties the DMO would have in ensuring material has been recycled once sold to a reprocessor. We will instead specify in the regulations that the DMO must ensure that material collected via the scheme is passed on to a reprocessor for recycling and is able to evidence this upon request by the regulator.

Collection targets will be required to be met separately in England, Wales and Northern Ireland. To enable specific reporting on in-scope drinks containers collected to be segregated by nation, we explored in the consultation where the reporting obligation for containers placed on the market should best sit; whether with the producer, the retailer, or both of these. Responses indicated that an obligation on retailers to report on the numbers of containers they sell to consumers would pose a disproportionate burden and that producers would be able to provide the relevant data. Our intention is therefore that regulations will set obligations on producers to report to the DMO, by nation, the number of drinks containers they sell. We will continue to explore the practicalities of placing this requirement on producers in the next phase of engagement.

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[10] See chapter on Compliance monitoring and enforcement for further details on scheme regulators.

Financial Flows

Key announcements:

- In setting producer registration fees the DMO must consult with producers, and give consideration to the size of the producer, based in part on the number of drinks containers that producer places on the market.
- All unredeemed deposits should part-fund the scheme to whatever extent they remain in the system.
- The DMO will have responsibility for setting the deposit level (fixed or variable), abiding by parameters set out in the regulations, including a maximum amount.

As set out in the consultation, the DRS will be funded by a combination of revenue from the material it collects and sells to reprocessors, producer registration fees and unredeemed deposits. The DMO will need to seek private finance to fund the start-up, implementation, and operational costs of the scheme from day one. The regulations will place various obligations on the DMO, including the obligation to meet collection targets of in-scope drinks containers on behalf of all producers who must register with the DMO once it is established. Ensuring the DMO has the ability to influence the delivery and performance of the scheme in meeting these obligations is therefore essential and is reflected in our approach of giving the DMO ownership over things such as setting the deposit level for in-scope drinks containers.

All producers of in-scope drinks containers will be obligated to register with the DMO once it's appointed before they can place those products on the market. Government continues to consider the best approach for developing the digital infrastructure required to register and receive evidence on containers placed on the market. Three quarters of respondents to the consultation favoured Government owning this infrastructure. Government will continue to work with the consortia involved in setting up the DMO to support the delivery of an IT system for producer registration in advance of the scheme going live, recognising the need for the DMO to input much of the detail on the specifics of this system based on its intended operational arrangements.

Producer registration fees

The DMO will be able to charge producers a registration fee to cover the costs of the DMO exercising its functions under the scheme, if needed to cover any costs which cannot be met by the other incomes the DMO receives from material sales and unredeemed deposits. Given the DMO will be not-for-profit, this fee should only be equivalent to the amount needed to cover costs of the scheme. Producers should pay fees proportionate to the types and volumes of materials and quantity of in-scope containers they place on the market to reflect the different costs involved in collecting, separating, and treating different material types. This will be reflected in the producer registration fee set by the DMO.

We are currently progressing on the basis that all producers of in-scope drinks containers will have to opt-in to the DRS and register with the DMO. That said, we recognise the potential cost burden of the scheme which could be felt most by smaller drinks producers. Whilst all producers will have to comply with producer obligations imposed by the regulations, we have sought to minimise the burden on the smallest drinks producers in relation to producer registration fees. The regulations will set out criteria that the DMO must take into account when setting the producer registration fees. This will include the

‘size of the producer’, with some consideration of size being assessed by reference to numbers of ‘drinks containers placed on the market.’ The regulations will also give the DMO the flexibility to consider other factors such as a threshold based on taxable turnover of a producer. We are mindful of the challenges across the sector for small producers and will continue to review the impact on small businesses and how best government can support them as we move into implementation.

Other factors that the DMO will have to consider in determining the producer registration fees will be the DMO’s costs in administering the scheme on behalf of a registered producer (reflecting ‘drinks containers placed on the market’) and the costs of compliance, monitoring and enforcement undertaken by the regulators. The DMO should be transparent with its membership in making decisions regarding its fees.

Process of setting registration fees

The regulations will require the DMO to consult on how it intends to set producer registration fees, with a particular focus on how it will take into account the size of the producer to reduce the relative cost impact of the scheme on smaller producers. The regulations will also require the DMO to publish its framework for calculating producer registration fees thereby ensuring fees are calculated transparently and appropriately.

Part of the application process to appoint the DMO will require the applicant to set out how it proposes small producers’ views are represented in the management of the organisation and the internal processes it will follow in setting producer fees.

Regular review of the DRS will provide the opportunity for Government to monitor and evaluate how the scheme is performing and, in particular, how smaller producers are engaging with the scheme.

Unredeemed deposits

Whilst we want the DRS to achieve an ambitious collection rate for drinks containers, as set out in our approach to scheme targets, there will always be a number of containers that will not be returned. Where a container is not returned, the value of the deposit on that container will be held by the DMO. This is an unredeemed deposit and is a potentially significant value stream for the DMO, helping to fund the operation of the scheme. This is a common funding stream found in many international DRSs.

The consultation explored the use of unredeemed deposits within the scheme. We asked whether a high level of unredeemed deposits being used to fund the scheme was problematic, with 60% of those answering the question saying they did see this as a problem. We also explored whether all unredeemed deposits should be used to part-fund the scheme (option 1), or whether unredeemed deposits should part fund the scheme alongside a minimum producer registration fee per annum thus ensuring producers contribute a set proportion of the costs of running the scheme (option 2). Just over half of respondents favoured option 1, with all unredeemed deposits going back into the system.

We have concluded that all unredeemed deposits should part-fund the scheme to whatever extent they remain in the system (option 1: 100% of unredeemed deposits will be reinvested back into the DRS). We considered whether this approach could create a perverse incentive whereby the DMO gains considerable revenue from unredeemed deposits and is therefore disincentivised to meet scheme collection targets due to the revenue gained from unredeemed deposits. To avoid this scenario, the DMO will be

subject to fines if it fails to meet its collection targets, set at a level to incentivise meeting of collection targets. This means the DMO will be incentivised to take action to maximise collection, for example through using the financial value of the deposit and enabling easy access to return point infrastructure to ensure consumers are incentivised and able to return their drinks containers.

Setting the deposit level

We want the DMO to have the flexibility and controls required to support it in meeting its statutory collection targets. We believe giving the DMO the ability to set and then change the deposit level is a critical lever in this for the DMO to control.

Our consultation asked about minimum and maximum deposit levels with 60% of those answering the question about a minimum selecting 20p and responses were balanced with regards to whether there should be a maximum (47% yes / 53% no). A number of respondents argued that the DMO should be responsible for setting and changing deposit levels. The consultation response demonstrated mixed views on how multipacks should be approached and 56% of responses agreed to the approach of letting the DMO decide whether to adopt a fixed or variable deposit level, particularly with regards to multipacks (question 39).

We have concluded that the DMO will have the power to set the deposit level. Regulations will not set a minimum level but will set a maximum amount, giving the DMO flexibility to set an appropriate deposit level, i.e. one that will enable it to meet its collection target within this limit. We will determine what the maximum deposit limit will be as part of the next phase of work before the regulations are finalised.

The regulations will provide for the DMO to set the deposit level, having regard to considerations including the environmental, social and economic impacts of the deposit level, which would include the impact on affordability for consumers. The DMO will have the ability to set either a fixed rate or variable rate deposit (which could vary by drinks container size, format or material type). The regulations will outline the process that the DMO must follow in making a change to the deposit level.

In the event that there are multiple DMOs, those DMOs will be required to work together to agree and set the same deposit level(s) (whether that be a fixed or variable rate) across all in-scope containers. In the event that those DMOs are unable to agree what the deposit level should be, the regulations will make provision for the DMOs to approach the relevant minister(s) who would be able to set the deposit level in consultation with the DMOs.

As with other areas in this chapter, the setting of the deposit level will form a key part of the regular review of how the DRS is working, particularly to ensure that the method for setting the deposit level is driving achievement of recycling targets.

VAT

Discussions have been ongoing between Government (including Scottish Government), HM Treasury and HM Revenue & Customs (the latter two being the lead departments on VAT), regarding the application of VAT on deposits within the DRS. We recognise a range of stakeholders have also contributed to this ongoing engagement and Government extends thanks to those that have provided input on this matter.

Work to ensure that a feasible, cost-effective VAT solution can be applied continues, and at the time of writing we are continuing engagement on this matter across Government and with relevant stakeholders.

Retailers and return points

Key announcements:

- Retailers selling in scope containers will be obligated to host a return point, with exemption applications made to the DMO.
- The DMO will be obligated to consider the strategic placement of return points, to ensure an accessible and comprehensive network of return points.
- Ensuring a takeback service is offered in respect of online purchases, particularly by large online grocery retailers, from day 1.

Retailer obligations

Returning an in-scope drinks container should be easy for the consumer. It is therefore important that there is a comprehensive and accessible network of return points. On this basis, all retailers selling in-scope containers will be obligated to host a return point. There will of course be scenarios where it is not possible for a retailer to host a return point, and there will therefore be an exemption process, run by the DMO, for those retailers to seek an exemption. This is set out later in this section.

Achieving the core aims of the scheme, particularly on reducing litter, requires an extensive return point network across urban and rural areas to ensure consumers find it as easy as possible to engage with the scheme. The regulations will also set out a requirement on the DMO to consider the strategic placement of return points, based on factors such as the local geography and demographic make-up of an area. For example, this could involve exploring the provision of sufficient return points in areas of high footfall (shopping malls, transport hubs). As part of this assessment of the return point network, the DMO should consider working closely with retailers, businesses, and local authorities to identify suitable locations for return points outside retail-specific locations.

The regulations will leave it open for the retailer to decide how the return is accepted, whether this be through a reverse vending machine or through a manual takeback service. This allows retailers to choose a model that best suits their business and leaves the door open for future technological developments to be incorporated into the scheme.

As well as retailer return points, anyone wishing to host a return point will be able to apply to the DMO to become a voluntary return point operator through an application process set out by the DMO. We would expect the DMO to work with the third sector, encouraging community groups and not-for-profit organisations to get involved in the scheme, such as by hosting return points.

Retailers obligated to host a return point will have the right to refuse returns where certain conditions of takeback are not met. Regulations will set out a non-exhaustive list of such ‘reasonable excuses’ to refuse the return, including:

- the container not being identifiable as a DRS container
- the container being soiled.
- the container not being empty.
- On religious / ethical grounds (where alcoholic drink containers are being returned).

As set out in the consultation, where containers are sold in a closed loop environment, such as in pubs, hotels, restaurants and cafes, the retailer will not be obligated to pass on the deposit to the consumer where the drink in the container is consumed on site. In addition, these venues will not be obligated to host a return point if they do not pass the deposit on but will still be required to arrange for the collection and return of drinks containers back to the DMO. For these retailers, managing deposit returns could significantly disrupt their business model causing delays to service, particularly in crowded venues, and the nature of consumption in the closed loop environment means the exemptions listed above can be applied. They may still choose to pass the deposit price on to the consumer, but if they do so they will then need to provide a take-back service in line with the requirements set out for retailers.

Handling fee

The consultation explored the payment of a handling fee to return point operators, to compensate retailers for non-recoverable expenses of participating in the scheme. The retailer will receive a retailer handling fee from the DMO to compensate them for costs incurred in hosting a return point. As with other scheme operating costs, the handling fee will be funded by a combination of revenue from the material the DMO collects and sells to reprocessors, producer registration fees and unredeemed deposits.

The consultation proposed that in setting the handling fee, the following criteria should be taken into account by the DMO:

- Costs of purchase, lease, maintenance or upkeep of any collection/storage infrastructure, including any vehicle used for collections;
- Costs of materials for collection/storage of containers;
- Space requirements of return point;
- Staffing; and
- Utility costs of operating the return point (e.g. electricity).

