TO: JOINT WASTE DISPOSAL BOARD

15th June 2023

TRIAL COLLECTION OF FLEXIBLE PLASTIC PACKAGING Report of the re3 Project Director

1 INTRODUCTION

1.1 The purpose of this report is to brief the re3 Joint Waste Disposal Board on an opportunity to collect flexible plastic packaging from the kerbside, ahead of collections of this material becoming mandatory.

2 RECOMMENDATION

- 2.1 That Members note the contents of this report.
- 2.2 That Members approve the participation of the re3 Councils in the FlexCollect Project, as described from 5.5.
- 2.3 That Members instruct the re3 Project Director to sign the FlexCollect contract as described at 5.21.

3 ALTERNATIVE OPTIONS CONSIDERED

3.1 An alternative to participating in this trial is to await the specific detail of the Government's expectations for collecting and processing flexible plastic waste. Officers are broadly confident about what will be required, and do not expect there to be any unforeseen surprises in relation to soft/flexible plastics, when the detail is published. Waiting alongside the majority of other councils would provide more time for the councils to get ready for Borough-wide operational requirements, although the councils would forego the potential for learning during the trial and any opportunities that come from it.

4 REASONS FOR RECOMMENDATION

4.1 The FlexCollect Project is a research trial, seeking to understand key factors regarding the collection, sorting, processing and transport of high-volume flexible plastics. For the re3 Partnership, it would represent a fully funded research opportunity, ahead of collection of this material becoming mandatory via the Environment Act. If the trial can be developed into an ongoing service, it could help the council partnership avoid or manage capital costs that have been estimated by the Contractor, FCC, at over £2m.

5 PROGRESS IN RELATION TO WASTE MANAGEMENT

Background

- 5.1 At the January meeting of the re3 Joint Waste Disposal Board, Members asked Officers to investigate options for recycling flexible plastic packaging such as bags, films and wrappers.
- 5.2 As Members may be aware, a small number of Councils are currently trialling collections of plastic films via the Flexible Plastic Fund 'FlexCollect' Project. This project follows the proposal in the DERFA consultation on Waste Collection Consistency, for these items to be collected by all local authorities no later than March 2027. It seeks to understand a range of factors including: the volume of flexible

- packaging arising from households, the impacts of collecting this material on other recyclables, the success of various communications and the costs and challenges of collecting, sorting and reprocessing this.
- 5.3 The Councils taking part in the project are required to supply a range of data to help inform best practice and, in return, benefit from funding and project management support.
- 5.4 Prompted by the specific request from the re3 Board, Officers contacted the FlexCollect team to express an interest in being part of the trial.

Operations and Communications

- 5.5 Following some successful tests in the re3 Material Recovery Facility (MRF) to establish the practicalities of sorting, storing and reprocessing the waste, the re3 Partnership has been successful in being selected to take part in the project in the second phase. Subject to approval by Members, this will see a two-year trial commence.
- 5.6 The re3 project will result in residents in the selected trial areas being given some single use plastic bags. Residents will be asked to fill these with their flexible plastics and place the tied bags within their existing recycling receptacle. These blue bags will be visible to pickers in the MRF and they will manually extract them. The bags will then be baled, and sent off for further processing in the UK.
- 5.7 The FlexCollect project was looking to select local authority participants to represent a range of geographies, social demographics, collection system and operators. Largely due to its urban nature and direct deliveries of mixed dry recycling (MDR) to the MRF, Reading Borough Council was FlexCollect's preferred location for the start of the project.
- 5.8 The first phase of the re3 project is will therefore cover around 5,000 households in the Reading Borough Council area and is due to commence in mid-July.
- 5.9 The project will be expanded to cover around 20,000 households in the second year, and re3 Officers have negotiated that these will fall equally across all three Council areas.
- 5.10 The Waste and Resources Action Programme (WRAP) have developed communication templates for the project, and these will be localised for the re3 Councils. Residents in the trial areas will receive an information leaflet a week or two before the service launch, an instructional leaflet alongside their plastic bags, and a nudge leaflet, about six weeks after the project launch. Both the instructional and nudge leaflet will be delivered by Royal Mail.
- 5.11 A draft of the Reading Borough Council Instructional leaflet is included in Appendix One for reference. Officers will also bring some printed copies along to the meeting,
- 5.12 The data to be provided by re3 will cover the collection, storage, processing and transport of the waste; including information about the composition and quantity of material collected, operational challenges and associated costs.

