

# **Consultation on Deposit Return Scheme (England, NI, Wales)**

## **Introduction**

**1. What is your name? Councillor Clyde Loakes**

**2. What is your email address? Please email [ann.baker@nlwa.gov.uk](mailto:ann.baker@nlwa.gov.uk)**

If you enter your email address then you will automatically receive an acknowledgement email when you submit your response.

**3. Which best describes you?**

- Academic or researcher
- Business representative organisation or trade body
- Charity or social enterprise
- Community group
- Consultancy
- Distributor
- Exporter
- Individual
- Local government
- Non-governmental organisation
- Product designer/ manufacturer/ pack filler
- Packaging designer/ manufacturer/ converter
- Operator/ Reprocessor
- Retailer including online marketplace
- Waste management company
- Other

If other, please specify. We are the largest Waste Disposal Authority in Greater London with responsibility for the treatment of waste generated by 2 million residents and local businesses.

**4. What is your organisation? If you are responding on behalf of an organisation, what is its name?**

**North London Waste Authority (NLWA)**

NLWA is the joint waste disposal authority for north London established by the Waste Regulation and Disposal (Authorities) Order 1985. As a joint waste disposal authority NLWA is responsible for

the disposal of waste collected from households and local businesses by seven north London boroughs – Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest, the ‘constituent boroughs’. NLWA manages the residual waste from all seven boroughs, recyclable and compostable waste from six boroughs and all the north London reuse and recycling centres except in one borough. NLWA also delivers extensive behaviour-change campaigns in the fields of waste prevention and recycling.

## 5. Would you like your response to be confidential?

If you answered 'yes' please provide your reason.

NO

## 6. Given the context of the Covid-19 pandemic we are currently experiencing, do you support or oppose our proposals to implement a deposit return scheme for drinks containers in 2024?

- Support
- Neither support nor oppose
- Oppose
- Not sure

Please elaborate on your answer if you wish.

Given the Covid -19 context, NLWA supports the introduction of an 'all in' DRS with glass as it will contribute to increasing levels of recycling in London that have stagnated in recent years.

## 7. Do you believe the introduction of a deposit return scheme will have an impact on your everyday life?

- Yes, a detrimental impact
- No, there will be no impact

If you answered yes the scheme would have a detrimental impact, how significant would this impact be?

- No significant impact
- Some impact but manageable
- Large impact but still manageable
- Large impact and impossible to comply with

When a DRS is implemented, there will be a bedding in period which will impact on the quality and quantity of the materials in scope that are dealt with by local authorities and waste disposal authorities; whether that be in the recycling and waste they collect and process, or the litter they have to deal with. Consequently, at that point of introduction any DRS would have some impact which is manageable, but as the DRS becomes more established the impact for local Authorities may be greater on resources such as loss of revenue, increased costs, underutilised facilities and contract change implications.

North London residents especially in flats, apartments and houses of multiple occupancy have very limited storage within the dwellings to separate and store multiple waste streams for recycling. Adding an additional waste stream which needs to be transferred to a collection point may cause problems for households where space is limited. If residents have limited storage, they may choose to forfeit the deposit and place containers in the kerbside recycling or waste bin if deposit return options are not convenient. Or purchasing habits will change to choose products which do not have a deposit and therefore most likely to be harder to recycle.

### **8. Have your views towards implementation of a deposit return scheme been affected following the economic and social impacts of the Covid-19 pandemic?**

- Yes - because of economic impacts
- Yes - because of social impacts
- Yes - because of both economic and social impacts
- No
- Not sure

Please elaborate on your answer if you wish.

NLWA is of the view that the impact of Covid-19 has changed peoples living and working conditions and so the large proportion of flatted properties and litter levels mean that London could significantly benefit from the timely introduction of an all in DRS, due to the relatively low recycling rates of waste from these sources.

Increased recycling and reduced littering will both result in economic and environmental savings.

## **Chapter 1: Scope of the Deposit Return Scheme**

### **9. Do you agree that the cap should be included as part of the deposit item in a deposit return scheme for:**

- Plastic bottle caps on plastic bottles
- Aluminium bottle caps on glass bottles
- Corks in glass bottles
- Foil on the top of a can/ bottle or used to preserve some drinks

#### **None**

**No** - this will only make the act of returning a qualifying bottle more difficult for the consumer, the reprocessing industry, RVM and any digital applications that may encourage deposit return through local authority collection services.

