

LGA briefing on the outcome of government consultations on the waste and resources strategy and the plastic packaging tax

September 2019

Introduction

In February 2019 Defra set out proposals for the implementation of a new waste and resources strategy. The LGA consulted extensively with member councils on the proposals and responded to each of the consultations¹. On 23 July 2019 the Government published summaries of the consultation responses and set out the next steps for taking the proposals forward:

- [Consistency in recycling collections in England](#)
- [Reforming the packaging producer responsibility scheme](#)
- [Introducing a deposit return scheme](#)

At the same time the Treasury reported the outcome of consultation on [proposals for a new tax on plastic packaging](#) made from non-recycled material.

The LGA responded to the outcome of the consultations with a [media statement](#).

Key messages

- Government will gather more information on the impact a deposit return scheme (DRS) before making a final decision on implementation. The LGA welcomes this approach. While a DRS has the potential to increase recycling and change consumer behaviour, it needs to be based on sound analysis of the cost and benefits. We look forward to further engagement with DEFRA on the impact on local authority kerbside collections and litter and fly tipping.
- Some aspects of local recycling collection schemes will become mandatory and directed by national standards. This will include a core set of dry recyclable materials and weekly collections of food waste. It is helpful that government has taken feedback from the LGA and councils on board, and will support local flexibility on how services are delivered, for example in areas where weekly food waste collections will be challenging. The LGA will continue to lobby for new burdens to be fully funded.
- We supported the principles for reform of the producer responsibility scheme, which is long overdue. We welcome confirmation that producers will have to pay local authorities for the full net cost of packaging waste. The next steps must provide clarity for local government on future funding.
- Government must step up the involvement of local government in the next stages of development. More work is required to understand and refine the reforms and we look forward to continuing engagement with Defra.

¹ <https://www.local.gov.uk/topics/environment-and-waste/lga-response-resources-and-waste-consultations>

- Preventing waste is not addressed in the proposals, which deal primarily with increasing recycling. A reduction in the quantity of packaging entering the system should be an explicit aim of the Resources and Waste Strategy.

1. Consistency in recycling collections in England

Introduction of a mandatory core set of dry recyclable materials

The proposed core set of mandatory materials consists of glass bottles and containers, paper and card, plastic bottles, plastic pots, tubs and trays, and steel and aluminium tins and cans

- Government will go ahead with this proposal and will legislate to require all councils to collect the core set of materials from 2023. There will be work with local government to develop the proposals, and this will take account of the local challenges raised in the consultation responses.

LGA view:

- The LGA supports this proposal. Most councils already collect the core set of dry recyclables and we look forward to working with government to develop the proposals and secure additional funding for councils. At the same time, retailers and packaging manufacturers must up their game to reduce the amount of unnecessary and non-recyclable packaging as this is a significant barrier to increased recycling.

Mandatory weekly food waste collection, including provision of containers and liners

- Government will introduce legislation to require separate food waste collection from every household. Local circumstances will be taken into account where food waste is currently collected with garden waste. Government will work with local government to consider food waste collection from flats, densely populated areas and rural areas. Further consideration will be given to the costs and benefits of free liners for food waste containers.

LGA view:

- We support the ambition to introduce weekly food waste collections, providing that the cost to councils is fully met through new funding. It is helpful that government has recognised the need for local flexibility.
- Our response to the consultation highlighted significant challenges in collecting food waste from flats. Further work needs to be done to understand the cost and practical barriers to the expansion of food waste collection to all areas. We look forward to working with Defra on this.

Mandatory provision of free garden waste collection

- Government still holds the view that free garden waste collection is important in meeting weight-based recycling targets and in keeping garden waste out of the residual waste stream. However, feedback from local government has been taken on board, and government will review the costs and benefits of this proposal before making a decision.