Funding and Procurement

5.13 The FlexCollect project is co-managed by a consortium comprising: Ecosurety, RECOUP (Recycling of Used Plastics Ltd), SUEZ Recycling and Recovery UK and

- WRAP (The Waste and Resources Action Programme). The re3 contract will be with SUEZ (who have been appointed to manage the project for FlexCollect) and Future Recycling Limited (set up by Ecosurety to manage the project funds).
- 5.14 The project is a fully funded research opportunity with funding being provided by the Flexible Plastic Fund (composed of a number of UK's leading manufacturers), DEFRA (the Government Department of Environment, Food, and Rural Affairs) and UKRI.
- 5.15 The total value of the funding is quite significant (~£200k in total). The funding for re3 will cover expenses such as equipment hire, additional MRF staffing, printing of communications and delivery of leaflets and bags. In addition, the FlexConsortium will also receive funding to cover their expenses in managing the project.
- 5.16 The Procurement Team at Reading Borough Council noted that a procurement exercise should be carried out to ensure that FlexCollect does not receive a benefit from the project, at the exclusion of others. This is to ensure that the council ensures openness, transparency, and non-discrimination in our dealings with businesses.
- 5.17 re3 Officers have since applied for, and been granted, a waiver from the Contract Procedure Rules via the Corporate Management Team (CMT) at Reading Borough Council. Some of the key factors included in the request were as follows:
 - The project is a research opportunity. The project is not designed to make money (either for re3 or FlexCollect) and there is currently no opportunity to generate an income from the sale of flexible plastics.
 - The project will not result in the FlexCollect Consortium gaining a competitive advantage in the industry. The re3 data will be aggregated with that of other local authority trials to generate guidance documents, case studies and methodologies to inform the value chain. Furthermore, the stakeholder consultative panel for the project is understood to involve members including LARAC (the Local Authority Advisory Committee) and the CIWM (the Chartered Institution of Waste Management).
 - Officers are not aware of other companies conducting similar research ahead of the change in legislation; and DEFRA has been seen to encourage all local authorities to consider expressing an interest in the FlexCollect project.
 - The project is a trial. It is limited by time and area and there is scope to withdraw from the trial by providing one month's notice (or immediately under specific circumstances).
- 5.18 The re3 MRF was not designed to process flexible plastics. If legislative compliance required retrofitting the plant, so that it could extract flexible plastic films, that could be very costly to the councils. A ballpark estimate from the re3 Contractor is upwards of £2million to amend optical sorting capacity and add additional conveyors and bunkers. Similarly, the separate collection of flexible plastic films could contribute to increased waste collection costs. Through the FlexCollect project the re3 partnership councils have an opportunity to collect this material in bags and assess if this could be a way to comply with future legislation. The FlexCollect project therefore represents an opportunity for the re3 Councils to inform future operational practice.
- 5.19 At the end of the contract and trial period (in 2025), and assuming the trial represents or identifies a sustainable service offering, it is anticipated that the councils may be able to draw on Extended Producer Responsibility (EPR) payments, through the Environment Act 2021, to support the ongoing provision of the service.

Next Steps

- 5.20 The FlexCollect initiative is a trial. If the trial goes ahead, it will give the councils and their contractors access, at no cost, to the following benefits:
 - First-hand experience of a known, and soon to become mandatory, change in service (both collection and treatment/processing).
 - Immediate access to data from the trial, illustrating, for example the composition change that is likely to occur when soft, or flexible, plastics become a mandatory part of recycling collections.
 - The specific occasion to liaise with trial groups of residents, to understand their opinions on and experiences of, recycling this material type – and related topics.
- 5.21 It is therefore recommended that Members direct Officers to proceed with implementation and instruct the re3 Project Director to sign the contract for the trial on behalf of the partnership.
- 5.22 At the time of writing this report, Officers are continuing to prepare for implementation of the project including; seeking sign-off for the communication leaflets, developing an 'order form' for residents to request additional bags and working with FCC to ensure that baling equipment is installed and that risk assessments are updated. Officers are also continuing to liaise with the Reading Borough Council Legal Team, and the Project Manager at Suez in relation to the contract drafting.
- 5.23 Subject to Members being happy to support the project, and all legal matters having been satisfactorily concluded, it is proposed that the Contract be signed on, or around, the 16th of June. This will enable pre-commencement communications to commence before many residents start to go away for the summer holidays.