83% of respondents to this question agreed with the proposed criteria, with a significant proportion suggesting that, given the likelihood of costs changing over time, handling fees should be reviewed on a regular basis. Taking these views into account, these criteria will be included in the regulations, which the DMO must consider when calculating the handling fee. The regulations will also require the DMO to regularly review the handling fee.

Exemptions from hosting a return point

Whilst we want all obligated retailers to host a return point, we recognise that in some circumstances an exemption may be necessary. These exemptions may be of particular relevance to smaller, micro-sized retailers where hosting a return point may be physically impossible.

A significant majority of respondents were in favour of the two exemptions proposed in the consultation, 1) breach of safety (footprint of return point impeding walkway safety, for example) and 2) close proximity to another return point. The regulations will therefore set out that a retailer can apply to the DMO for an exemption based on either of these criteria. The DMO will be responsible for setting out the return point exemption application process and will determine whether exemptions are granted. Before granting any exemptions, the

DMO will need to be mindful of any accessibility issues which may be caused for consumers who want to return containers.

Retailers exempted from hosting a return point will, however, still have other obligations under the DRS. The consultation explored the role of signage in avoiding potential conflict between consumers and retail staff on where to return items, avoiding delays to service, and ensuring consumers can easily access return points. Most respondents agreed that exempted retailers should be obligated to provide signage stating their exemption from hosting a return point and pointing to the nearest return point, regardless of the reason for the exemption. In addition, some respondents also highlighted the need for information on how to contact the DMO to allow a route for comment or to highlight an issue with accessing a return point. Taking this into consideration, legislation will require any retailer exempted from hosting a return point, regardless of the reason for the exemption, to display signage indicating the exemption, information on how to contact the DMO and where the nearest return point can be found.

The consultation also asked respondents to consider an appropriate time limit for exemptions, after which point the DMO will be required to review the exemption. Most respondents selected 3 years as an appropriate period and legislation will therefore set out that exemptions will be reviewed by the DMO every 3 years and can be revoked where one of the following criteria is met:

- the original reason for the exemption no longer applies
- the retailer has failed to comply with their obligations as an exempted retailer (e.g. failing to display required signage)
- the exempted retailer now wishes to operate a return point

The regulations will also allow for the DMO to revoke the exemption before this 3-year review period if the DMO is made aware of any of the above.

Online purchases of in-scope drinks containers

In the case of online retailers, consultation responses showed a preference for obligating these retailers to offer a free take-back service for empty containers. The primary purpose of a take-back service is to support consumers who rely largely or solely on online shopping and who would otherwise struggle to access a physical return point to redeem their deposit. However, it is important to balance this against potential unintended consequences, such as significantly increased road traffic, and therefore pollution, where retailers are forced to make additional journeys to collect small numbers of containers from multiple addresses, thus offsetting the environmental benefits of the DRS.

We want to ensure consumers are able to receive a takeback service for their containers where required. We recognise there are consumers who will struggle to access return points to redeem their deposits, and therefore having a doorstep redemption of the deposit is desirable to support engagement with the scheme. We recognise concerns raised by industry on operationalising a takeback service and want to continue working through the detail of how this could work in practice with industry. We are particularly keen to ensure large supermarkets delivering grocery shopping are offering consumers a takeback service from day 1 of the scheme, as well as considering how other businesses could deliver a takeback service where feasible.

Online retailers offering a takeback service will be eligible to receive a handling fee to cover the costs of the service. Legislation will also set out the criteria the DMO will need to take into account when setting the handling fee for online retailers.

Planning permission for hosting a reverse vending machine

The success of a DRS is dependent on the ease of access to return points for consumers. If retailers are obligated to apply for planning permission for reverse vending machines outside of their premises, it could result in delays to the scheme implementation and represent an additional cost to retailers. Responses to the consultation were strongly in favour of creating a new permitted development right for reverse vending machines to ensure the smooth implementation of the scheme.

As planning is a devolved matter, Government will therefore pursue an additional permitted development right for reverse vending machines in each nation. Permitted development rights should be brought forward in each nation, subject to consideration from relevant Ministers and including nation-specific conditions and limitations to manage local impacts and protect local amenity..

Using technology in a DRS

The consultation also explored the growing emergence of technology solutions that use unique coding of containers coupled with the ability to scan the code with a smart phone that could mean deposits could be returned closer to the point of consumption, for example in the home, as well as the return to retailer model.

Responses, especially from consumers, indicated support for some sort of digital kerbside return system. The main driver was ease of use and general convenience as many other aspects of personal finance and shopping are now done using digital – particularly smartphone – technology. Support of a digital solution showed that it could reduce the reliance on retailer-located reverse vending machines, with a lower number of drinks containers being returned through this route, instead increasing use of other forms of return, such as via existing household kerbside collection services. Some businesses also expressed an interest in exploring a digital solution since it offers the opportunity for greater consumer engagement along with detailed tracking from cradle to grave of drinks packaging thereby further expanding knowledge of the destination of the packaging waste generated. This support was however tempered with a lack of knowledge and evidence on how a digital scheme could be introduced and run cost effectively.

More broadly, there was mixed support from respondents to the consultation. Concerns over the adoption of a digital model were raised regarding set-up and ongoing costs, particularly impacted by the risk of increased levels of fraud and the reduced control over the quality of returned recyclate into the scheme. Others stated that a digital DRS could be introduced with lower implementation and running costs, given the reduced reliance on reverse vending machines and use of existing collection infrastructure, thereby negating the need to set up a new DRS-specific logistics network and associated counting centres. The scope for maximising carbon saving benefits of a digital solution compared to sole return to retailer also arose given the potential to utilise the existing collection infrastructure. However, it was also recognised that the changes required to labelling of

containers to facilitate the implementation of a digital DRS are not currently possible within the industry.

Welsh Government is piloting the potential for a digital DRS, as it could allow householders to continue to use their local authority provided kerbside collection services to return DRS in scope containers when in the home, in addition to the obligation on retailers acting as return points. As such the separate economic impact assessment undertaken by Welsh Government for the implementation and operation of the scheme in Wales specifically modelled the cost of a digital system. Even with some uncertainty in the assumptions used it demonstrated a digital system could be implemented and operated at lower costs than a traditional return to retailer only model.

We recognise there remains a degree of uncertainty around how a digital home deposit/container return system might be implemented and if the assumed benefits can be realised. Welsh Government is currently funding further research on, and evaluation of, this topic. England, Wales and Northern Ireland will, through the DMO appointment process, look to understand more from applicants about how a digital system could be implemented or tested further as part of the eventual roll out of the scheme. Should the continued research and trials in this area show that the scaling up of the DRS to a form of digital scheme would be appropriate, the DMO and wider industry should begin to explore the practicalities and feasibility of introducing digital solutions to the scheme in the future.

Local authorities, local councils and waste operators

Key announcements:

- Local authorities and where relevant, waste operators, can participate in the DRS by separating out containers and redeeming the deposit on them.

We anticipate the scheme will be collecting upwards of 90% of DRS containers placed on the market from year 3 of the scheme's operation. It is likely that many of those containers not returned will continue to travel through local authority waste streams.

The consultation set out 3 options for managing DRS containers which appear in local authority / local council waste streams. Whilst many responses were in favour of option 2, which would see the DMO making payments via the Extended Producer Responsibility scheme administrator to local authorities for containers ending up in that waste stream, upon further examination we do not believe this to be a viable option, not least because of the risk of double payments if containers were still separated out and returned into the scheme.

We have therefore decided to pursue option 1 presented in the consultation, where local authorities and/or waste operators can separate out in-scope drinks containers found in their waste streams and then return these containers into the scheme, providing they meet the quality required for return, to receive the deposit amount, which acts a financial incentive. We also see this position as creating an incentive for the DMO to work with local authorities and waste operators to ensure as much DRS material is returned as possible, helping the DMO to meet its collection targets and keep the material as part of the closed-loop DRS model.

Compliance monitoring and enforcement

Once the DRS is up and running, there needs to be a system in place to monitor compliance with the scheme. The regulations will place specific obligations on scheme participants (producers, retailers and the DMO) with corresponding compliance mechanisms. In terms of working with producers and retailers, it is our intention that the DMO would be expected to undertake initial monitoring and compliance to check whether businesses are complying with the regulations. We explored this role of the DMO in the consultation, and the majority of responses agreed that the DMO should seek compliance before escalating breaches to the regulator. It was thought that this could lessen the burden of the regulator by addressing less significant issues meaning the regulator could focus on the more serious issues such as organised fraud. If breaches persist, then the enforcement process will commence, and the regulator will provide legal enforcement as necessary.

As stated in the consultation, we consider the environmental regulators in England, Wales and Northern Ireland are best placed to be Scheme Regulators and we will continue to work with these regulators as we refine the enforcement aspect of the scheme over the coming years. The obligations these regulators will be responsible for will be set out in the DRS regulations but will follow the non-exhaustive list of breaches that were proposed in the consultation. Respondents broadly agreed that this list captured the core breaches that would need to be monitored and enforced in the scheme. Stakeholders suggested fraud and incorrect labelling as an area that required further consideration.

The consultation also explored the role for local authorities (through Trading Standards and the Primary Authority Scheme) to provide guidance and enforcement in relation to retailer obligations. The vast majority of respondents to the consultation thought Trading Standards were best placed to enforce certain retailer obligations. Local authorities raised concerns over the costs and staffing that would be needed to add to their existing duties with retailers. Again, enabling the DMO to carry out initial compliance checks of activity which is reported as in breach of the regulations was suggested by some respondents. That could allow Trading Standards and the regulators to receive a level of intelligence-based information and then take informed decisions on next steps. On this basis, we will place responsibility for monitoring and enforcing certain retailer obligations with local authorities through Trading Standards.

Risk-based and proportionate compliance monitoring undertaken by the environmental regulators will need to be funded by the producers as part of their fees to the DMO. We envisage a payment from the DMO to the regulators to be made to cover the required regulatory activity. The Government and the scheme regulators will continue to develop the detail and practicalities of monitoring and enforcement for the scheme ahead of it going live. It is our intention to work with the regulators in Scotland to develop a coherent approach across the UK where possible. We are also in communication with the Republic of Ireland’s Government regarding potential impacts of, and interaction with, its DRS.

Implementation timeline

Key announcements:

- In the next phase of DRS implementation, we will be finalising the regulations and appointing the DMO. We are aiming for the regulations to be in force by end of 2023 and the DMO appointed by summer 2024.
- We propose to include in the regulations a commencement date for DRS of 1st October 2025. This is a stretching target date. We would like to continue to work with industry to assess the feasibility of this date as more detail is developed on the implementation phases of the scheme, including as part of the DMO application process.

The consultation explored the timeframe required for implementing a DRS, giving an overview of the key activities required to achieve this. Respondents were broadly in favour of a minimum 18-24 month roll out period from the point the DMO is appointed, recommending that any implementation period should allow enough time for labelling changes and infrastructure roll out to take place. Seasonal implications were also cited, especially around the Christmas period with its accompanying increased pressure on the supply chain.

As well as responses to the consultation, we have also considered evidence from other schemes and in particular that of Scotland's rollout. We want to ensure we set an ambitious yet realistic implementation date – we appreciate there are considerable changes for industry as a result of DRS and an appropriate lead in time is required.

There are three phases to delivering DRS:

- Phase 1: Government activity up to DMO appointment
- Phase 2: DMO Set Up
- Phase 3: DRS rollout

For phase 1, following publication of this document we will be finalising the legislation, taking necessary steps to ensure it will work in practice. The legislation then needs to go through the necessary clearances, before it can be laid in Parliament. We are aiming to have the regulations in place by end of 2023. We will then appoint the DMO with the intention of announcing the appointed DMO by summer 2024.

Once the DMO has been appointed, phase 2 will involve DMO set up activity. Tasks in this phase may include: getting a board in place; appointing DMO staff; making arrangements and securing set up financing; making initial design decisions e.g. on labelling and deposit level; and broader delivery planning such as finalising the DRS operational blueprint and developing the approach for collection logistics and counting centres.