LGA view:

- The LGA had concerns about this proposal and did not support it. We are pleased that government will consider this proposal further as all the evidence, including information provided by the LGA, indicates that it is not cost effective and is based on out of date assumptions on the impact of charging.

Separate collection of materials for recycling

- Government will support collection of household recycling in separate containers as the preferred approach and as the best way of delivering high quality material to the recycling industry. However, it is recognised that this will not always be the best solution in practice. The next step will be guidance for the sector.

LGA view:

- How waste is collected and the choice of containers should be a local decision. Providing a number of separate containers is not always practical and has a wider impact, for example on congestion and air quality due to collection vehicles spending longer on the road. If councils are compelled to introduce separate collection this will have financial implications, for example on existing contracts for sorting waste.
- It is helpful that government has recognised that one size will not fit all. We agree that the local government sector must be closely involved in the development of the guidance and are happy to help with this.

Statutory guidance on minimum service standards for recycling

- Government will take forward statutory guidance on minimum service standards in recycling collection services. Further consideration will be given to whether minimum standards for residual waste should be part of the standards.

LGA view

- In principle minimum service standards would provide clarity for residents and local authorities. It should not dictate the frequency of residual waste collection and we will continue to make the case that this must remain as a local decision.

The outcome of other proposals on consistency on collection:

- Government will give further consideration to the introduction of standardised bin colours in light of feedback on the cost and difficulties of implementation
- Government re-stated the intention to review recycling credits in two tiers areas, and will work with partners including the LGA to support increased partnership working between councils

2. Reforming the UK packaging producer responsibility scheme

Introduction

This consultation sought views on reform of the system that requires packaging producers and retailers to pay towards the cost of recycling and disposing of packaging waste. Under the new scheme producers will pay local authorities for full

net costs. Further proposals will be put forward for consultation in 2020, with the introduction of the new extended producer responsibility system for packaging expected in 2023.

Definition of full net cost recovery

- Government will implement the proposed definition of full cost recovery. There will be additional work to establish the cost of packaging used outside the home and packaging that is littered.

LGA view

- It is right that producers should pay the full net costs to local authorities. We support the proposed definition and agree that full cost recovery should include the cost of dealing with litter and fly tipping.

Fees and incentives to encourage the use of more recyclable packaging

- Of the two proposed options, modulated fees received more support. Government will carry out more research before making a decision on the two proposed options of modulated fees and a deposit and fee system.

LGA view

- This is not an area where the LGA has strong views

Point of compliance and obligated businesses

- Government will carry out further research into the impact of changing and lowering the threshold for which businesses are required to pay into the producer responsibility scheme

LGA view

- All businesses should be covered by the scheme. Everyone who is creating waste should pay towards the cost of recycling it

Supporting improved collections and infrastructure

- Further work will be carried out on how funding will be allocated to local authorities. There was broad support for the three proposed elements of the payment:
 - a) Payment for the cost of providing a recycling collection service (77% agreed)
 - b) Recycling payment for the amount of packaging waste collected and recycled (91% agreed)
 - c) Residual waste payment related to the cost of managing household packaging waste in residual waste (81% agreed)
- Government will look at the capacity of the reprocessing industry and end markets to absorb increased amounts of materials for recycling.
- Disposable cups may be subject to targets in the future, but will not be in the scope of extended producer responsibility

LGA view

- We support the outline proposals and look forward to working with government to develop a more detailed picture of payments to local government and ensuring that they cover the full cost.
- Disposable cups should be in scope of extended producer responsibility and the deposit return scheme. This will ensure that producers pay the cost of recycling and disposal. If a new target is introduced it must apply to producers.

Mandatory labelling of packaging and clearer communication

- Government will look further at a mandatory labelling scheme, subject to more research and legal considerations. There will be more research to gain a greater understanding of the costs, timescales and practical considerations for businesses of adopting a mandatory packaging labelling scheme.

LGA view

- The LGA supports mandatory labelling of packaging as recyclable or non-recyclable.