RVMs will accept containers with or without caps but ideally lids and bottles should all be the same polymer. MRF operations prefers lids off as less risk of liquids in containers = contamination.

**10. Do you believe we have identified the correct pros and cons for the all-in and On-the-Go schemes described above?**

- Yes  
 No

Please elaborate on your answer if you wish.

A DRS only concentrates on the collection of material. No incentive is provided for waste hierarchy principles to be encouraged for producers to design packaging to reduce resource use or for consumers to change behaviours to reduce and reuse. Other measures would therefore be required in addition to DRS to reduce overall material use

**11. Do you foresee any issues if the final scope of a deposit return scheme in England and Northern Ireland does not match the all-in decision taken in Wales? E.g. an On-the-Go scheme in England and an all-in scheme in Wales.**

- Yes  
 No

Please elaborate on your answer if you wish.

Differences in schemes would add another layer of complexity to managing the system, especially if there is a mix of 'on the go' and 'all in' systems.

Communications could be challenging and could lead to confusion especially for areas where there is regular movement across boundaries and increase the opportunities for fraud. The system would be less efficient and could lead to additional costs as multiple systems are managed.

If different approaches are being considered, the nations' DMOs should work together in resolving any risks and issues.

**12. Having read the rationale for either an all-in or On-the-Go scheme, which do you consider to be the best option for our deposit return scheme?**

- All-in  
 On-the-go

Please elaborate on your answer if you wish.

This is consistent with the NLWA response to the first consultation. Initial modelling suggests that as well as maximising the volume of material in the DRS, there is a material benefit from the reduction in tonnage which local authorities have to pay to collect but get little income from (glass is heavy and has a very low sale value). It also represents the simplest option for residents and retailers to understand, which will make administration and communication of the scheme easier.

**13. Given the impact Covid-19 has had on the economy, on businesses and consumers, and on everyday life, do you believe an On-the-Go scheme would be less disruptive to consumers?**

- Yes
- No

No - some disruption in behaviour is what the scheme is designed to effect. Both systems will require quite behavioural adjustments from consumers/citizens. It is better to choose the scheme with the greatest benefits relative to similar adjustments. Equally, it is arguable that the experience of the pandemic may have made consumers more flexible in adapting their behavioural responses to circumstance.

**14. Do you agree with our proposed definition of an On-the-Go scheme (restricting the drinks containers in-scope to less than 750ml in size and excluding multipack containers)?**

- Yes
- No

If no, how would you change the definition of an On-the-Go scheme?

Multi pack containers should be in scope as these drinks are regularly consumed away from the home and littered.

**15. Do you agree that the size of containers suggested to be included under an On-the-Go scheme are more commonly consumed out of the home than in it?**

- Yes
- No
- Difficult to say

This seem a reasonable assumption, however there is little supporting evidence.

**16. Please provide any information on the capability of Reverse Vending Machines to compact glass?**

RVM manufacturers are better placed to respond to this question.

**17. Do you agree that the scope of a deposit return scheme should be based on container material rather than product?**

- Yes
- No

## 18. Do you agree with the proposed list of materials to be included in scope?

- Yes
- No

NLWA is supportive of an 'all in DRS' with glass but does not believe the materials in scope of a DRS scheme go far enough and should include HDPE and cartons. The consultation gives no meaningful reason for excluding cartons and many local authorities are already collecting these materials. HDPE is already widely recycled and is used for drinks other than milk (which can be excluded from a DRS with clear labelling), so it confuses the message to consumers about drinks containers and the DRS if they are not included.

## 19. Do you consider there will be any material switching as a result of the proposed scope?

- Yes
- No

Please provide evidence to support your response.

There is no real evidence available, however it does seem inevitable that producers will switch materials or create new ones as a response to the implementation of a DRS. However, should this happen, this could be captured through the modulated fees as part of the EPR scheme.

Consumers may also change their purchasing habits to avoid the deposit fee.

## Chapter 2: Targets

### 20. Which of the following approaches do you consider should be taken to phase in a 90% collection target over 3 years?

- 70% in year 1, 80% in year 2, 90% in year 3 and thereafter
- 75% in year 1, 80% in year 2, 90% in year 3 and thereafter
- 75% in year 1, 85% in year 2, 90% in year 3 and thereafter
- 80% in year 1, 85% in year 2, 90% in year 3 and thereafter

Given the delays in implementing a DRS the targets should be suitably ambitious. The industry currently achieves around 72% of aluminium cans and 74% of plastic bottles.

