

A waste management partnership between Bracknell Forest,  
Reading and Wokingham Borough Councils.



Rebecca Pow MP  
Minister for Environment Quality and Resilience  
Department for Environment, Food and Rural Affairs  
Seacole Building  
2 Marsham Street  
London  
SW1P 4DF

15 March 2023

Dear Ms. Pow,

### **Collections and Packaging Reforms (CPR)**

I am writing on behalf of the re3 partnership of Bracknell Forest, Reading and Wokingham Borough Councils in Berkshire.

We are concerned by aspects of the Environment Act (2021) which fall under the summary title of Collections and Packaging Reforms (CPR).

We are writing in relation to the decision to introduce a Deposit Return Scheme (DRS) as part of the CPR arrangements. We consider that, amongst the wider CPR package of measures, DRS is likely to be a disruptive and inefficient contributor. Significant gaps and issues exist in the proposal for a DRS, which we identify below. They are as follows:

1. At time of writing, there doesn't appear to be an available Equalities Impact Assessment (EqIA) for DRS. We assume that a specific EqIA was undertaken before the decision to adopt DRS was taken but would request that it is now published without delay. Access and disability *are* recognised by Defra as a factor, and are briefly mentioned, section 4.1, in the impact assessment (dated 24/02/21) for DRS, entitled 'Introducing a Deposit Return Scheme on beverage containers in England, Wales and Northern Ireland'. The aforementioned impact assessment says '*A consumer (or someone else) eliminates the environmental and social cost*

*by taking the time to return the container to a return point and are returned the full deposit. Each consumer can make a choice on whether to return the container or not, based on his/her personal valuation of the time taken to do so.* We respectfully challenge the rather simplistic assumption that one's own time is the determining factor. At a recent meeting of the Reading Borough Council, Access and Disabilities Working Group, delegates were sceptical of the fairness of a scheme which will levy an increase in product price at the point of sale, but which makes it harder to feed in-scope items into the recycling system (compared with existing, local services). Redemption of the deposit will require extra effort on the part of all residents but is not just a simple choice and is likely to be most difficult for those who are elderly or disabled. The cost of the deposit may represent a tax on residents' ability to return items to a reverse vending location. In the absence of an EqIA, wherein some moderating operational specifics may be recognised, there appears to be potential that, for those with a protected characteristic, DRS might not comply with the expectations of the Equality Act 2010. In the design of DRS, there may also be a failure to abide by section 149 the Equality Act, the Public Sector Equality Duty. This stands in contrast to the services currently offered by local authorities, which can specifically support elderly and disabled residents through 'assisted' collections.

2. The deposit represents a significant increase in costs for consumers. Defra appears to have confirmed that all PET plastic bottles, aluminium and steel drinks containers will be in-scope, both individually and as part of a multipack. At the time of writing, the following percentage increases in costs were calculated, using online prices from Asda:

- 12 x 330ml Diet Coke £5.40 + DRS (if £0.20p) £2.40 (DRS = 33.77%)
- Robinsons Orange Squash £1.85 + DRS (if £0.20) £0.20 (DRS = 9.76%)

If the deposit will only apply to one unit of a multipack, that will rather undermine the principle of compulsion that is required to make DRS a success. If the deposit *is* applied to each unit within a multipack it will result in some considerable increases in sale-price, to be borne by consumers. A parallel outcome is the likely reduction in the sales of multipacks of cans, potentially driving an increase in the use of plastic,

for larger capacity containers – which may undermine the environmental credentials of the scheme. Returning to the principal point: the current affordability crisis for many products and services is something that, we hope and expect, will not continue for a prolonged period. Nonetheless, the above examples of price increases would be unwelcomed and challenging for many consumers, regardless of when they are introduced.

