

Agenda Item 7



LINCOLNSHIRE WASTE PARTNERSHIP

11TH JULY 2022

SUBJECT :	The Environment Act and Emerging National Policy
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BACKGROUND INFORMATION

Following on from the publication of their Resources and Waste Strategy (RAWS) for England (December 2018), Defra have proposed a number of specific policies which will have a huge impact on the waste services provided by LWP partner authorities. Although somewhat delayed by the Covid pandemic, these have progressed into law through the Environment Act (2021)¹.

Whilst we await final details (imminently?) of how these policies will be enacted, two rounds of consultations (Spring 2019 & Summer 2021) have revealed proposals on three key policy themes:

- Consistency of collections – Standardising collections from households and businesses, including harmonised dry recyclables, mandatory food waste, and "free" garden waste.
- Enhanced Producer Responsibility (EPR) – Packaging producers to fund collection and recycling of certain items, resulting in significant funding for local authorities.
- Deposit Return Scheme (DRS) – Charging a deposit on drinks containers which can be reclaimed on returning the container (e.g. bottle) for recycling.

In responding to those consultations, the LWP was generally supportive of the proposals but expressed concerns over some of the specific details. This paper describes what we know so far about those details because the implementation and impacts of those policies will need to form the focus of the LWP's efforts over the next few years. In light of this, it is proposed that the LWP undertake a review of their Joint Municipal Waste Management Strategy (JMWMS) and, if necessary, begin work on a new one.

¹ [Environment Act 2021 \(legislation.gov.uk\)](https://legislation.gov.uk)

DISCUSSIONS

Whilst we await Defra’s formal response to the second round of consultation on Consistency and DRS, some clarity has emerged through various channels including the March 2022 publication of their response on EPR which included some information about those other themes.

Consistent collections

The Environment Act (EA21) specifies:

Requirement	Impact on LWP
Dry recyclables – A standard list must be collected from all households and businesses.	We already collect most of these but may have to add others – e.g. plastic film (from 2027).
Dry recyclables – Each material must be collected separately, although there are some exceptions.	Twin-stream is a step in that direction and we believe it is currently acceptable to collect metal, plastic and glass mixed together. However, we will need to monitor whether this continues to be true.
Garden waste – Collections to become “free” to householders.	Councils have expressed concerns that this goes against the ‘producer pays’ principle but this would create a funding gap for WCAs.
Food waste – Collections to become mandatory. EA21 specifies: <ul style="list-style-type: none"> • Weekly from all households • Separate collection (although comingling with green <i>may</i> yet be acceptable) • Must be recycled/composted 	We await confirmation but the deadline to introduce appears to be March 2025 – e.g. Autumn Budget and Spending Review 2021 ² mentioned: “free, separate food waste collections in every local authority in England from 2025 ”. Work is underway across the LWP towards both collections and processing options.

Although Defra have yet to publish a response to their 2021 ‘consistency’ consultation, their **EPR** consultation response clarifies:

“The payments local authorities will receive for household packaging under EPR will support the delivery of the UK government’s proposals for consistent recycling collections from households”.

This may imply that new burdens funding will not be available for new collections of EPR-funded materials (e.g. plastic films). NB – This does not affect the promised new burdens funding for collections of non-packaging such as food waste.

Extended Producer Responsibility (EPR)

EA21 allows for secondary legislation “requiring the payment of sums in respect of the costs of disposing of products and materials”.

² [Autumn Budget and Spending Review 2021: documents - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101422/autumn-budget-and-spending-review-2021.pdf)

Defra’s formal response (March 2022) to their 2021 EPR consultation clarifies a number of details, including:

Defra says	Impact on LWP
Aim – Packaging producers fund the local authority costs of collecting and processing their packaging, whether collected for recycling, in residual waste or from street bins. NB – Litter collections now excluded from EPR.	New funding stream for councils, although there will be conditions to meet for full funding – see below.
Conditions for payments – <ul style="list-style-type: none"> • “LA should receive their full net costs where they have taken all reasonable steps to establish effective and efficient systems”. • May be increased for those outperforming benchmarks for “efficient and effective collection”. • Despite requests (including by the LWP) for additional payments to fund improvement efforts at underperforming authorities, payments may actually be reduced for underperformance. 	We await clarification of what constitutes an “efficient and effective” service as this will determine the level of payment which each LWP partner receives. It seems likely, though, that the improved recycling quality resulting from our twin-stream collections will help us to achieve those requirements.
Start date = 2024	Payments delayed from original proposal of 2023.
Sampling – Packaging quantity (and thus payments) will be calculated from sampling data.	We may have to do more sampling and reporting to provide the required evidence. This will result in additional costs and it is unclear whether those will be covered by ‘new burdens’ funding.
Business waste – In the absence of agreement on how to implement, this will be excluded until at least 2028.	Delayed funding for trade collections.

Deposit Return Schemes (DRS)

EA21 allows for secondary legislation to establish “deposit schemes”.

The key impact on the LWP will be the diversion of recyclables which would previously have passed through the LWP’s collections and processing systems. Further work is required to calculate that impact but factors will include:

- Reduced collection tonnages – Although every house will still need to be visited, there should be fewer WTS tips required.
- Reduced MRF tonnages – This would, in theory, reduce WDA costs but...
- Increased MRF gate fees? – Part of the fee paid is based on composition, and diversion of valuable recyclables **may** increase the cost per tonne.

Although Defra have yet to publish a response to their 2021 DRS consultation, the calculation of impacts is assisted by the **EPR** consultation response which clarifies (in excluding DRS materials from EPR) that the DRS for England will:

- Be “all-in” rather than “on-the-go” – i.e. Includes large containers as well as those one might consume “on-the-go”.

- Include plastic bottles and metal cans but **not glass bottles** as had originally been proposed – Glass bottles will thus fall under EPR.
- Have some differences across the UK – e.g. Scotland & Wales **will include** glass bottles.

OPTIONS

In light of the above, it is essential that the LWP's strategic thinking going forwards includes consideration of the impacts of these emerging national policies. Thus, it seems appropriate to review the contents of the existing Waste Strategy for Lincolnshire and, if necessary, begin development of a new Strategy.

RECOMMENDATIONS

That the LWP authorises:

1. The inclusion, in the 2021/22 Annual Report (appendices) an initial review of the impacts of emerging national policies on the LWP's current strategic objectives.
2. Officers to begin, through the LWP's Strategic Officer Working Group (SOWG), a more detailed review of these policy impacts with a view to proposing to the next LWP meeting the extent of the work required – i.e. Whether it is necessary to start work on developing a new JMWMS.