### 21. What collection rate do you consider should be achieved as a minimum for all materials after 3 years?

- 80%
- 85%
- 90% collection rate should be achieved for all materials

NLWA believes a 90% collection rate should be achieved for all materials in line with the best performing DRS' in Europe.

**22. Is it reasonable to assume that the same collection targets could be met with an on-the-go (OTG) scheme as those proposed for an all-in scheme for in-scope materials?**

- Yes
- No

Please provide evidence to support your response.

No, it doesn't feel reasonable.

The scope of an 'on the go' DRS is different and potentially targeting a more 'mobile' product so further research would be required to establish people's behaviours and likely capture from the scheme.

**23. Who should report on the volumes of deposit return scheme material placed on the market in each part of the United Kingdom (England, Wales and Northern Ireland) for the proposed deposit return scheme?**

- The producer/ importer
- The retailer
- Both the producer/ importer and retailer

What would be the implications of obligations to report on volumes of deposit return scheme material for producers/ importers and retailers? Please provide evidence to support your answer.

However, there could be a role for the retailer in verifying data supplied by producers/importers.

**24. What evidence will be required to ensure that all material collected is passed to a reprocessor for the purpose of calculating the rate of recycling of deposit return scheme material?**

The evidence provided should be the same or similar to the current reporting system for packaging waste and accredited reprocessors, or exporters can provide consignment/evidence note for delivery with type and tonnage details.

## **Chapter 3: Scheme Governance**

**25. What length of contract do you think would be most appropriate for the successful bidder to operate as the Deposit Management Organisation?**

- 3 - 5 years
- 5 - 7 years
- 7 - 10 years
- 10 years +

The contract would need to be long enough to provide sensible loan terms and arrangements and subsequent cash flows but also allow flexibility if required.

**26. Do you agree that the above issues should be covered by the tender process?**

- Yes
- No

Please list any further issues you believe should be covered as part of the tender process?

The potential implications to local authorities of a DRS scheme could be significant. If local authorities are not represented on the DMO, it is essential for the tender process to refer to the need to liaise with local authorities and have a formalised dispute resolution process.

**27. Do you agree that the issues identified should be monitored as Key Performance Indicators?**

- Yes
- No

Please list any further issues you believe should be covered by Key Performance Indicators?

**28. Do you agree that the Government should design, develop and own the digital infrastructure required to register, and receive evidence on containers placed on the market on behalf of the Deposit Management Organisation and regulators?**

- Yes
- No

Please elaborate on your answer if you wish.

This would make sense for consistency purposes and integration for the local authorities existing reporting systems such as waste dataflow. It also allows for the DMO contractor to be replaced in the future.

**29. Government will need to understand the needs of users to build digital services for deposit return scheme. Would you like your contact details to be added to a user panel for deposit return scheme so that we can invite you to**



**participate in user research (e.g. surveys, workshops interviews) or to test digital services as they are designed and built?**

Yes

No

## **Chapter 4: Financial Flows**

**30. What is an appropriate measure of small producers for the purposes of determining the payment of registration fees?**

Taxable Turnover

Drinks containers placed on the market

Other

If other, please specify.

Taxable turnover is less accurate so the number of drinks containers places on the market seems fairer for all.

**31. Is a high level of unredeemed deposits funding the scheme problematic?**

Yes

No

Please explain your answer.

The consultation indicates the importance of producers paying costs proportionate to the types of materials they place on the market to reflect the different costs involved in collecting, separating, and treating different material types. Producing materials which can be easily captured and recycled would therefore be incentivised. This is contrary to producer fees being set around unredeemed deposits where a poor capture rate is rewarded to producers by lower fees.

The scheme should not be seen to support the producers and importers at the expense of the public purse.

Consideration should be given to using unredeemed deposit monies for positive environmental purposes - in a similar way to that of the Community Infrastructure Levy (CIL) monies received by local authorities. This would give confidence that all the public's expenditure on deposits was being used to achieve positive environmental improvements.

**32. Which option to treatment of unredeemed deposits do you support?**

Option 1

Option 2

Option 2 which obligates producers of materials under the DRS to pay the costs that local authorities will still incur in managing the materials collected through LA services via the EPR Scheme.