Phase 3 is when the broader industry should move into DRS rollout. Key strands of work will include the DMO appointing and working with a delivery and logistics partner(s); setting up counting centres; launching communications campaigns; designing and launching an IT system; progressing with the reverse vending machine rollout; and giving guidance to producers to make the relevant labelling changes ahead of DRS go-live.

Phases 2 and 3 are industry led activities with changes required across a wide range of sectors. We therefore need to set a date upfront in the regulations for when the scheme will go live. We have proposed that the DRS commencement date will be 1st October 2025 at the earliest.

We would like to continue to work with industry to assess the feasibility of this date as more detail is developed during phase 1 of delivery, including as part of the DMO application process. We would also like to explore further options to implementation that could help support successful day 1 delivery – we will continue our dialogue with industry on this.

We will continue to keep this date under review as we work through each implementation phase to ensure it remains an ambitious yet feasible timeline.

Obligating England, Wales and Northern Ireland DRS packaging in an intervening period

There will be a gap between the launch of Extended Producer Responsibility for packaging and the launch of DRS for drinks containers. This means that Government has had to consider how packaging due to be obligated under the DRS should be obligated in the intervening period between the two schemes going live.

Producers of packaging due to be captured under the DRS will be required to continue to meet recycling obligations by acquiring Packaging Waste Recycling Notes and Packaging Waste Export Recycling Notes. They can meet their obligations by joining a compliance scheme or by registering with a regulator and complying direct, as is the case currently.

Producers of DRS packaging will not be required to pay the disposal cost fees under Extended Producer Responsibility for their packaging ending up in household waste or in street bins. Given the primary focus should be on preparing for the DRS to go live, Government does not consider it desirable to obligate producers of DRS packaging to pay disposal costs under Extended Producer Responsibility for the intervening period.

In the intervening period before the DRS commences, glass bottles which will be included in the DRS in Wales once the scheme goes live will be covered by the disposal cost obligations under Extended Producer Responsibility, making this consistent with the requirements for glass bottles in England and Northern Ireland. When the DRS in Wales goes live, glass drinks bottles in Wales will be exempt from disposal cost payments.

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PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Anti-Social Behaviour – update on previous interventions and initiatives in parks
Date:	7th February, 2023
Reporting Officer:	David Sales, Director of Neighbourhood Services, City & Neighbourhood Services Department
Contact Officer:	Stephen Leonard, Neighbourhood Services Manager, CNS Jim Girvan – Lead Officer, Community Safety- CNS

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	Members had requested that a report be brought to Committee to take consideration of successful interventions that have been previously undertaken in Parks, in particular Dunville Park, and how similar initiatives might be applied to other Council parks with Anti-Social Behaviour (ASB) problems.
1.2	In addition, Committee has asked for a further report to be brought to a subsequent meeting detailing the costs of undertaking repair works to parks damaged by ASB. This report will follow.
2.0	**Recommendations**
2.1	The Committee is asked to: • Note the range of interventions and services which have been previously used within BCC Parks to counteract issues of ASB.

3.0	**Main report**
	Background
3.1	Belfast City Council have the responsibility to maintain and keep our public parks safe for citizens and accessible for all. In the December report to Committee, in response to requests from Members, BCC officers highlighted the amount of ASB reported within Parks over the last 3 years.
3.2	Officers would remind Members to note that the figures presented in the December report **may not** provide an overall accurate picture of ASB within Parks and therefore, their usefulness in terms of determining patterns or hotspots is extremely limited for the following reasons: • Residents complaining about ASB in Parks state that they under report what is occurring. • The capturing of information relating to ASB within Belfast City Council Parks lies within the responsibility of Park Wardens, ASB Officers, and Safer Neighbourhood Officers. However, Safer Neighbourhood and ASB Officers are not located within parks but are rather deployed in the city centre and neighbourhoods. • A team of Park Wardens is located in each quadrant of the city and each Park in the city is patrolled daily, with the more problematic parks receiving more targeted patrols than others. • The Park Wardens service operates to the current Parks' closing times (dawn to dusk). However, the BCC and PSNI do plan and carry out interventions outside these hours in response to large events in Parks, reports of ASB and underage drinking etc.
3.3	Belfast City Council has previously used a variety of initiatives to tackle ASB in Parks. Each initiative is unique to the specific circumstances within our Parks. The measures have been based upon available resources on a short, medium or long-term basis. Belfast City Council have 3 teams which work across Parks, these include Park Wardens, SNO's and ASB Officers, their role includes: A team of 9 Safer Neighbourhood Officers work across the city centre, parks and neighbourhoods. SNOs are a frontline enforcement / engagement service whose primary role is to help address issues of Anti-Social Behaviour (ASB) by: • providing a visible presence through high visibility foot patrols • offer guidance, support, and advice on community safety issues • challenge low-level anti-social behaviour • enforce laws relating to on-street drinking and environmental crime

	• help to reduce crime and fear of crime
3.4	The SNO's are deployed across current hotspots which is updated on a daily basis depending on community safety issues across the city centre, parks and neighbourhoods.
3.5	A team of 5 Anti-Social Behaviour Officers work across the city centre, parks and neighbourhoods. ASB Officers are a frontline engagement service whose primary role is to help address issues of Anti-Social Behaviour (ASB) by: • Facilitating ASB Forums in partnership with PSNI, Housing Providers and Youth Justice Agency • Offer guidance, support, and advice on community safety issues • Central point of contact for the public to raise issues and redirect them to the most appropriate agency / organisation • Central point of contact for Public Utility Companies / Organisations to address issues / concerns raised • Challenge low-level anti-social behaviour • Support the removal of sharps • Support the delivery of the safer city coordinators action plan
3.6	The team service over 20 community safety forums across the city and will react to any ASB issue when they arise.
3.7	A team of 24 Park Wardens currently operate from within our Open Spaces and Streetscene (OSS) area teams (8 North, 4 West, 8 East and 4 South) carrying out an important role within our parks and open spaces including security, gate opening/closure, graffiti removal, supporting outreach, enforcing bylaws of the Clean Neighbourhoods Act 2011 as well as addressing ASB issues. Park Wardens are also deployed as required to provide a targeted response to areas of identified ASB during their working hours which reflect the standard opening hours of our parks (dawn to dusk).
3.8	Belfast City Council have delivered a variety of initiatives over the last 12 years which have had a positive impact in tackling ASB within our parks. The detail on some of the successful initiatives are detailed below:
3.9	**Medium term Initiatives** <u>Partnership Agreement with the Community</u> Department for Communities, Belfast City Council and the community identified a derelict site within the Divis area (west Belfast) which had suffered ongoing serious ASB issues

	over a number of years. This site was re-imagined over a 2 year period with investment to have an outdoor sports area to help support the health and well-being of the community. The site is owned by Belfast City Council and a partnership agreement was established with the local community groups to have a key holder responsibility for the facility which involved the opening/closing of the asset with Groups having the flexibility to use the facility and provide animation through an allocated budget of £15,000. The first year of operations has contributed to zero reported ASB incidents within the facility.
3.10	Dedicated Wardens and Animation Dunville Park (west Belfast) was redeveloped in 2013 with £2 million investment from Belfast City Council and Department for Communities. The Park was transformed into an animated space with investment in the first 2 years which included dedicated wardens who worked from 8am to 10pm throughout the entire year to maintain the site, engage with the public and to work with community organisations and engage particularly with young people. A small, dedicated animation budget was set aside to allow for seasonal events and weekend sports in the facility. This combination of dedicated staff and programmatic resources of investment contributed to very low levels of ASB reported within the Park over that period.
3.11	**Short Term Initiative** Reactive Response The Páirc Nua Chollann / Colin Park was opened in late 2022 after an investment of over £5 million from the TEO's Urban Village Programme. After the Park opened, a range of ASB involving young people occurred regularly which also created difficulties for the local area. Belfast City Council engaged with a number of stakeholders including community groups and Elected Members regarding the problems and 2 core issues were identified which were times when ASB occurred and the need for animation. To counteract these issues, the time for SNO's to patrol the park was altered from 7pm to an earlier time of 4.30pm and animation of the site was introduced to create a safe welcoming space. Belfast City Council provided a small budget of £15,000 toward animation which provided a short-term intervention which increased usage and helped reduce ASB within the facility. This budget came from a range of CNS services where animation could contribute to a range of mutually beneficial outcomes.
3.12	**Future initiatives** The above short, medium and long term solutions highlight the different approaches which has been taken by BCC to help alleviate ASB within Parks.

	A key element to gaining any resolution to ASB within parks is partnership working with key stakeholders (Residents, Community & Voluntary Sector, PSNI etc) to identify the core problems and develop joint solutions. Officers would highlight a variety of initiatives (budget and resources depending) which could be considered in the future to tackle ASB within Council Parks. The initiatives include: • Park Wardens focussing on those parks which have the highest level of ASB. • Partnership Agreements drawn up with appropriate groups from the community and voluntary sector which would include allocating resources to manage the parks opening/closing, animation, and employment of wardens. • Safer Neighbourhood Officers to be utilised more when patterns of ASB are identified. • Animation and seasonal budgets to be allocated to Parks to create welcoming spaces which attract more citizens to use the facilities.
3.13	<u>Financial & Resource Implications</u> The financial and resource implications for each initiative will vary depending on the size of the Park, issues presenting and the intensity and length of any programme. Members should note that any additional initiatives proposed within Parks would have to be considered and prioritised within the context of the current budgets being agreed as part of the rate setting exercise.
3.14	<u>Equality or Good Relations Implications /Rural Needs Assessments</u> There are no Equality or Good Relations Implications /Rural Needs Assessments associated with this report.
4.0	**Appendices – Documents Attached**
	None

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PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Committee Plan Update
Date:	7th February 2023
Reporting Officer:	Siobhan Toland, Director City Services, City & Neighbourhood Services
Contact Officer:	Jacqui Wilson, Business Manager

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	This paper provides a six-month progress update on the key actions contained in the 2022-23 People and Communities (P&C) Committee Plan, as agreed by the Committee in June 2022.
2.0	**Recommendations**
2.1	The Committee is asked to: • Note the content of the mid-year report and progress against the agreed actions within the 2022-23 People and Communities Committee Plan.
3.0	**Main report**
3.1	Members will recall that the 2022-23 P&C Committee Plan was agreed at the Committee meeting in June 2022.

3.2	The plan locates priorities within the framework of the relevant Belfast Agenda themes (Our Services; Economic Recovery; Community Recovery; Environmental Recovery; Strategic Planning Frameworks; and Organisational Foundations) and the CNS Departmental key priority areas (Open Spaces & Streetscene; Community Provision; City Protection and Bereavement; and Resources & Fleet).
3.3	While the report noted that it is likely many of these areas of focus will take several years to deliver, it detailed the key deliverables and priorities for 2022-23.
3.4	The Committee has received specific reports on a number of these priorities, and some are included in the Council's 2022-23 Improvement Plan, though this report provides a 6 monthly progress update regarding all the priorities, as was proposed in the June paper.
3.5	The table in Appendix 1 provides detail and commentary on the progress of all 33 actions. It sets out the work undertaken by the Department to deliver the key priorities, to the end of Q2 2022/23, ie 6 months into the year. 33 actions were identified across the Department's three Directorates. Of these, 1 has been completed (marked 'blue' in the table), 22 are currently on track (marked 'green'), 5 are considered at risk and are slightly delayed (marked 'amber'), while a further 5 actions are considered to be behind schedule and will require additional resources to ensure their completion this year (marked 'red').
3.6	The Committee is reminded of the current resource and capacity and resilience pressures on the City and Neighbourhood Services department. It is anticipated that recent recruitment exercises will provide additional resources in Quarter 4 and going forward, to assist with the progress of those actions currently considered to be delayed.
3.7	It should be noted that many of the commitments will continue to be delivered with further progress into Quarter 4, and the Committee will be kept informed of progress.
	Financial & Resource Implications
3.8	The Committee Plan and annual programme of work aligns with the budget agreed by Strategic Policy & Resources Committee through the rate setting process in January 2022 for the 2022-23 financial year for the People and Communities Committee of £87.418m.