ADVICE RECEIVED FROM ADMINISTERING AUTHORITY

Head of Legal Services

As referenced at 5.22, Officers are continuing to liaise with the Reading Borough Council Legal Team, in relation to the contract drafting, at the time of writing this report. Officers are providing information to help determine compliance with the Subsidy Control Act, management of Intellectual Property Rights and ensuring suitable cover around liability and insurance. Officers will seek to ensure that all outstanding queries have been resolved at the time of the June meeting.

The primary concern from the legal and procurement team related to the need for a procurement exercise to take place, and this has since been resolved through the provision of a waiver, as described at 5.17.

Corporate Finance Business Partner

6.2 None for this report.

Equalities Impact Assessment

6.3 None.

Strategic Risk Management Issues

6.4 None

Climate Impact Assessment

6.5 None.

7 CONSULTATION

7.1 Principal Groups Consulted

Not applicable.

7.2 <u>Method of Consultation</u>

Not applicable.

7.3 Representations Received

Not applicable.

Background Papers

JWDB - March 2023

Contacts for further information

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APPENDIX ONE – Instructional Leaflet



Welcome to your new plastic bags and wrapping recycling collection trial

We're making it easy for you to recycle your plastic bags and wrapping by trialling a recycling collection from your home. The trial is currently available to a small number of residents, but it will expand to more residents by 2024.

From 10 July, your plastic bags and wrapping will be collected as part of your normal recycling collection so that we can all recycle better, together. For each other. For Reading.

Along with this leaflet we have delivered a pack of blue collection bags. Place only your plastic bags and wrapping in the blue collection bag, tie it securely, and place inside your recycling bin.

Your plastic bags and wrapping will be collected as part of your normal recycling collection.

If you need more collection bags, visit <u>reading.gov.uk/waste</u> and use our order form.

Please only use the blue collection bags provided and not any other bag.



Why are we collecting plastic bags and wrapping?

Creating new products from recycled plastic provides many benefits to the environment. Almost all virgin plastic comes from fossil fuels, and the process of manufacturing plastic creates millions of tonnes of greenhouse gases every year which harms the environment.

Recycled plastic bags and wrapping can be used to make a range of new plastic products such as, plastic packaging, 'bags for life', baxes, bins, and agricultural and construction materials, reducing the reliance on virgin plastic.

What will I be able to recycle?

All items should be clean and free of food.



Please DO NOT use your collection bag for:

Items other than plastic bags and wrapping

- # Blister packs, pills, and tablets packaging
- Compostable or biodegradable bags and wrapping
- # Crisp tubes
- 🗱 Disposable gloves or masks
- # Foam or polystyrene of any kind
- # Plastic bottles, pots, tubs, or trays*
- # Plastic straws or cutlery
- Pouches, sachets and packets
- Ready meal or fresh meat and fish containers or trays*

^{*}You can still recycle these items by placing them loose in your recycling.

Frequently asked questions

Why do I have to put plastic bags and wrapping in the collection bag? Why can't I just put my plastic bags and wrapping loose in my recycling bin?

The process for recycling plastic bags and wrapping is different to recycling other plastic packaging. Therefore, plastic bags and wrapping need to be grouped together so that they can be sorted effectively during the recycling process.

Why have you introduced a plastic bags and wrapping recycling collection service?

We've introduced a new trial service to help make recycling plastic bags and wrapping easier for you. Currently in the UK, only 6% of plastic bags and wrapping are recycled. Offering this service helps you and the rest of Reading to recycle better, together. The trial is currently available to a small number of residents, but it will expand to more residents by 2024.

Can I still take my plastic bags and wrapping to front of store points to recycle?

Now that a plastic bags and wrapping recycling collection trial is available from your home, you should use the kerbside service to recycle those items.

Can I put all types of plastic bags and wrapping in the recycling collection?

We accept all types of plastic bags and wrapping listed in this leaflet, as long as they fit inside the blue collection bag. Please do not put plastic bags and wrapping loose in with your other recycling. Remember to always use your blue collection bag, and tie it securely.

For more information, please visit recyclenow.com/plastic-wrapping

Reading recycles

If you have queries about this new collection, need information in another language or require Easy to Read format, contact us:

Visit: reading.gov.uk/waste Call: 01189 373 787