**33. With option 2, do you foresee any unintended consequences of setting a minimum percentage of the net costs of the deposit return scheme that must be met through the producer fee?**

Are there any unintended consequences of option 2?

Having producer fees set at a minimum percentage of the net costs could lead stakeholders to act perversely but if appropriate performance measures are set by the Government with the DMO managing the achievement of these, then it may encourage the system to be more efficient and accountable.

**34. If a floor is set do you consider that this should be set at:**

- 25% of net costs
- 33% of net costs
- 50% of net costs
- Other

Please provide evidence to support your response.

Based on the information provided it is difficult to estimate this, however 50% seems a reasonable starting point with the options to review and vary this percentage depending on the operational developments of the DRS over time.

**35. Do you agree that any excess funds should be reinvested in the scheme or spent on other environmental causes?**

- Reinvested in the scheme
- Environmental causes

NLWA believes that any excess funds should be used to increase the environmental outcomes of the scheme, which could be to increase the recycling rate or other positive environmental outcomes such as providing support to local authorities to improve kerbside collections or support to producers reduce carbon emissions or make the processes more efficient. The DRS only considers the waste aspects, in line with waste hierarchy and circular economy principles, producers should also be encouraged to consider package design and reduction. Unredeemed deposits could be used to provide such incentives.

**36. What should be the minimum deposit level set in legislation?**

- 10p
- 15p

- 20p
- Other

If other, please specify.

NLWA believes the minimum deposit level set in legislation should be 10p

**37. Do you agree that there should be a maximum deposit level set in legislation?**

- Yes
- No
  
- 30p
- 40p
- 50p
- Other

If other, please specify.

NLWA agree that there should be no set maximum fee so that the DMO is able to adjust the deposit to meet its targets, however it should not disadvantage any social group.

NLWA believes that having local authority representation either as part of the DMO or very close links as a key stakeholder would be important when it comes to decisions affecting consumers such as setting deposit levels.

**38. Recognising the potentially significant deposit costs consumers could pay on a multipack purchase, how best can we minimise the impact of the scheme on consumers buying multipacks?**

NLWA supports the introduction of variable rates for multipacks although it is not clear how the deposit would be redeemed once the pack is split.

**39. Do you agree with our approach to letting the Deposit Management Organisation decide on whether to adopt a fixed or variable deposit level, particularly with regards to multipacks?**

- Yes
- No

Please provide evidence to support your response.

Yes, the DMO should have the option to use a variable rate although it is not clear how the deposit redemption would work once the packs are split.

## **Chapter 5: Return Points**

**40. Do you agree that all retailers selling in-scope drinks containers should be obligated to host a return point, whether it is an all-in or on-the-go (OTG) deposit return scheme?**

- Yes  
 No

Please provide evidence to support your response.

Yes, subject to de minimis levels as this would support the principle of redeeming a deposit being as easy as purchasing a drink.

**41. Given the proposed extensive distribution and availability of return points for consumers to return bottles to, do you think customers would be likely to experience delays / inconveniences in returning drinks containers?**

- Yes  
 No

If so, how long or how frequently would such delays be likely to arise for?

It is inevitable that there will be delays and inconveniences when returning container especially at locations with high foot fall using RVMs and when using smaller retail outlets that have limited resources. It is key to the success of the scheme that the options for returning drinks containers are varied and many and should include home delivery take back and digital options.

**42. Do you have a preference, based on the 3 options described, on what the schemes approach to online takeback obligations should be? We welcome views from stakeholders on who this obligation should apply to, including if there should be an exception for smaller retailers or low volume sales.**

- Option 1  
 Option 2  
 Option 3

Please explain your answer.

This provides a fall-back option and service for those that wish to get deposit items returned without making journeys and allows it to fit into the online shopping service they receive, but, at the same time, it recognises that for many smaller online providers (e.g. takeaways) this would be prohibitively expensive and journey intensive. Take back for larger online retailers one assumes could simply fold into their existing delivery logistics (e.g. reverse logistics). How do most

customers who use online actually use the service? If it is a regular shopping slot, then take back should be relatively simple. De minimis thresholds could also still be combined with the DMO working with smaller retailers and online providers to provide a centralised service as an addition.

**43. Do you agree with the proposed criteria for the calculation of the handling fee?**

- Yes
- No

Would you propose any additional criteria are included for the calculation of the handling fee?