3. We understand that arrangements will be made for local authorities to feed-in to DRS in-scope items of packaging that remain within the existing, kerbside collection of recycling. We would be grateful for clarification of a specific point about the value of in-scope packaging, to local authorities. We understand that a resident depositing an in-scope item will have returned the full £0.20p deposit, but a council returning an in-scope item of packaging will be paid c£0.03p for the same outcome. This seems to be rather unfair to local authorities, who as discussed elsewhere in this letter, will lose income on DRS in-scope material, are likely to have to compensate contractors through contract change and won't be able to reduce collection costs because, through Waste Collection Consistency, they must maintain the capacity to collect materials that are also intended to be captured by DRS. We would urge a rethink of this aspect, so that local authorities are adequately funded for any contribution they make to scheme recycling targets.
4. One of the stated aims of the CPR arrangements is to reduce complexity for service users – seeking to address apparent confusion on the part of residents about what can and can't be recycled via a particular service. There are many aspects of the wider arrangements that will undoubtedly simplify recycling, but DRS is not amongst them. The inclusion of only aluminium and steel *drinks* containers, whilst omitting other aluminium and steel packaging, such as for pet food, is sure to be confusing for residents. This omission suggests a preference, on the part of the architects of DRS, to focus the scheme on the capture of the cleaner, higher value, materials only. It does not support the aim of simplification and clarity.
5. Despite consultation responses indicating an alternative preference by consultees, it has been decided to allow the Deposit Management Organisation (DMO) to

allocate unredeemed deposits towards the costs of the scheme itself. This inexplicable decision is presumably good news for packaging producers but actually represents an unnecessary cost for consumers. DRS makes recycling harder for consumers, and their deposits will be used to reduce the costs of the organisations who placed the packaging on the market. Those aspects are not consistent with 'producer responsibility', they are more akin to 'consumer responsibility' in terms of both the effort to recycle and the cost burden. We would urge that unredeemed deposits are directed at supporting environmental outcomes, through communications, support for low recycling neighbourhoods, translations and measures to support the elderly and disabled.

6. The Impact Assessment for DRS, dated 24/02/21, did not appear to consider the impact on existing long-term contracts from the removal of valuable materials from council collections. Our Contractor has assessed that the impact on the councils from this will be c£600kpa. In our case, and many others too, the removal of up to 90% of PET plastic bottles and drinks cans, will hamper the re3 councils' ability to comply with composition and income targets. Our Contractor is certain to seek relief and/or compensation. This will need to be addressed through contract change, requiring legal and financial support and will very likely increase costs for residents. We would be grateful to understand if the economic case for DRS (and/or CPR) recognises these repercussive, contract costs at all. It seems to be the case, from the information available thus far, that DRS will cause a great deal of extra work for local authorities and their contractors, which will only detract from their respective capacities to deliver 'efficient' and 'effective' services for the public.
7. We are concerned that the quoted reductions in litter costs, from DRS, might need to be revisited. We would be grateful to know if the cost assessments recognise the marginality of any saving, from not having to pick up drinks bottles and cans, when compared with the extant costs of addressing those forms of littering that are not targeted. For example, chewing gum, soft plastics (crisp packets etc.), coffee cups, and vapes are each a significant class of littered items, none of which will be addressed by DRS and which will still require litter-picking. In the case of vapes we understand that the Office for Product Safety and Standards (OPSS) has no plans

to enforce the Government's own policy of requiring retailers to take-back vapes. That hardly helps the general aim of reducing litter and delivering savings to local authorities, to offset the losses in income and other detriments from DRS.

We consider that the introduction of a DRS is a wholly unnecessary, even counter-productive, step towards achieving otherwise laudable aims. In its present form it is likely to cause considerable inconvenience to residents, with the elderly and disabled most affected. It represents a significant and avoidable increased cost on consumers. It will cause considerable and repercussive economic impacts to existing waste management contracts, many sponsored by Defra. The use of unredeemed deposits to pay for the scheme administration is poor PR at best, particularly when that money could have been directed at environmental objectives. And we question whether DRS will make material differences to the cost of litter collection.

We consider that DRS should be paused, in consideration of all of the above factors. This would allow the other elements of the CPR arrangements, Extended Producer Responsibility (EPR) and Waste Collection Consistency, to be introduced. Their combined arrangements will certainly increase the efficiency and effectiveness of recycling in the UK and appear likely to achieve the Government's outcomes without such disruption and duplication.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'DAS Hayes'.

**Councillor Mrs Dorothy A S Hayes MBE**  
**Chairman re3 Joint Waste Disposal Board**

**By email to:** [chris.preston@defra.gov.uk](mailto:chris.preston@defra.gov.uk),