	Equality or Good Relations Implications/Rural Needs Assessment
3.9	There are no implications directly relating to this report however individual strategies and plans will be subject to the council's equality, good relations and rural needs requirements.
4.0	**Appendices – Documents Attached**
	Appendix 1 – People & Communities Committee 2022-23: Q2 update on key priorities

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Resources and Fleet Directorate Actions			
Strategic Theme: Performance			
Action	**SRO**	**BRAG Q2**	**Comments**
Agree a digital/technological solution for waste collections, to integrate the customer experience, improve speed and quality of service and optimise routing and efficiency	J McConnell		Premarket engagement taking place to inform the technical specification. Interim improvements have been put in place including automation of Bulky Waste collections which sends text reminders to customers to leave items out on collection day. This has seen successful collections rise from 60% to over 90%. An App has also been developed for waste collection squads to report non collections. This gives the customer hub and managers a live time report that can be used to communicate with customers as to why their bin was not collected and arrangements for returning to collect bins.
Strategic Theme: Place			
Agree council approach to funding for a fleet replacement strategy in order to transition to an alternative fuel	J McConnell		Initial target date Sept 22. A report was presented on Resources & Fleet position for longer term transition to electric vehicles and interim steps required to a capital thematic session. This is being considered and the department is awaiting feedback from Corporate Finance on next steps.
Deliver HVO plan to convert compatible vehicles from diesel to HVO	J McConnell		We completed the HVO trial in August and a report was presented to the Waste Programme Board in October and P&C in November. Agreement to move appropriate fleet to HVO. Procurement exercise has been completed.
Agree the way forward for the expansion of the Kerbside Sortation model for recycling	J McConnell		Agreed a new interim contract at SP&R Committee for recycling collections and treatment whilst a further study into kerbsite sortation is now underway with a report expected in Q4 (slight delay on original timescale).
Report to the council and identify actions moving forward regarding the 'More Circularity, Less Carbon' project	B Murray		Engaged with consultants on the 'More Circularity, Less Carbon' project. Report completed and being reviewed. To be presented to waste programme board and submitted to committee in Q4.
Develop proposal for single use plastics policy for the council	J Stephens		Drafted the strategic outline case for Single Use Plastic Policy (SUP) for the Climate Fund and funding has now been approved. Quotation documents are due to go out in Q3. Agreed to sign up to the KNIB Plastic Promise and approved the draft Plastic Promise pledge at June People & Communities Committee
Complete a review of glass and organic waste collection for the city	B Murray		Review completed. Presented to P&C Committee in June 22. Growth proposal has been submitted.
Review and make recommendations on the pilot activity to support the circular economy projects	B Murray		Recycling wood from Bulky Waste collections report completed – recommendation being considered. Carpet recycling pilot complete and accepted as business as usual. Laptop pilot ongoing and pilot to recover mattresses from Bulky Waste planned in Q4

City Services Directorate Actions			
Strategic theme: Performance			
Action	**SRO**	**BRAG Q2**	**Comments**
Review BCC Port Health IT systems requirements in context of emerging EU/UK system solutions and IT automations under development regionally and nationally to support NI Protocol implementation and service functionality	D Cuthbert		We have reviewed and updated IT system mapping work in preparation for engagement with stakeholders to consider the wider systems approach needed for delivery of regulatory functions at Points of Entry and NI Protocol. The need for systems integration to address business process inefficiencies remains an ongoing challenge. Further work is required in Q3 and Q4 to achieve desired efficiencies and streamlining of business processes. A workshop with DAERA and FSA is planned in Q4 on a one system/IT and inspection application for NI.
Recruit and retain sufficient staff to deliver the Port Health service	D Cuthbert		The revised temporary staffing model for the Port Health Service has been implemented and recruitment to new posts has been undertaken in Q2 with most posts now filled.
Work with DAERA and FSA to develop a sustainable funding model to secure necessary funding for the Port Health service, and obtain assurance for the 2023/24 financial year as a priority	D Cuthbert		We participated in engagements with Food Standard Agency (FSA), Department of Agriculture, Environment and Rural Affairs (DAERA) and UK Government Departments to understand emerging developments and potential impacts of proposed NI Protocol Bill implementation, however the long term financing model remains uncertain. We have also developed our resourcing estimates for 2023/24 financial year to support FSA and DAERA bids to Department of Finance (DoF) and HM Treasury (HMT) to secure funding
Review and update the resourcing/staffing model to reflect any new arrangements for the NI Protocol following UK/EU discussions	D Cuthbert		We completed an interim review of the temporary staffing model for Port Health, this will reduce reliance on specialist staff for documentary/administrative duties. The revised model has been implemented and recruitment to new posts has been undertaken in Q2 with most posts now filled. This will need a further review once any new NI Protocol arrangements are confirmed (e.g., NI Protocol Bill becomes law, or via UK/EU agreement) and this is not expected before Q4
Develop an operational improvement plan for delivery of pest control services	H Morrissey		We recommenced full pre-Covid pest control services in May with the exception of the treatment of wasp's nests and fleas. An Internal Audit of Pest Control has been completed with the draft audit report expected by the end Q3. The Service Design Project for Pest Control led by the Continuous Improvement Team is expected to commence in January 2023 with an expected completion date of the end of April 2023. A progress report will be submitted to P&C Committee in March 2023.

Develop a Departmental operational improvement plan for responsible dog ownership and engagement with DWS.	H Morrissey		We ran a Responsible Dog Ownership Campaign during October 2022. Four workshops have taken place with to review the Customer Journey for Dog Warden Services. On-going liaison with Environmental Education and Outreach Team, Corporate Communications and OSS Area Managers.
Facilitate an External Review process of the HMO service by DfC	V Donnelly		We have continued to engage with DfC on the status of the HMO Review and it is still awaiting approval. Upon receipt of the document, we will consider any actions necessary to support the implementation of the HMO Licensing scheme.
Strategic theme: Place			
Continue to delivery Air Quality Action Plan 2021 – 2026	V Donnelly		The Air quality Action Plan remains on track with the first progress report submitted to DAERA for review in August 2022 The Progress Report has been accepted by DAERA and it is available via the DAERA NI Air website as follows: https://www.airqualityni.co.uk/laqm/district-council-reports#511

Neighbourhood Services Directorate			
Strategic theme: Customer			
Action	**SRO**	**BRAG Q2**	**Comments**
Establish service standards across all of Neighbourhood Services, communicate to service users and embed within each management unit's business plan	NSMs		There has been no progress in Q2 to establish service standards across all of Neighbourhood Services due to a lack of human resource. Given the operational nature of tasks and activities across the department, there are relatively small staffing resources with capacity to deliver on this strategy. It is anticipated that the new Performance & Improvement Unit will support prioritisation in this regard
Strategic theme: Performance			
Develop and deliver a corporate Safeguarding Policy and related procedures and provide assurance for CP service delivery	DMT		The New Safeguarding All Ages policy has been ratified by council. The launch and associated events will take place in week beginning 6th February 2023 to allow for development of supporting materials (Comms) and full development of the implementation plan. The SCM will provide support and encouragement at department level, and the Safeguarding Panel will provide strategic direction at CMT/DMT level. The assurance framework continues to develop with the establishment of a new Operations Group which will be in place by early in the new year.
Produce the Belfast Physical Activity and Sport Development Strategy	C Taggart, C McCann		The consultation process of the new Belfast Sports Development and Physical Activity Strategy commenced in September 2022 with initial stakeholder and projects board meetings. An initial survey has been made available online and

			will close on 6 January 2023. A first draft of the strategy will be produced for further consultation by the end of February 2023.
Deliver Boxing Strategy Action Plan	C Taggart, C McCann		2168 participants have taken part in activities delivered through the Boxing Strategy Action Plan. These figures will be updated in January 2023 following the submission of the Q3 performance report by IABA.
Review capacity to ensure compliance with Statutory Biodiversity duty	S Leonard		There has been no progress in Q2 to review capacity to ensure compliance with Statutory Biodiversity duty due to a lack of human resource. Given the operational nature of tasks and activities across the department, there are relatively small staffing resources with capacity to deliver on this strategy. It is anticipated that the new Performance & Improvement Unit will support prioritisation in this regard and more realistic parameters can be set around capacity going forward into Q3
Ensure effective facilitation of relevant partnerships to deliver on agreed action plans and respond to relevant identified community issues for example (D)PCSPs, Shared City Partnership, Healthy Ageing Strategic Partnership, Belfast Area Outcomes Group, etc.	M Higgins, N Lane, C McCann		All activity is on track and relevant partnerships are being facilitated.
Implement a 2-year health/condition tree survey cycle of inspections on mature street trees, on behalf of the Department for Infrastructure (DfI), as part of the Council's Project Management Agreement with DfI	S Leonard		We have started the 2-year health/condition tree survey cycle on behalf of the Department for Infrastructure (DfI) and to date we have surveyed 4,500 mature street trees and this will continue on, on a cyclical basis
Strategic theme: Place			
Support the development of Belfast One Million Trees Programme	S Leonard, E Mullan		Support ongoing, we have recently undertaken a tree planting event in the city to celebrate National Tree Week and will be undertaking further tree planting projects during the current tree planting season.
Development and delivery of a Belfast Tree Strategy, with a 10m year lifespan, and a commitment to deliver key priorities and actions over the next 3 years	S Leonard		We have established a council project delivery team and appointed Treeconomics to support development of the Tree strategy and the draft strategy document was presented to People & Communities (P&C) on 8th November 2022 with a final document produced by Q1 of 2023/24. The Tree Strategy survey received a high volume of responses and is now going out for public consultation in Q3. We have engaged with key external stakeholders and are currently preparing public engagement and consultation timetable and the findings will be presented to elected members at a later date in the year.
Continue to work on actions identified in the Good Relations Strategy, particularly those which relate to emerging priority issues	N Lane		Delivery of the Good Relations Action Plan remains on track and has been reported on to the Shared City Partnership. Work on a 3 year Good Relations Audit as requested by The Executive Office has commenced.
Complete development of the Local Biodiversity Action Plan	S Leonard		There has been no progress in Q2 on the Local Biodiversity Action Plan (LBAP) due to a lack of human resource. Given the operational nature of tasks and activities across the department, there are relatively small staffing resources

			with capacity to deliver on this strategy. It is anticipated that the new Performance & Improvement Unit will support prioritisation in this regard and more realistic parameters can be set around capacity going forward into Q3
Continue to deliver the Council's Alleygate Programme	S Leonard		Locations have been agreed. The consultation phase will start in Q3/Q4. Dates for installation will be confirmed in Q4/Q1 2023/24. Council funding for this phase is included in the Capital Programme and will transfer across into the next financial year. A request to DfJ for funding was refused.
Develop a 5 year action plan for the delivery of the Belfast Open Spaces Strategy, and continue to work in partnership with Planning to secure/deliver Section 76 developer contributions for council maintained open space	S Leonard		There has been no progress in Q2 to develop a 5-year action plan for the delivery of the Belfast Open Spaces Strategy (BOSS) due to limited human/financial resource availability. Given the operational nature of tasks and activities across the department, there are relatively small staffing resources with capacity to deliver on this strategy. It is anticipated that the new Performance & Improvement Unit will support prioritisation in this regard and more realistic parameters can be set around capacity going forward into Q3
Continue to develop and support the Playground Improvement Programme	S Leonard		Works under the Playground Improvement Programme (PIP) 2021-22 at Ormeau Park (Park Road) playground; Cavehill Adventurous playground (senior zone); Clarawood Millennium Park playground (junior zone) were complete by Q2. PIP 2022-23 is underway, with improvement works at Westlands (Waterworks Park) playground commencing in Q3. Works at Sally Gardens and Areema playgrounds are scheduled for delivery in Q4.
Continue to support the delivery of the Climate Action Programme	S Leonard		Support is ongoing.
Continue restoration of Templemore Baths and work with GLL for the opening of Templemore	K Gilliland		We continue to work with colleagues in Physical Programmes (as leads for the restoration project), alongside GLL, to prepare for the completion, handover and formal opening of Templemore Baths.
Complete pilot approach for Community Management of Assets	C Taggart, J Stewart		Work is underway on a pilot scheme to identify future management models for a number of Council assets. The key output from each pilot will be a recommendation as to the future management model. The preferred management option will be that which delivers the greatest community benefit. Work is underway with community-based organisations to take forward the phased pilots initially focusing on six sites (i.e. Clarendon Playing Fields; Ulidia Playing Fields; Hammer Pitch, changing rooms and community space; Lenadoon Millenium Park; Tullycarnet Boxing Club; Former Upper Ardoyne Youth Centre). Supported by Development Trusts NI (DTNI), consideration is given to the viability, sustainability and financial and operational feasibility of any management arrangements brought forward. Consideration is also being given to the capacity and governance arrangements required to ensure the effective management of such assets.