No view

**44. Please tick which exemptions you agree should be included under the scheme:**

- Close proximity
- Breach of safety

Any further comments you wish to make.

NLWA agrees with an exemption for a breach of safety but these outlets should still signpost consumers to other deposit points.

NLWA does not accept the exemption on proximity as it does not support the principle of depositing containers being as convenient as purchasing them. The DMO should collect materials sufficiently frequently to avoid build-up of on deposit containers and potential impacts on the street scene.

**45. Please can you provide any evidence on how many small and micro sized retail businesses we might likely expect to apply for an exemption to hosting a return point, on the grounds of either close proximity to another return point or on the compromise of safety considerations?**

The number of exempt businesses is likely to be higher in London. This information is not currently available without knowing the exemption criteria.

**46. Do you think obligations should be placed on retailers exempted from hosting a return point to display specific information informing consumers of their exemption?**

- Signage to demonstrate they don't host a return point
- Signage to signpost consumers to the nearest return point

Anything else?

The branding of the signage should be consistent and easily recognisable. The information about nearest alternative deposit locations should be regularly updated. This could link into existing apps

such as 'where's my nearest'.... removing the obligation on the retailer and place it on the DMO to ensure directions given via signage is up to date.

**47. Do you agree with our rationale for not requiring retailers exempted on the basis of a breach of safety not to be required to signpost to another retailer?**

- Yes  
 No

Please explain your answer.

Any exemption reduces the convenience of the scheme so there should be at the least a requirement to signpost.

**48. How long do you think exemptions should be granted for until a review date is required to ensure the exemption is still required?**

- 1 year  
 3 years  
 5 years or longer

3 years but with the option to update and review should a premises close or change use.

**49. Do you think the scheme could benefit from technological solutions being incorporated as a method of return, alongside reverse vending machines and manual return points?**

- Yes  
 No

In an increasingly technological world it would offer a potentially more convenient way for consumers to redeem their deposits. It would not incur any additional travel journeys and therefore there will not be any negative impact on environment and may be a better option for those where drop off points may be less convenient and or have mobility and access issues. This would increase the capture rates of the targeted materials.

There are, however, some potential downsides:

Not all consumers have smartphones, so there is a potential equality issue.

It is good that the range of opportunities to return containers is maximised, but it may make things more complicated, expensive and confusing.

A digital option could be subject to fraud, e.g. consumer could scan the item, but still dispose in residual household waste stream.

However, any steps in this direction need to be considered alongside the EPR process, including how the two schemes would interact and how it would be ensured that no unrealistic burden was placed on local authorities without appropriate funding.

## **50. How could a digital deposit return scheme solution be integrated into existing waste collection infrastructure?**

Please explain your answer.

It is difficult to see how this could be achieved as part of a mixed recyclable collection round and even with source segregated collections fraud is a concern if the resident doesn't physically witness the return.

It would seem (at least in the early stages of the scheme) to best suit where there are already source segregated kerbside schemes and could it be applied to bring banks, too.

It seems logical to use technology to link containers by household to what was going in the RCV, but there is a likely technological limitation, and time limitation for crews, plus potentially putting too much responsibility on them. It is not practical for box collections and bins / sacks. It should be recognised that technology is more appropriate at MRFs than in a vehicle.

Many people use smart phones so apps could be developed for future use. Scanners already exist for bar and QR codes and then containers are collected through Borough collection services. However, it is questionable whether this would enhance quality of commingled systems or reduce the value of the drinks containers. There is also an assumption around people having smart phones.

Bring banks might be a solution but they could be subject to vandalism if the deposit on the containers within it could be reclaimed again.

## **51. What are the potential fraud control measures a digital deposit return scheme could bring?**

Please explain your answer.

The use of unique identifiers for scanning the containers seems like the most logical method to prevent double-claiming deposits and would also create a convenient way to claim deposits for much of the population.

There is a potential street scene issue with people pulling drinks containers out of other people's bins, scanning them and not putting them back in the bin and for people to scan "litter" drinks containers and then leave them as litter.

Similarly, there would need to be controls that prevents items being scanned in the shop, but not purchased and then the deposit requested via the kerbside system.

There is a risk of IT glitches and systems being hacked so these would need to be mitigated against.

