

**TO: JOINT WASTE DISPOSAL BOARD**  
**9<sup>th</sup> June 2022**

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**re3 ENVIRONMENT ACT BRIEFING REPORT**  
**Report of the re3 Project Director**

**1 INTRODUCTION**

- 1.1 The Environment Act 2021 was passed in November 2021.
- 1.2 This report provides a briefing for the re3 Board on a significant part of anticipated secondary legislation and/or statutory guidance, relating to the Environment Act.

**2 RECOMMENDATION**

- 2.1 That Members note the contents of the briefing.**

**3 ALTERNATIVE OPTIONS CONSIDERED**

- 3.1 None for this report.

**4 REASONS FOR RECOMMENDATION**

- 4.1 The purpose of this report is to brief Members on the proposed content of one element of forthcoming detail. In the ongoing absence of formal guidance, the details contained in this report, will help the councils begin to prepare for subsequent financial and operational changes.

**5 BRIEFING**

**Environment Act**

- 5.1 The Government published a Resources and Waste Strategy (RWS) in December 2018. The RWS introduced the concepts of seeking greater producer responsibility, financial incentivisation for recycling, simplifying recycling for businesses and far greater consistency between council waste collection systems.
- 5.2 Two detailed rounds of public consultation have ensued and the results of the second, which was undertaken in Spring 2021, are awaited.
- 5.3 The Environment Act was passed in November 2021. Secondary Legislation and/or statutory guidance are awaited.
- 5.4 The Environment Act will deliver changes in waste management across three principal areas of change. They are:
- i. Extended Producer Responsibility - as discussed in this report
  - ii. Deposit Return Schemes – where a deposit of c£0.20p will be added to ‘in scope’ packaging at the point of purchase and redeemed by consumers via a reverse vending terminal.
  - iii. Consistency in Waste Collection – where three collection system archetypes will be endorsed by Government for adoption by councils.

### **Extended Producer Responsibility**

- 5.5 In the absence of firm detail on the content of any Secondary Legislation, stakeholders derive their sense of what is planned from a combination of the original RWS, the subsequent consultations and the content of briefings from Defra.
- 5.6 The accompanying note illustrates such content, presented by Defra to council officers, in August 2022.
- 5.7 The concept of this strand of the planned legislation is that Local Authorities shouldn't be funding the capture of waste for recycling. Instead, intention is that it should be funded by the producers of the packaging, so they are incentivised to ensure it is recyclable and that the costs of the process are driven down.
- 5.8 Councils will receive funding for (i) the cost of collection, (ii) the amount collected and recycled and, (iii) the cost of packaging in the residual waste stream. That funding will be allocated from a levy placed upon the producers of 'in scope' packaging.
- 5.9 However, to quote the original RWS document, Government believes that producers *'should not be expected to cover the costs of inefficient service delivery and their financial contribution should not exceed the costs necessary to provide those services'*. That principle underpins the emphasis placed on efficiency and effectiveness and the likelihood that a majority of councils will eventually be presented with improvement notices for their waste collection service.
- 5.10 The slides included in the accompanying briefing begin to show how that will be achieved. In short, that will be through the following process:
- Councils will be assessed against a range of criteria, and against each other within 'cluster' groups.
  - The assessment of council performance will determine the effectiveness and efficiency of each council.
  - Funding will be ultimately determined by the relative performance of each council. Improvement notices are proposed to be issued to any council that is not assessed to be sufficiently effective and efficient.
- 5.11 As the briefing concludes, officers from across the re3 partnership should engage with the briefing sessions and workshops that are planned for local authorities over the course of the autumn.

### **Next Steps**

- 5.12 The re3 Project Team will continue to seek detail and liaise with other stakeholders, to share information with colleagues and the re3 Board.
- 5.13 Some concerns are already being expressed, widely across stakeholders within relevant retailers, local government and the waste management industry, about the preparedness of the UK to give effect to such a comprehensive package of changes.
- 5.14 At present, the most significant elements of the full legislative package are expected to become operational from 2025/26. As above, officers will monitor the situation and ensure that briefings are provided at the earliest opportunity.

**6 ADVICE RECEIVED FROM ADMINISTERING AUTHORITY**

Head of Legal Services

- 6.1 No advice sought for this report. When the draft legislation is known, the JWDB should seek advice on the impact for the three councils.

Corporate Finance Business Partner

- 6.2 None for this report, as above.

Equalities Impact Assessment

- 6.3 None.

Strategic Risk Management Issues

- 6.4 None

Climate Impact Assessment

- 6.5 None from the proposed consultation responses.

**7 CONSULTATION**

7.1 Principal Groups Consulted

Not applicable.

7.2 Method of Consultation

Not applicable.

7.3 Representations Received

Not applicable.

Background Papers

N/A

Contacts for further information

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