			The recommendation based on the assessment completed by DTNI and business cases for the sites at Ulidia and Clarendon Playing Fields was that greater social outcomes could be achieved through long term community management of the sites as well as increased potential for further capital development. Council have agreed the recommendations that Clarendon Development Association and a newly formed Rosario Development Company each enter into a long-term lease with the Council, with the leases being rent free in order to support a sustainable financial model focused on sporting programmes and community provision at the sites. This is subject to DfC consent. Assessment of the other four sites is ongoing and further reports will be tabled with committee.

CNS 2022/23 Business Plan: Q2 update					
Strategic Theme	No. of Actions	Actions Progress status			
		Behind / requires intervention	At risk / change required	On track	Target met / delivered
Resources and Fleet Directorate					
Performance	1			1	
Place	7	1	1	4	1
City Services Directorate					
Performance	7		4	3	
Place	1			1	
Neighbourhood Services Directorate					
Customer	1	1			
Performance	6	1		5	
Place	10	2		8	
Total	**33**	**5**	**5**	**22**	**1**

PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Update on Belfast Physical Activity & Sports Development Strategy
Date:	7th February 2023
Reporting Officer:	David Sales Director of Neighbourhood Services
Contact Officer:	Catherine Taggart Neighbourhood Services Manager

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	To provide members with an update on the development of a Belfast City Council Sports Development and Physical Activity Strategy (The Strategy) and an updated timeline for completion of the Strategy.
2.0	**Recommendations**
2.1	The Committee is asked to: • Note progress to date and to agree to the new proposed timeline for development of the Strategy; • Note the date for presentation of the interim draft report to members on: **Monday 27 February 2023 from 12:00-13:30.**
3.0	**Main report**
3.1	**Key Issues** It was agreed by the Strategic Policy and Resources Committee at its meeting on 5th January 2018 that a Belfast City Council Sports Development Strategy and associated work plan would

be developed. This Strategy was to provide a framework for future decision making on providing funding to National Governing Bodies of Sport delivering programmes in Belfast in support of existing funding streams and work programmes which enhance sporting opportunities for Belfast's sporting organisations and individuals.

3.2 People and Communities Committee of 5th June 2018 agreed a proposed Terms of Reference and proposed timeline. Since that date the Departmental Change Programme has prompted consideration of wider opportunities to clarify and align the links between sports development and Council's strategic funding and programming decisions in the areas of asset development, health improvement and community development.

3.3 At the People and Communities meeting of 10 November 2020 it was agreed that the Terms of Reference be extended to include the following;

- In line with the Belfast Agenda the outcomes are extended to 2035
- Physical activity programming is considered as part of the pathway into organised sport
- Considered and aligned with our Leisure Transformation Programme.
- Identification of alternative sources of financing/partner opportunities.
- Facility/asset utilisation and management is maximised through collaborative partnership approaches
- Facility/asset planning and development is considered taking account of local, citywide and regional need.
- Sport's contribution to improvement of whole health is considered in the context of partnership working through the work of the Belfast Community Planning Partnership and associated Boards – particularly the Living Here Board
- Sport's contribution to community development is considered in the context of City & Neighbourhood's Departmental approach to area working and neighbourhood regeneration
- The strategy 'working title' to be "Belfast Physical Activity and Sports Development Strategy

3.4 Due to Covid the development of this strategy was delayed.

3.5 In July 2022 following a quotation process Strategic Leisure were appointed to support council in the production of the Strategy.

3.6 Since the appointment of Strategic Leisure, Council officers have been working directly with them. Initial introductory meetings involving both Council Officers and a number of Key

Delivery Partners have now taken place, with more than 50 individuals and groups involved along with a total of 370 responses received via “Your Say Belfast”.

3.7 **Proposed Draft Timeline Subject to committee’s approval**

Background review of documentation policies and strategies	September 2022-**(Completed)**
Establish Board and structures for developing strategy	September 2022-October 2022 **Completed**
Initial face to face consultation with key stakeholders and schools	September 2022-October 2022 **Completed**
Review and Mapping	September 2022-October 2022 **Completed**
Focus groups established and face to face meetings to take place	October 2022 - December 2022 **Completed**
Wider public consultation to take place online using “Your Say Belfast”	October 2022-December 2022 **Completed**
Analysis of key issues identified with a focus on internal consultation and external feedback	November 2022-January 2023 **Completed**
Interim Draft Report produced and presented to elected members for discussion	**27 February 2023 12.00 -1.30pm**
Review Draft Strategy and produce draft report	March 2023-May 2023
Draft Strategy to be released for public consultation	May 2023- July 2023
Analyse feedback from consultation and amend/update strategy	August 2023
Final Strategy to be presented to elected members	September 2023-October 2023
Strategy Launched	October 2023

Financial & Resource Implications

3.8 Cost associated with the development of the new strategy and engagement of external partners will be met within existing departmental resources. Members are advised that no capital and limited revenue finance is in place to support the sports development strategy at this stage, which will need to be considered as the strategy is developed and needs become clearer.

3.9	**Equality or Good Relations Implications/Rural Needs Assessment** The draft strategy will be equality screened in line with the Council's agreed process.
4.0	**Appendices – Documents Attached**
	None

PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	#InTheLoop recycling on the go campaign to improve the city's on street recycling provision
Date:	7th February 2023
Reporting Officer:	David Sales, Director Neighbourhood Services
Contact Officer:	Stephen Leonard, Neighbourhood Services Manager

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	x	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	To inform members of an approach from an Environmental Charity Hubbub for Belfast to participate in a trial #InTheLoop recycling on the go campaign to improve the city's on street recycling provision.
2.0	**Recommendations**
2.1	The committee is asked to: • Approve the request from Hububb for Belfast to take part in a trial #InTheLoop recycling on-the-go campaign.
3.0	**Main report**
3.1	Key Issues In October 2022, award-winning, environmental charity Hubbub approached Belfast City Council to explore launching a trial of their #InTheLoop recycling on-the-go campaign to improve the city's on-street recycling provision, alongside a communications campaign.

	Hubbub have been developing and delivering an approach to recycling on-the-go which was first trialled in 2018 in Leeds, and has been followed in similar trials in Swansea, Edinburgh, Dublin, Wimbledon, Telford and Wrekin and the London borough of Lambeth.
3.2	Commonly, recycling bins will feature generic messaging (e.g mixed recycling) and with limited attention paid to the design and communication, which leads to confusion around what can and can't be recycled with items like coffee cups, food packaging soiled with food and grease and liquid from open containers contaminating the recycling. This is also the current situation in Belfast.
3.3	Throughout these previous trials Hubbub have tested and refined how innovative design, paired with engaging communications can change behaviour, reduce confusion about recycling and make it easy for anyone to do the right thing.
3.4	A bin designed using the #InTheLoop campaign principles will feature a bright yellow background so it is highly visible on the street, with specific messaging (e.g empty plastic bottles and cans only) and bold clear iconography. This approach prioritises the collection of high-quality materials (plastic bottles, cans and glass) and reduces the factors that lead to contamination. This has been proven across the previous campaigns to increase the collection of the target materials.

3.5 As an example of the campaign's previous successes, in 2020, a trial of recycling on-the-go was launched in Dublin. It was estimated that the bins have collected 108,523 items (58,844 plastic bottles and 48,679 cans.) Across the course of campaign, an average of 82% of the plastic bottles and cans ended up in recycling with the remaining 18% ending up in general waste.

3.6 More recently, the campaign in the London borough of Lambeth introduced 40 pairs of new recycling and litter bins across the borough. Prior to the campaign, the recycling had often been too contaminated to be sent for recycling, and now they have a high performing system. 80% of the plastic bottles, cans and glass are now ending up in the correct side of the bin, an increase of 141%. Contamination, which accounted for 67% of the weight in the recycling, is now only 20% of the contents by weight being contamination.

3.7 Based on the success of these trials the projects have continued running.

3.8 Hubbub have secured new funding from the Coca-Cola Foundation to run a 3-month trial in Northern Ireland, and have identified Belfast as potential campaign area and approached the Council's City & Neighbourhood Services Department.

3.9 If members agree to this request Hubbub would work with the council to identify a campaign area, and with £22,000 of funding for the procurement of new dual recycling and litter bins. Based on current cost estimates, this should fund between 20-25 bins which will be positioned where high levels of recyclable material is being generated.

3.10 The design of the bins would be based on the #InTheLoop identity and would not feature the logos of Hubbub or Coca-Cola. These would replace the current provision of on-street recycling bins which have had issues in the past with contamination.

3.11	Alongside the installation of the new bins, Hubbub will deliver a press launch announcing the trial and a communications campaign including a paid social media campaign, engagement with the local business improvement district and other local stakeholders. This would raise awareness of the campaign and help to educate consumers about how to recycle correctly, as well as encourage the use of reusable containers where possible. This would be agreed in advance with our own comms team and the CNS Waste education and outreach team.
3.12	Should members agree to this request, it is anticipated that the campaign will launch around April or May and will be actively promoted and monitored for a period of 3 months. After this point, the council will have the option to continue the collections but there is no commitment beyond this trial point.
	Evaluation of the campaign
3.13	Hubbub will evaluate the campaign by tracking a range of metrics for the communication of the campaign (website visits, press circulation etc.) and provision has been made by them to recruit an external measurement and evaluation partner who will conduct a waste composition analysis on the bins in the campaign area to assess the collection of the target materials, and the levels and type of contamination.
3.14	Hubbub would support the council with the delivery of the campaign with an experienced project manager.
3.15	If successful, a further report on the possible future development of the policy will be presented to Committee at a later date.
	<u>Financial & Resource Implications</u>
3.16	The costs of the pilot will be met by Hubbub with no additional OSS costs incurred.
	<u>Equality, Good Relations or Rural needs Implications</u>
3.17	None
4.0	**Appendices – Documents Attached**
	None

Belfast City Council

Subject:	Update on the Reference Group on Older People
Date:	7th February, 2023
Reporting Officer:	David Sales, Director of City and Neighbourhood Services
Contact Officer:	Kelly Gilliland, Neighbourhood Manager Margaret Higgins, Lead Officer, Community Provision

Restricted Reports				
Is this report restricted?	**Yes**		**No**	x
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	x	**No**	

1.0	**Purpose of Report or Summary of main Issues**
	The purpose of this report is to report to committee on the key issues discussed at the Reference Group on Older People Meeting held on 19th Dec 2022.
2.0	**Recommendations**
	That the People and Communities Committee note the report and approve the minutes from the Reference Group on Older People meeting held on 19th Dec 2022.
3.0	**Main report**