Any enforcement over these elements should not be for local authorities to resolve and should fall to the DMO to manage.

**52. Do you think a digital deposit return scheme could ensure the same level of material quality in the returns compared to a traditional return to retail model, given containers may not be returned via a reverse vending machine or manual return point where there is likely to be a greater scrutiny on quality of the container before being accepted?**

Yes

No

Please explain your answer.

It is unlikely that a digital deposit return scheme could ensure the same level of material quality in the returns compared to a traditional return to retail model. Material quality is highly dependent upon contamination, which this scheme would not prevent at a kerbside (and particularly multiple occupancy properties) collection level. However, it should still be noted that these materials will not suffer from contamination issues as much as fibre-based materials as they are washable. There will still be better quality via retail return, however kerbside return will still provide an acceptable quality for these containers which are already being recycled.

There is no guarantee that once scanned the containers would be put in the recycling stream and if they are, is there adequate technology to scan the containers at the MRF.

There could be a slight improvement to contamination rates through communication opportunities, but it is unlikely to have significant impact.

There is no emphasis on reuse, which could be an option either through individual retailers or reverse vending machines (see European models). This would certainly encourage material quality, but only for reuse and not for recycle.

**53. If the digital deposit return scheme system can be integrated into the existing waste collection infrastructure would its implementation and running costs be lower?**

Please provide evidence to support your response.

There is not enough information provided about the proposed digital scheme to give an informed response to this question.

On the surface this would seem a reasonable assumption particularly in less urban areas and where deposit return points are less frequent. In an urban environment such as North London where there will already be a significant number of retail deposit outlets and where collection crews are already working in challenging conditions without having to potentially account for drinks containers, this is less clear.



**54. Do you support the proposal to introduce a new permitted development right for reverse vending machines, to support the ease of implementation for the scheme?**

- Yes
- No

Do you have any amendments or additional parameters you would propose are reflected in the permitted development right?

Providing that strict criteria for size, location and design for installation is developed. There should also be measures in place so that remedial action or removal of a RVM can be requested where there is anti-social behaviour and fly-tipping.

## **Chapter 6: Labelling**

**55. Do you agree that the following should be part of a mandatory label for deposit return scheme products?**

- An identification marker that can be read by reverse vending machines and manual handling scanners.
- A mark to identify the product as part of a deposit return scheme.
- The deposit price

Yes to all.

The labelling serves two purposes, consumer information and then audit trail/repayment. The consumer information aspect which provides essential public information that the product is in scope of the DRS and the price. Scanning capability on the labelling is also essential to minimise the potential for fraud and for audit trails.

**56. Are you aware of further measures that can be taken to reduce the incidence and likelihood of fraud in the system?**

No

**57. Do you agree with our proposals to introduce mandatory labelling, considering the above risk with regards to containers placed on the market in Scotland?**

- Yes
- No

Yes

Mandatory labelling should minimise the potential for inadvertent misuse of materials, help simplify a sometimes complex message and play a part in tackling intentional misuse of the

system. It is recognised this could potentially conflict with Scotland and lead to an element of confusion if there is cross nation movement of in scope packaging. However, without the mandatory labelling in place the consequences could be greater with more widespread inconsistent messaging.

**58. Do you consider the risk of incorrectly labelled products entering the markets of England, Wales, or Northern Ireland via Scotland to be a significant risk?**

- Yes  
 No

Please provide evidence to support your response.

No not a significant risk given the limited information provided.

**59. Do you consider leaving any labelling requirements to industry to be a better option than legislating for mandatory labelling requirements?**

- Yes  
 No

Please explain your answer.

NLWA believes clear branding and messages are key and should be a mandatory requirement. NLWA supports OPRL as the most appropriate labelling which could be mandated. Providing labelling by industry could cause confusion and conflicting messages increasing queries and complaints by residents to local authorities about packaging.

**60. Are you aware of any other solutions for smaller producers who may not currently label their products?**

No

**61. We believe 18 months is a sufficient period of time for necessary labelling changes to be made. Do you agree?**

- Yes  
 No

Please provide evidence to support your response.

Agree based on the information provided.

**62. Will your processes change as a result of mandatory labelling?**

- Yes

- No  
 Don't know

Please explain your answer.  
Not applicable.

**63. Do you agree that our proposed approach to labelling will be able to accommodate any future changes and innovation?**

- Yes  
 No  
 Don't know

Are you aware of any upcoming technology in the field of labelling?