Governance arrangements for the reformed extended producer responsibility scheme

- Government has not chosen a preferred model. Two additional models will be considered

LGA view

- We will continue to seek feedback from councils on the proposed governance models. Whichever model is chosen, it must provide certainty of funding for councils and greater transparency.

Other proposals

- Government will continue to develop proposals for target and responsible export of packaging. The LGA did not address these more technical areas of the consultation.

3. Introducing a deposit return scheme

This consultation sought views on the introduction of a deposit return scheme for drinks containers, including the basic principle for the scheme and the types of materials and drinks that should be in the scope of the scheme. Over 208,000 responses were submitted to the consultation, boosted by campaigns from Greenpeace and other lobbying groups.

There was strong support for the principle of a deposit return scheme from the individuals and organisations responding to the consultation, including two thirds of the local authorities who responded.

Outcomes and next steps

- Government intends to bring in new legislation that would create broad powers to enable the creation of a deposit return scheme in England and Wales from 2023. The Scottish Government has already developed plans for a wide ranging deposit return scheme.
- There will be a second consultation in 2020 on the regulatory framework for a deposit return scheme, to be created through secondary legislation. Government may try and speed up the introduction of a deposit return scheme, but no alternative timetable has been put forward.
- Before reaching a final decision on the introduction of a deposit return scheme the Government will seek further evidence and carry out further research on the costs and benefits.
- Government has not reached a decision on what sort of drinks container will be in the scope of the deposit return scheme. It could be drinks containers up to 3 litres in volume, but the decision is deferred until further evidence has been collected and reviewed.

LGA view:

- The LGA supports the principle of a deposit return scheme and the ambition to increase the amount of drinks containers captured for recycling. It could be a real force for driving behaviour change by consumers.
- Our submission to the consultation raised concerns over the calculation of the cost benefit of a deposit return scheme. The overall benefit was calculated using figures on the potential savings from the avoidance of “litter disamenity”. We questioned the robustness of the figures, which would benefit from further testing and development. Research should also examine the potential for increased litter from scavenging for bottles with an unclaimed deposit in waste and recycling bins and the carbon impact of increased journeys. It is encouraging that the Government will gather more evidence before making a final decision.
- The next stage of research must seek to fully understand the impact on local authority kerbside collection and how a deposit return scheme would interact with proposals for greater consistency of collection and a reformed producer responsibility scheme. We look forward to working with Defra on this.
- A lack of information meant that the LGA was unable to put forward a preference for an “all in” or “on the go” model of deposit return scheme. We look forward to seeing further information.
- We will continue to lobby for producers to pay into both producer responsibility schemes and deposit return schemes. Some drinks containers will still end up in residual waste or being littered, and the cost of managing this should sit with producers, not council tax payers.

4. Proposal for a tax on plastic packaging made of non-recyclable material

Government received mixed views on the proposals. The outcome of consultation does not set out a particular preference from Government for the design of the next tax.

The Government will set out the next steps at Budget 2019. HMRC will publish a technical consultation on the detail of the tax design at a later date, and publish draft legislation for consultation in 2020. The tax is expected to come into effect in April 2022.

LGA view

The LGA welcomed the principle of the tax but did not comment on the detail of the proposals. The proposed tax is welcome as a lever for driving demand for used plastic. Councils by themselves cannot stimulate the market for used plastic or provide the infrastructure needed to process it. This requires action at national level and we encourage government to set out plans for tackling the wider infrastructure issues in plastic recycling.

We will continue to lobby for a reduction in the amount of unnecessary and unrecyclable plastic packaging. Preventing waste must have equal priority with measures to increase recycling.

A switch to using packaging with more recycled content, or replacing plastic with compostable packaging could generate another set of problems for councils. The existing infrastructure is not designed to detect or process compostable packaging. Adding new packaging materials without thought for infrastructure will aggravate existing problems with complexity and contamination of recycling streams.