	Key Issues The Reference Group on Older People is a working group of the People and Communities Committee which consists of an elected member from each of the political parties. The minutes from the Reference Group on Older People are brought before the Committee for approval. The key issues discussed at the 19th December meeting were:
3.1	**Update on Age-Friendly Belfast** The draft Age Friendly Belfast 2023 -2026 public consultation has ended, only a few minor adjustments required, it is hoped to be launched March 2023 Members were asked if they could assist in the Greater Belfast Seniors Forum returning to the Conor Room to for their monthly meetings from February 2023, they all agreed it was important that they met in City Hall. Dr Alan Stout is coming to the January Greater Belfast Seniors Forum meeting and Alderman Copeland is going to join this meeting. Information on Support for older people over Christmas 2023 was provided to members.
3.2	**Update on Extreme Weather and Winter Planning with Older People** The Reference Group were provided with an update on the work of the Age Friendly winter planning group which is now called the Age Friendly Seasonal planning group. The Pension credit sessions requested by members were delivered by Advice NI via zoom at **5.15pm 12th September and 5.15pm on 6th October 2022.** Members were updated on the Warm Spaces project in our Community Centres where there are drop in 2 sessions a week in every centre for older people and there will be targeted activities in the new year. Margaret Higgins updated membered on the Belfast City Council Fuel Hardship Fund.
3.3	**Age Friendly Belfast Older Volunteer of the Year Awards** Members where informed of the awards that took place in City Hall on 12th December, hosted by Tim McGarry an attended by The Lord Mayor and Alderman Copeland. This year's winners were • Older Volunteer of the Year: Owen Coogan from BraveHEARTs 50+ Men's group • Longstanding Volunteer: Cooper McClure from Midland Amateur Boxing Club • Unsung Hero: Robert McClenaghan from Falls Residents Association • Digital Champion: Mary McCullough from Conway Education Centre • Team Award: Given the quality of the nominations received the panel decided that 2 teams should be recognised this year for their contribution to the city Community Projects Volunteers from Volunteer Now

	Belfast East Dream Team from the RNID
3.4	**Age Friendly Belfast Staffing and Resources** Members where informed that Elma Greer, Senior Project Development Officer has retired, and the replacement post is at interview stage. Members thanks Elma for all her work and what has been achieved in her time. The new Age Friendly Coordinator post that will be funded by the Public Health Agency is hoped to go to advert soon.
3.5	**Dementia Awareness Training** Cllr Aine McCabe requested Dementia Awareness training for members, this has previously been delivered and officers will organise this for the new year. Financial & Resource Implications All events and activities are met within existing resources. Equality or Good Relations Implications There are currently no equality or good relation implications in relation to this report.
4.0	**Appendices – Documents Attached**
4.1	1. Minutes of Reference Group on Older People Meeting held on 19th December 2022

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Reference Group on Older People

Monday, 19th December, 2022

MINUTES OF THE MEETING OF THE
REFERENCE GROUP ON OLDER PEOPLE

Members present: Alderman Copeland (Chairperson); and
Councillors McMullan and McCabe.

In attendance: Mrs. G. McEvoy, Senior Environmental Health Officer;
Ms. M. Higgins, Lead Officer - Community Provision;
Ms. T. Mawhinney, Community Development Officer; and
Mr. G. Graham, Democratic Services Assistant.

Apologies

An apology for inability to attend was reported from Councillor Smyth.

Minutes

The minutes of the meeting of 22nd August, 2022 were taken as read and signed as correct.

Declarations of Interest

No declarations of Interest were reported.

Update on Age Friendly Belfast

The Senior Environmental Health Officer reported that the public consultation exercise on the draft Age Friendly Plan had ended on 2nd December 2022 and that the majority of the responses had been positive. She stated that, following completion of that exercise, the comments had been forwarded to the Healthy Ageing Strategic Partnership (HASP) who would make any required amendments, prior to a launch of the plan in February/March 2023.

The Senior Environmental Officer reported that the Greater Belfast Seniors' Forum continued to meet both, city wide and locally, with a number of meetings being held remotely. She informed the Reference Group that Dr. Alan Stout would be in attendance at the January meeting and the Chairperson of the Reference Group stated her intention to be in attendance also.

The Chairperson, on behalf of the Reference Group, requested if the Conor Room or the Reception Room might be available during 2023 for use by the G6 group. The Democratic Services Assistant stated that he would enquire on behalf of the Reference Group to ascertain if that request could be accommodated. The Senior Environmental Health Officer provided an assurance that a Council officer would be present at those meetings in order to ensure that the integrity of the room/s, including all electronic equipment contained therein was protected.

The Chairperson requested that, where individual attendances by political parties of the Reference Group was less than expected, that the relevant Party Group Leaders of those groups be contacted, with a view to ensuring there was sufficient cross-party attendance at future meetings of the Group.

The Senior Environmental Health Officer provided an update on the Age Friendly Belfast Convention and Positive Ageing Month and reported that it was encouraging that events were now being held in person. She reported on a range of events which had been held as part of Positive Ageing Month and referred specifically to the success of the four "Be Prepared" events which had been held across the city.

The Members were informed that the Policing and Community Safety Partnership had re-scheduled it's Christmas event to take place in the Spring of 2023 and that work was underway to make preparations for those events, including liaising with a range of exhibitors and participants. The Senior Environmental Health Officer reported that a Regional Age Friendly calendar had been produced in partnership with Age NI and the Age Friendly NI Network and would be delivered to local communities across the city.

The Reference Group highlighted the success of the tea dance event which had taken place recently at St. Comgall's. She informed the Members of support for older people, which had been provided over the Christmas period, including the provision of emergency telephone numbers and helpline support. The Chairperson, on behalf of the Reference Group, expressed her satisfaction that "face to face" meetings with older people had been re-established, post Covid 19, including the support provided to that group as part of the "Make that Call" initiative.

A Member highlighted a cultural music dance event which would be taking place, as part of the Féile an Earraigh Spring festival, and which might be of particular interest to older people. She provided information on the various dance exhibitions taking place, including Irish, Scottish and Highland dance. The Senior Environmental Officer stated that she was happy to note the event and the Member stated that she would keep the Reference Group informed of the various events taking place as part of that festival.

Noted.

Extreme Weather and Winter Planning

The Senior Environmental Health Officer informed the Members that the above Group had been re-named and was now called the Seasonal Planning Group to encompass a wider range of extreme seasonal climatic conditions. She stated that the group was working closely with the Emergency Planning team to share information with other relevant organisations, including the Public Health Agency (PHA) and the Belfast Heath and Social Care Trust.

She highlighted in particular the concerns of older people in regard to high energy costs and a reluctance to heat their homes, including the associated problems to both their dwellings and health, including dampness and burst pipes. The Reference Group was informed of the fuel stamp initiative to assist with the budgetary pressures associated with the increase in energy costs.

The Senior Environmental Officer referred to sessions on Pension Credit that had been delivered by Advice NI for Members in October. She highlighted a number of cooking demonstrations have taken palace, as part of the Falls Road shows, focussing on nutrition and which had proved to be both popular and successful. The Members were informed of an initiative focussing on the creation of a number of warm spaces hubs throughout the city and

of the development of a warm spaces register providing information on the location and distribution of the hubs. She highlighted a range of events and indoor activities for all groups, including older people, undertaken on behalf of the Council by GLL and which provides a warm and welcoming environment.

The Reference Group was informed that 2 Royal Avenue would be used a central hub for older people and that it was hoped that the operation of those warm hubs would encourage older people to visit and partake of future activities at both council owned community and leisure centres. The Lead Officer reminded the Members that the Council hardship fund was available for older people to claim in addition to the winter fuel scheme provided by central government.

Noted.

Older Volunteer Awards

The Community Development Officer submitted the undernoted report highlighting the Age Friendly Volunteer Awards and providing a list of those individuals and teams who had been successful in achieving awards in a diverse range of categories:

"1.0 Purpose of Report or Summary of main Issues

To update members on the Age-Friendly Belfast Older Volunteer Awards presentation event.

2.0 Recommendations

Members take note and discuss future Age-friendly Belfast Older Volunteer Awards

3.0 Main report

3.1 This is the 10th year of the Age-friendly Awards which provides an opportunity for groups, organisations and individuals from across the city to recognise and celebrate their volunteers who are aged 60 and over.

The Awards are delivered with the support of Volunteer Now and are a partnership between Age-Friendly and Community Provision.

This year's Award nomination period ran from 19th September until 28th October, with the assessment panel meeting in November to agree the winners. Representatives from Belfast City Council, Volunteer Now and Age-Friendly Belfast sat on the assessment panel.

The presentation event for the Awards took place on 12th December in the Great Hall, City Hall. All the nominees, their nominators and guests were invited along to the event. Representatives of Wicklow Older People's Council were also in attendance as part of their 3-day visit to meet with the Greater Belfast Seniors Forum (G6).

The event was hosted by Tim McGarry and the Lord Mayor. Alderman Copeland also spoke as Chair of the APRG. The event featured two videos – the Indian Seniors Group and its volunteers, Nilam Gutam and Rajni Sharma and North Belfast Men's Shed and their volunteer Jim Thompson.

3.2 There were 21 organisations from across the city who nominated 14 individual volunteers across 4 categories, as well as 10 Team nominations.

This year's winners were

- ***Older Volunteer of the Year: Owen Coogan from BraveHEARTs 50+ Men's group***

Owen approached the HEART project about getting involved with them. He has been the lead on Danderball walking football, organising many elements of the programme. The staff appreciate what Owen does because it frees them up to focus on other areas of work. Jackie who nominated Owen says 'We believe the BraveHEARTS group would not be as successful if it wasn't for Owen and his continued commitment to his role. He is 81 years young and has been living and working in this community all his life. Most of the participants turn up for Owen. They enjoy the danderball and don't want to let him down'

- ***Longstanding Volunteer: Cooper McClure from Midland Amateur Boxing Club***

Cooper has been at Midland ABC since he was a young boxer. After retiring from boxing at the age of 20 he came back as a coach and has been coaching for the Club ever since. In 2018 he became Head Coach and has worked to move the Club into a positive position including getting involved in cross community activity. Cooper has a full-time job and still manages to be at the Club at 5:30pm, making sure that it is open for 6 pm. What stood out for the panel was Cooper's dedication to the Club. He started out as a young boxer and stayed on to work with new generations of young boxers. The panel felt he had a vision for the local area and for the young people involved in the club.

Sam who nominated Cooper said, 'everyone in Midland looks to Cooper as a leader and is inspired by him'.

- ***Unsung Hero: Robert McClenaghan from Falls Residents Association***

The key word here is relationships. Robert builds relationships with local residents, young and old, with statutory agencies and those working in the local area. He's there for family fun days, community safety issues and during Covid he was one of the volunteers supporting the most vulnerable in Lower Falls. The

panel felt Robert is the 'go to man' in the area. Aisling who nominated him says he is a positive role model. She adds 'He was the first person I met when I became a community safety worker in Lower Falls. He helped me meet residents and engage with them. Once they saw me with him it made my job easier as he is respected and trusted.'