NLWA is aware of the pilot by Polytag in Conwy - <https://www.polytag.co.uk/technology/>

## **Chapter 7: Local authorities and local councils**

**64. Do you agree that local authorities will be able to separate deposit return scheme containers either themselves or via agreements with material recovery facilities to regain the deposit value?**

- Yes  
 No

Please explain your answer.

NLWA and the Boroughs may be able to do some separation but there are also several issues, such as Borough collection arrangements which are commingled in North London, the MRFs technology which is unlikely to have the technology necessary to separate DRS containers from other containers of the same material type and may not have the necessary space to retrofit any new technology.

NLWA can separate PET bottles easily but steel cans are likely to be mixed with tins, which are outside scope, alu cans will contain alu foil, and glass jars will be mixed with glass bottles.

It should be clear too that producers, either through the DRS or EPR scheme, must be responsible for contamination levels within incoming material as this will be evidence that their scheme are not driving the correct public behaviour.

**65. Do you agree that local authorities will be able to negotiate agreements with material recovery facilities to ensure gate fees reflect the increased deposit values in waste streams or a profit-sharing agreement on returned deposit return scheme containers was put in place?**

Yes

No

Please explain your answer.

Change in Law provisions should be included in most contracts and these will allow for a change process to reflect and record the impacts new legislation has on the contract. However the devil is in the detail and it will depend on contractual arrangements and the ability to negotiate income arrangements between WDA's and their MRF operators.

**66. In order to minimise the risk of double payments from the Deposit Management Organisation to local authorities, where should data be collected regarding the compositional analysis to prevent the containers then being allowed to be redeemed via return points?**

A digital return scheme would prevent this from happening - if a container can only be redeemed once then the data could be collected at any point in the process if there is an appropriate way of apportioning the waste.

The composition analysis on entry to the MRF (amendment to MRF CoP requirements) and composition analysis of residual waste entering disposal sites (by collection stream) would capture this information.

For residual tonnage this would have to be done before the waste enters the processing facility.

Other areas to consider is funding for sampling, and how would that funding be apportioned in the same way as EPR. It should be sufficiently granular to take into account different LA circumstances, and cover residual waste as well as recycling, and should be carried out by DMO.

**67. How difficult do you think option 3 would be to administer, given the need to have robust compositional analysis in place?**

Please explain your answer.

NLWA does not support option 3

Option 3 adds additional levels of complexity that attracts the disadvantages of options 1 and that still requires the development of option 2.

It is only a potential approach if the majority of LAs can separate DRS material which will rely on MRFs to provide the data. Having reliance on compositional analysis is expensive and would need to be carried out on a regular basis to ensure it is representative. If a variable deposit is introduced, this would be very difficult to verify in a standard compositional analysis and would require even greater monitoring.

**68. What option do you think best deals with the issue of deposit return scheme containers that continue to end up in local authority waste streams?**

- Option 1
- Option 2
- Option 3

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

NLWA supports option 2 which obligates producers of materials under the DRS to pay the costs that local authorities will still incur in managing the materials collected through LA collection services via the EPR Scheme. This enables the simplest transition to an implemented DRS scheme. Option 1 will be operationally difficult particularly in an inner-city environment, and there is a risk that North London authorities (NLWA and boroughs) will lose out with significant amounts of the available DRS funding being unrecovered. Option 3 adds additional levels of complexity that attracts the disadvantages of options 1 in a hybrid solution that still requires the development of option 2.

## **Chapter 8: Compliance Monitoring and Enforcement**

### **69. Are there any other producer obligations you believe the Environmental Regulators should be responsible for monitoring and enforcing?**

No

### **70. Are local authorities (through the role Trading Standards and the Primary Authority Scheme) best placed to enforce certain retailer obligations?**

- Yes
- No

To what extent will local authorities be able to add on monitoring and enforcement work for the deposit return scheme to existing duties they carry out with retailers?

NLWA propose that this enforcement route is acceptable provided it is accompanied by full cost funding from the DMO to trading standards to carry out this role.

### **71. In addition to those in the table, are there any other types of breaches not on this list that you think should be? If so, what are they? These may include offences for participants not listed e.g. reprocessors or exporters.**

There should be consideration of other breaches for retailers including falsely claiming an exemption and not meeting signage or other requirements for exempt retailers. Also s47 and s33 offences where containers are not secured as well as not providing accurate data and inappropriately handling materials.