- ***Digital Champion: Mary McCullough from Conway Education Centre***

Mary is an example of someone who gets involved with a group and then decides to stay and give back. Mary began in Conway Education Centre as a student herself, doing Maths, English and ICT. Having gained qualifications in ICT she became the Centre's ICT Support Volunteer in 2018. Since then, she's supported over 150 IT learners. As well as ICT support Mary also makes sure there are lovely cakes for break-times. Neither ill-health nor Covid have stopped her. During lockdown Mary quickly learned how to use Zoom so she could continue her volunteering online. Pauline who nominated Mary says 'Without Mary the IT classes would not be the same. The support she gives to nervous students, her unassuming encouragement - 'of course you can do it, if I can, then everyone can, just take it step by step, are priceless'

- ***Team Award: Given the quality of the nominations received the panel decided that 2 teams should be recognised this year for their contribution to the city***

<u>Community Projects Volunteers from Volunteer Now</u>

The Community Projects team support socially isolated older people from across the city through befriending, driving and shopping support. As well as doing shopping or driving they provide companionship to those who may only see their home help or carers. Lauren who nominated this team says they stand out for 3 reasons

- **Their dedication: they will willingly arrange their personal lives to accommodate the people they support**
- **Their loyalty: they support people within their own homes and build trust with those they volunteer with.**
- **Their reliability: the group provide support over the 52 weeks of the year. They're out and about in all weathers and all situations including Covid and the lock downs.**

<u>Belfast East Dream Team from the RNID</u>

Belfast East Dream Team is Tom Clarke and Gary Nummy. They are Hearing Aid Maintenance volunteers. They visit private homes, care homes and supported living accommodation to support people with hearing aids. Tom attends awareness events, coffee mornings and health fairs, sharing information about RNID services or offering on-line hearing aid checks. Gary draws on his

technical career in telecommunications to learn all he can about how hearing aids and loop systems he comes across in people's homes. He also takes time to learn about the newest hearing aids with blue tooth capabilities. Melissa who nominated the team says they are passionate about supporting their local community and are generous with feedback, suggestions and ideas about how to make services even better.

The event was supported by Age-Friendly event volunteers who provided meet and greet services. As part of the 10th anniversary celebration this group of volunteers were also honoured and presented with an award recognising their contribution to the work of Age-Friendly Belfast.

As well as the category winners receiving an award, all those nominated received a crystal plaque recognising their nomination. All the volunteers were given a goody bag containing a 'thank you' chocolate bar, foldaway shopping bag and keyring torch, as well as a volunteer pin badge.

3.3 Financial and Resource Implications

All work will be carried out within existing budgets of Age Friendly Belfast and the partners involved.

3.4 Equality or Good Relations Implications/ Rural Needs Assessment

This work is part of The Age-friendly Belfast Plan which has been equality and rural needs screened in line with the Council's agreed process."

The Members were informed that the number of volunteers and teams nominated was much higher than anticipated and were provided with a list of the organisations which comprised the judging panellists. The Chairperson, on behalf of the Reference Group, noted the information provided and thanked the officers for their work in organising a very successful event and offered its congratulations to those who had been nominated and also those who had been successful in achieving their individual and team awards.

Age Friendly Staffing Resources

The Lead Officer reported that the Senior Project Development Officer had retired from the organisation and it was anticipated that a replacement officer would be appointed by Spring 2023. She stated that funding had been secured from the PHA for the post of Age Friendly Co-ordinator under a three-year funded contract. She assured the Members that, despite changes to the personnel attached to the Age Friendly programme, resources would be maintained to secure delivery of the initiative.

Noted.

Date of Next Meeting

The Reference Group agreed that its next meeting be held on Tuesday, 21st March, 2023 at 12.30 p.m.

Chairperson

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PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Strangford Playing Fields – Update
Date:	7th February 2023
Reporting Officer:	David Sales, Director of Neighbourhood Services
Contact Officer:	Sinead Grimes, Director of Physical Programmes Lynne Wilson, Project Sponsor

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	The purpose of this report is to provide Members with an update on the proposed project at Strangford Playing Fields to create an accessible pathway around the Park.
2.0	**Recommendations**
2.1	The Committee is asked to: • Note the update and agree to receive a deputation from Glenveagh Special School at the March meeting of the People & Communities Committee.
3.0	**Main report**
3.1	Background Strangford Avenue Playing fields is situated across the road from Glenveagh Special Education school. Glenveagh shares a campus with 3 other special education needs schools: Harberton Special School, Fleming Fulton and Oakwood School. Together the

	schools service significant pupil numbers. Many also are from outside the immediate area and travel in daily into the school. Breakdown of School Demographic Glenveagh School 190 pupils aged 8-19 years old. (20% wheelchair users) Harberton 300 pupils aged 4-15years old Oakwood 70 pupils aged 4-8 years old Fleming Fulton 100 pupils aged 5-18 years old (all physical disabilities)
3.2	Outdoor space at the school campus is extremely constrained particularly given the large number of attendees at the schools and the special needs. Strangford Playing Fields is the closest alternative site for outdoor recreation. Glenveagh School is the closest in proximity to the park, with the Drummond Park entrance directly opposite their school gate.
3.3	However, the schools have indicated that they currently cannot use the park to its full potential due to accessibility limitations around the pedestrian entrance and due to the absence of a suitable accessible bit-mac pathway for their pupils who have physical disabilities and who are wheelchair users. The Playing Fields is also widely used by local residents however the lack of a pathway around the Playing Fields also constrains their access limiting the full potential of the Playing Fields as a key local asset.
3.4	The school have invested in a pool of adapted inclusive bikes but have nowhere to ride them on the school campus and have limited storage. The school has enquired if the currently disused pavilion within the Playing Fields could be considered as a storage facility for the adapted bikes, alongside the proposed pathway project, enabling easy access to the park and removing the transportation barrier.
3.5	Recently a make-shift trail has been created by Belfast City Council parks staff. This trail has been formed by cutting the grass shorter in a loop around the perimeter of the park through the trees, with bark laid in areas. The purpose of this trail was to provide walkers and runners a scenic route around the park. It also aims to protect the pitches by encouraging recreational use around the perimeter. The feedback on the temporary pathway has been very positive however, the current grass terrain of the trail presents a barrier to people with disabilities from enjoying the park fully and is not suitable surface for inclusive bikes or wheelchairs. These constraints have an adverse impact on a significant number of children with a disability across the school campus.
3.6	Officers have therefore been investigating the potential for a permanent path network around the Playing Fields which will benefit both residents and the schools.
3.7	<u>Project Development to date</u> Members are asked to note that Glenveagh school presented a proposal for a new accessible path and entrance to Strangford Park at Belfast Healthy Cities convention in 2017. This proposal was brought to the South Belfast Area Working Group in March 2018. The Working Group agreed that officers would look at the amenity of the site at Strangford Avenue

	Playing Fields in terms of ensuring it was suitable for all local stakeholders and that a report would be submitted to the Area Working Group in due course.
3.8	In January 2019 the South Area Working group received an update with sketch drawings/ plan and costings of the potential trim trail (1100m long x 2.0m wide). This proposal and estimates were developed internally by council officers as a desktop exercise and no survey or site investigation work was undertaken.
3.9	In September 2020 Belfast City Council submitted an application to Department for Communities Access and Inclusion Fund to support the proposed project. Unfortunately, the proposed costings were outside the shortlisting criteria and funding was not secured. As part of this application, letters of support were obtained from adjacent schools, Disability Sport NI, Age Friendly and Engage with Age.
	Current Status
3.10	In May 2022 a feasibility study was competed which outlined 3 options. In addition to a suitable pathway, the feasibility study also looked at an option to re-open the currently dis-used old pavilion as a storage facility of adapted inclusive e.bikes. Architect plans and associated costings have been produced for each of the 3 options. The recommended option is as follows: • Trim Trail 562m bit-mac pathway, of minimum 2 metres wide. • Entrance gates works at Drummond Park entrance to improve accessibility • Pavilion access works (£2k PC Sum) • Pavilion refurbishment • Link Trail 130m
3.11	In November 2022 a further application was submitted to DfC Access and Inclusion Programme. Unfortunately this was also deemed ineligible. Council officers have also approached other funders including DfC's community empowerment division. However to date no eligible funding has secured. Council officers however are continuing to look at potential funding sources and exploring this with partners. Members will be aware of the pressures on the Council's capital financing and there is no Council budget secured for the project. Any council capital funding would be required to go through the Council's three stage approval process as agreed by Members.
3.12	Members are asked to note the update and to agree to receive a deputation from Glenveagh Special School at next month's People & Communities Committee
3.13	<u>Financial & Resource Implications</u> No budget secured. Officers from Physical Programmes are exploring potential funding sources and continuing discussions with partners.

3.14	<u>Equality or Good Relations Implications /Rural Needs Assessments</u> This project supports equality as it aims to enhance accessibility of a council amenity to all its users.
4.0	**Appendices – Documents Attached**
	None

PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Developer Contributions for Open Space
Date:	7th February 2023
Reporting Officer:	David Sales, Director of Neighbourhood Services, City & Neighbourhood Services Department
Contact Officer:	Stephen Leonard Neighbourhood Services Manager, / Gary McNeill, Senior Landscape & Planning Officer

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of Main Issues**
1.1	The purpose of this report is to update members regarding three developer contributions that have been secured, via the Developers Contribution Framework, for council maintained open space and the proposed improvements that City & Neighbourhood Services Department plan to deliver as a result of the financial contributions.
1.2	Details of proposed improvements at each park are outlined in Section 3.9 (Main Report).
2.0	**Recommendations**
2.1	The Committee is asked to: • Note the developer contributions for open space received to date and agree to recommend to SP&R committee the proposed improvement works at Knocknagoney, Tullycarnet and Belmont Parks outlined in Section 3.7 of this report.

3.0	**Main Report**
3.1	As members will be aware Council's Developer Contributions Framework was ratified for adoption by Full Council on 6th January 2020. Developer Contributions are a planning tool used to mitigate or manage the impacts of new development. They may be used to ensure that new development is supported by the right infrastructure or make sure that the environmental impacts of proposals are appropriately managed. The Council's Developer Contribution Framework sets out the council's approach to securing Developer Contributions as part of the planning application process.
3.2	Policy OS 2 of Planning Policy Statement 8 requires open space to be an integral part of new residential development of 25 units or more, or on sites of one hectare or more. In smaller residential schemes, the need to provide open space will be considered on its individual merits. Exceptions to this policy requirement include apartment developments or specialised housing where a reasonable level of private communal open space is being provided; or where residential development is designed to integrate with and make use of adjoining open space. Policy OS 2 goes on to specify the proportion of a site that needs to be set aside for open space and the requirement for equipped children's play area on larger sites.
3.3	In some cases, as an exception to the normal policy approach, the council may consider it more appropriate for residents of the new development to make use of existing or planned open space in the locality rather than require new open space to be provided on-site as an integral part of the development. When assessing this option, account will be taken of any specific reasons why open space cannot be provided on site, the scale and nature of the proposed development, existing and planned open space in the area, accessibility and connectivity to the open space, and its ability to support residents of the new development.
3.4	It may be necessary for the developer to enhance the existing or planned open space so that it is able to support the additional population and/or improve the site's connectivity to it. In such circumstances, the developer will be required to pay a Commuted Sum to cover the cost in lieu of providing the open space on the site. This will include the cost of improvements to an existing facility where there would normally be a policy requirement to provide this on site. The value of the Commuted Sum will be calculated on a case by case basis.
3.5	In cases where a developer is required to improve existing open space planning officers from Place and Economy Department liaise with CNS Landscape Planning & Development (LPD) Team to identify council maintained open space in proximity to the proposed development

	site. LPD officers, in partnership with CNS Operational / Outreach Managers, elected members and local users, help quantity potential physical improvements and provide technical support to planners in terms of design and cost estimation. This information can then be used to help inform negotiations around a developer contribution.
3.6	Developer Contributions are a form of Planning Obligation and are normally secured through a Planning Agreement under Section 76 of the Planning Act (Northern Ireland) 2011. A Planning Agreement is a legally binding agreement between the relevant parties, normally between the council, landowner, applicant and any other parties directly involved in fulfilling the agreement.
3.7	As part of the planning process, developer contributions to improve existing open space were secured by colleagues in Place and Economy Department and relate to residential development schemes below. Council has received each of the financial contributions by way of a Planning Agreement. 1. LA04/2019/0025/F - Parklands, Knocknagoney Dale – £90,000 2. LA04/2017/0235/F - Rosepark House, Upper Newtownards Road – £53,000 3. LA04/2015/0670/F - Lands at Castlehill Manor, Castlehill Road – £39,750
3.8	City & Neighbourhood Services now wish to deliver a range of open space improvements at council maintained open space referenced in the Planning Agreements or those in closest proximity to the development sites. Council open space to be improved as a result of developer contribution above are: 1. Knocknagoney Park - £90,000 (adjacent to Parklands development site) 2. Tullycarnet Park – £53,000 (1.6 km from Rosepark House development site) 3. Belmont Park - £39,550 (1.0 km from Castlehill Manor development site)
3.9	Officers from City & Neighbourhood Services Landscape Planning & Development Team and Open Spaces & Street Scene have been working with elected members, operational managers and local users to prioritise and quantify small scale improvements at each of the parks. The total cost of the works at each park cannot exceed the associated financial contributions received by council. Within this context the proposed improvements at each park are:

	• Knocknagoney Park - construction of a new, accessible pedestrian access between Parklands apartment development and the park, including tree maintenance, remedial landscaping and civil engineering works, new lighting and general improvements to the main, lower park entrance. • Tullycarnet Park - refurbishment of the existing outdoor gym area within the park, currently in a poor state of repair, or replacement of the existing outdoor gym facility with a small sensory play area (consultation is currently ongoing with elected members and park user groups from the local neighbourhood) • Belmont Park - construction of a new, bound-stone woodland path between the A55 pedestrian footbridge entrance and the Cairnburn Road entrance, installation of accessible picnic benches / hard-standings at the playground area and a hard-standing for a potential park vendor.
3.10	It is envisaged that all improvement works will be designed in-house and supervised by officers from our Landscape Planning & Development Team.
3.11	Colleagues from Place and Economy Department (Plans & Policy Team) have confirmed council has a period of seven years, from receipt of the financial contribution, to deliver agreed open space improvements. In order to assist with internal monitoring of contributions officers from Place and Economy Department (Plans & Policy Team) have requested that, going forward, members are updated regarding proposed open space improvements before commuted sums are released to deliver the works.
3.12	<u>Financial & Resource Implications</u> • The total cost of open space improvement works must not exceed the financial contribution received for each council maintained open space. • Council has a period of 7 years, from receipt of the financial contribution, to deliver open space improvements. • Open space improvements will be delivered from within existing budget estimates. • Members should note that professional fees will not be incurred using this delivery model, therefore 100% of the financial contribution, secured via the Planning Agreement, can be invested in physical improvements at each site.

3.13	Equality or Good Relations Implications /Rural Needs Assessments None
4.0	**Appendices – Documents Attached**
	None

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PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Product Safety update
Date:	7 February 2023
Reporting Officer:	Siobhan Toland, Director of City Services
Contact Officers:	David Cuthbert, City Protection Manager Mark McGovern, Senior Environmental Health Officer

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
Please				
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	This report is to: i) update Members on the Council's work to protect consumers in Belfast and Northern Ireland from unsafe consumer products; and ii) highlight available funding to support Belfast City Council's activity in this area.
2.0	**Recommendations**
2.1	The Committee is asked to: a. Note the Council's ongoing activity and statutory function in relation consumer product safety; and

	b. Agree to avail of current grant funding opportunities to support Belfast City Council's work on product safety.
	Main report
3.1	NI councils have a number of statutory obligations in relation to consumer safety legislation, principally the Consumer Protection Act 1987, and Regulations for safety of specific products such as toys, electrical goods, cosmetics etc. More recently the Market Surveillance (Northern Ireland) Regulations 2021 have also been introduced, setting out how councils must carry out certain functions for product safety, including some additional enforcement powers.
3.2	Environmental Health officers have undertaken this regulatory function for several decades. In England, Scotland and Wales, this function has been (and continues to be) carried out by Trading Standards Departments of Local Authorities.
3.3	Principally, councils must ensure that businesses involved in the importation, supply or sale of goods comply with their legal obligations and to ensure that goods presented on the market do not present risk of harm or injury to consumers. Councils' activity include: - Identification and investigation of potentially unsafe goods through receipt of consumer complaints, visits to premises and inspections/sampling and testing of products. - Receipt and sharing of intelligence surrounding unsafe goods or their supply chains, between relevant authorities, including Council Environmental Health Departments in NI, Trading Standards Officers across GB Local Authorities, the Office of Product Safety and Standards (OPSS) and Border Force. - Providing advice and education to businesses to raise awareness of product safety requirements to reduce potential for businesses to procure and place unsafe goods on the market in the future. - Taking enforcement actions including steps to remove unsafe goods from the market, or to have the goods made safe.
3.4	A range of product safety initiatives are undertaken each year in co-ordination with all 11 district councils. These are co-ordinated via Environmental Health NI (NI Consumer Protection Subgroup), and may involve partnership working and engagement with agencies and stakeholders operating in related regulatory fields across Government in NI, UK, RoI and beyond. Belfast City Council continues to actively support this work – in 2022/23 initiatives are focusing on:

	• Undertaking a campaign to raise awareness of the dangers of button batteries by supporting the OPSS 'Nil by Mouth' campaign, raising awareness with retailers and consumers, market surveillance through partnership with other relevant services within Environmental Health and external agencies. • Working with Driver and Vehicle Standards Agency to carry out a Part worn tyre initiative to assess the safety and compliance of part worn tyres on the market. • Developing and disseminating guidance to businesses on the topics of PAS 7050 (publicly available specification) 'Bringing safe products to market' and E-Cigarettes and E-Liquids. • In conjunction with OPSS, upskilling staff as required on product safety issues including the consistent enforcement of consumer protection regulations, the introduction of new legislation/standards and emerging issues. • Maintaining closer working relationships with relevant partners across NI, UK and Ireland e.g. Trading Standards NI, Invest NI, NI Fire and Rescue, HSE NI, Ministry of Housing Communities and Local Government, Medical and Healthcare products Regulatory Agency, The Competition and Consumer Protection Commission (CPCC) and Health Products Regulatory Authority, to ensure effective communication and sharing of information where relevant; to develop mutual understanding of respective roles in order to promote cross departmental working and help to resolve cross cutting issues.
3.5	In year funding (in 2022/23) of up to £120,000 has been recently made available by OPSS to Belfast City Council to support activity in these areas of work. Two potential grant funding opportunities are available comprising: a. A £65,000 grant available to councils that have specific duties to assess product safety and compliance of higher risk consumer goods arriving at UK and NI ports, to ensure unsafe goods are prevented from entering the UK market. These products are typically identified by OPSS on the basis risk assessments carried out using customs data for specific commodities. Details of potentially dangerous products are referred to Councils for the relevant ports around GB and NI for intervention. These products typically involve high risk/poor quality manufactured goods arriving from countries across the world such as China, Hong Kong, Taiwan etc. Eligible activities under this grant include the potential to support

	engagement with businesses to educate and raise awareness while creating a deterrent for importing unsafe goods, building partnerships with relevant trade bodies and other stakeholders, and improving current processes. b. A £55,000 grant is also available to councils to build capability and capacity for product safety work. This is to ensure council's are sufficiently equipped to carry out the statutory duties, while also building strong partnerships with businesses, other councils and Government Departments to improve future compliance across the consumer market. A significant portion of Belfast City Council's activity for delivering the NI Consumer Protection workplan in 2022/23 is eligible for this funding.
3.6	Officers have reviewed the 2 available grant funding offers and have confirmed that Belfast City Council is eligible to claim the available funding in full, in line with the eligibility criteria.
	<u>Financial and Resource Implications</u>
3.7	Following Committee approval in November 2020, Council has previously accessed similar OPSS funding opportunities to support product safety work in years 2020/21 and 2021/22. As a result, the potential for grant funding income in 2022/23 was forecasted as part of earlier financial estimates for the current financial year, to support this work area.
	<u>Asset and Other Implications</u>
3.8	None.
	<u>Equality or Good Relations Implications/ Rural Needs Assessment</u>
3.9	None.
4.0	**Appendices – Documents Attached**
	None

PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Proposal for dual language street signs
Date:	7th February, 2023
Reporting Officer:	Ian Harper, Building Control Manager
Contact Officer:	Roisin Adams, Business Coordinator

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	To consider an application for the erection of dual language street signs for an existing street within the city.
2.0	**Recommendations**
2.1	As at least fifteen percent of the total numbers of persons surveyed in the street are in favour of the proposal to erect a second street nameplate in Irish at Ardilea Drive, the Committee is asked to consider the application.
3.0	**Main report**
3.1	Key Issues The power for the Council to consider applications to erect a second street nameplate in a language other than English is contained in Article 11 of the Local Government (Miscellaneous Provisions) (NI) Order 1995.

3.2 Members are asked to consider the following application to erect a second street nameplate showing the name of the street expressed in a language other than English. The second language is Irish.

3.3

English Name	Non- English Name	Location	Applicant	Persons surveyed
Ardilea Drive	Céide Ard an Lao	Between Ardoyne Avenue and Ardilea Street, BT14	Mr Brandon Mullan, resident of Ardilea Drive	11

3.4 The translation was authenticated by Queens University, the approved translator for Belfast City Council.

3.5 In accordance with the Council's policy for the erection of dual language street signs, surveys of all persons appearing on the electoral register plus owners or tenants in actual possession of commercial premises, for the above street were carried out and the following responses were received.

3.6 **Ardilea Drive, BT14**

- 3 occupiers (27%) were in favour of the erection of a second street nameplate
- 8 occupiers (73%) did not respond to the survey

3.7 The Council's policy on the erection of a second street nameplate requires that at least fifteen percent (15%) of the occupiers surveyed must be in favour of the proposal to erect a second street sign in a language other than English, in order to progress to Committee for consideration.

Financial & Resource Implications

3.8 There is a cost of approximately £400 to cover the manufacturing and erection of the dual language street signs. The cost for these street signs has been allowed for in the current budget.

3.9	<u>Equality or Good Relations Implications/Rural Needs Assessment</u> Each application for a dual language street sign is subject to an initial assessment for any potential adverse impacts on the grounds of equality, good relations and rural needs. The initial assessment has not identified any adverse impacts.
4.0	**Appendices – Documents Attached**
	None

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PEOPLE AND COMMUNITIES COMMITTEE

Belfast City Council

Subject:	Proposal for naming new street
Date:	7th February, 2023
Reporting Officer:	Ian Harper, Building Control Manager
Contact Officer:	Roisin Adams, Business Coordinator

Restricted Reports				
Is this report restricted?	**Yes**		**No**	X
If Yes, when will the report become unrestricted?				
After Committee Decision				
After Council Decision				
Some time in the future				
Never				

Call-in				
Is the decision eligible for Call-in?	**Yes**	X	**No**	

1.0	**Purpose of Report or Summary of main Issues**
1.1	To consider an application for the naming of a new street in the city.
2.0	**Recommendations**
2.1	Based on the information presented, the Committee is required to make a recommendation in respect of an application for naming a new street in the city. The Committee may either: • Grant the application, or • Refuse the application and request that the applicants submit other names for consideration.
3.0	**Main report**
3.1	Key Issues The power for the Council to name streets is contained in Article 11 of the Local Government (Miscellaneous Provisions) (NI) Order 1995.

3.2 Members are asked to consider the following application for naming a new street in the city. The application particulars are in order and the Royal Mail has no objections to the proposed names. The proposed new names are not contained in the Council's Streets Register and do not duplicate existing approved street names in the city.

Proposed Name	Location	Applicant
Pavilion Park Demesne	Off Dub Lane, BT9	Scoto Eastern Ltd

3.3 The new street is being developed to include 9 residential properties. Scoto Eastern Ltd have proposed Pavilion Park Demesne, as their first choice as the new street is located on the site of the former Queens University sports pavilion. The applicant has proposed Pavilion Park Manor and Pavilion Gardens as the second and third choice.

Financial & Resource Implications

3.4 There are no Financial, Human Resources, Assets and other implications in this report.

Equality or Good Relations Implications/Rural Needs Assessment

3.5 There are no direct Equality implications.

4.0 Appendices – Documents Attached

None