The potential for breaches by consumers and MRF operators should also be considered.

## **72. Are there any other vulnerable points in the system?**

It is important that local authorities retain the ability to have a local say in the placement of RVM particularly, where there may be concerns around anti-social behaviour and community safety.

## **73. Do you see a role for the Deposit Management Organisation to seek compliance before escalating to the Regulator?**

Yes, if there is a clear route of escalation.

## **74. Do you agree with the position set out regarding enforcement response options?**

Yes

No

We agree this enforcement route is acceptable provided it is accompanied by full cost funding from the DMO to trading standards to carry out this role.

It is understood that trading standards officers will also be preparing a national response

## **Chapter 9: Implementation Timeline**

### **75. Do you have any comments on the delivery timeline for deposit return scheme?**

NLWA are disappointed with the delay to an all in DRS with glass, however the proposed timeframe is very ambitious.

There is also a view that the implementation of a DRS should be deferred until the consistent collections and EPR policies have been implemented and the outcome of the plastics tax is better known which makes sense.

This would allow these policies and regulations to work and see if they deliver the desired increases in recycling before determining whether a DRS is needed. The results of the digital trials being carried out in Wales and Northern Ireland to allow residents to claim back a deposit when they recycle a container through their kerbside collection system is a very important element for the scheme design. This digital option could fundamentally change how most of the material is collected, reduce costs, and simplify the process and make it more convenient for the public.

**76. How long does the Deposit Management Organisation need from appointment to the scheme going live, taking into account the time required to set up the necessary infrastructure?**

- 12 months
- 14 months
- 18 months

Please provide evidence to support your response.

Without knowing the details NLWA suggests that 18 - 24 months seems reasonable to ensure smooth transition to live operations and infrastructure testing.

**77. Depending on the final decision taken on the scope of the scheme in England and Northern Ireland – all-in or on-the-go – what, if any, impact does this have on the proposed implementation period?**

Provided the new burdens payments fully address the impacts on local authorities (including full remuneration for any contract variations) there should be no reason to delay from the local government sector. As above, if there is delay the DRS materials should be brought in scope of EPR for the transitional period.

**[Chapter 10: Summary Approach to Impact Assessment](#)**

**78. Do you agree with the analysis presented in our Impact Assessment?**

- Yes
- No

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

The impact assessment is acceptable as far as it goes but if the digital solution is to be incorporated into the scheme design, this represents a significant change in how the scheme would be managed. This option should therefore be fully evaluated as it is likely to substantially change the impacts/costs. Without this information the impact assessment is incomplete.

It is presented in isolation and without the context of the effects of the Consistency and EPR agendas which are yet to be determined, in terms of both timing and nature, and should ideally be subject to a fully integrated impact assessment to help establish the optimal nature and sequencing of change.

The Impact Assessment is also UK wide whereas part of the UK is to implement a DRS which may or may not be the same as any introduced in any other part of the UK. It is also expected to be delivered earlier, and it is noted that this distinction will not be undertaken until the final impact assessment which will render the process less meaningful. Furthermore, much of the Impact

Assessment is a presentation of the current policy landscape, an explanation of the DRS options and the views received to date and does not feature any possible effects of changes to community and consumer behaviours linked to the recovery from Covid-19.

Whereas key points such as the fact that ‘some of the material collected and sold by the DMO would not be additional recycling’ are significant points that are not explored fully and experiences where a DRS has been introduced after comprehensive kerbside collection services exist are not clearly explored.

In addition, the Impact Assessment itself notes that it is now on one year out of date as it assumes 2023, whereas the document expects the earliest any DRS could be implemented is late 2024 and there is a concern that by discounting multipack beverage containers from the impact assessment of the benefits of an on-the-go DRS have been understated, even if this is only limited to 750ml size containers.

However, an overriding concern is the scale of the financial numbers used in the impact assessment and the importance of assumptions such as capture rates on those numbers. They are derived from limited sources with minimal corroboration and without directly comparable precedent, therefore despite the emphatic way they are presented, they should be viewed with caution, and the conclusions they drive should be prudent, with the recognition that it will be easier to roll out from a smaller success than roll back from a larger failure where costs have been committed and existing local authority collection systems funded by the tax payer have been replicated and undermined.