

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

Response from London Environment Directors' Network (LEDNet) and London Councils' Transport and Environment Committee (TEC)

#	Question	LEDNet/TEC response
Introduction		
Q1	What is your name?	Dimitra Rappou
Q2	What is your email address?	dimitra.rappou@londoncouncils.gov.uk
Q3	Which best describes you?	Local government
Q4	If you are responding on behalf of an organisation, what is its name?	London Councils' Transport and Environment Committee (TEC) and London Environment Director's Network (LEDNet)
Q5	Would you like your response to be confidential? Yes / No	No
Q6	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? <input type="checkbox"/> Support <input type="checkbox"/> Neither support nor oppose <input type="checkbox"/> Oppose	Support. In relation to Covid-19, we see no strong reason to oppose an intent to implement a DRS. We continue to support the introduction of an all in DRS scheme at the earliest opportunity. London Boroughs support moves to increase levels of recycling and note that the primary objective of the DRS is to achieve this outcome. The nature of much of the housing in London makes it harder for high levels of recycling to be achieved otherwise. Shopping habits for drinks generally still focus around in-person supermarket and shop

	<input type="checkbox"/> Not sure Please elaborate on your answer if you wish.	purchases and similar schemes operate well in other countries and appear to have continued through the pandemic. Provision of take back schemes for producers offering home deliveries and online shopping would mitigate any impact resulting from changed shopping habits.
Q7	7. Do you believe the introduction of a deposit return scheme will have an impact on your everyday life? <input type="checkbox"/> Yes, a detrimental impact <input type="checkbox"/> No, there will be no impact If you answered yes the scheme would have a detrimental impact, how significant would this impact be? <input type="checkbox"/> No significant impact <input type="checkbox"/> Some impact but manageable <input type="checkbox"/> Large impact but still manageable <input type="checkbox"/> Large impact and impossible to comply with	Some impact but manageable. Introduction of any DRS would have some impact on the quality and quantity of the materials in scope that are dealt with by local authorities. Any DRS will grow in impact in line with behaviour changes.
Q8	8. Have your views towards implementation of a deposit return scheme been affected following the economic and social impacts of the Covid-19 pandemic? <input type="checkbox"/> Yes - because of economic impacts <input type="checkbox"/> Yes - because of social impacts <input type="checkbox"/> Yes - because of both economic and social impacts <input type="checkbox"/> No <input type="checkbox"/> Not sure Please elaborate on your answer if you wish.	Yes - because of both economic and social impacts. Although there may be a reduction in litter volumes in London over the longer-term, the increase in domestic waste levels over the last year is also expected to continue to some extent. 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. The wider civic pride benefits are, however, partially contingent on the reporting of tonnage from the DRS, and associated recycling rate improvements, back on at least a regional basis to generate a positive behavioural feedback loop. With regards the financial impact, assuming that the new burdens and EPR formulas result in imperfect cost recovery and a degree of commingling of the dry recycling stream is still prevalent in London going forwards, there should be a significant financial benefit.
Chapter 1: Scope of the Deposit Return Scheme		

	<p>9. Do you agree that the cap should be included as part of the deposit item in a deposit return scheme for:</p> <p><input type="checkbox"/> Plastic bottle caps on plastic bottles</p> <p><input type="checkbox"/> Aluminium bottle caps on glass bottles <input type="checkbox"/> Corks in glass bottles <input type="checkbox"/> Foil on the top of a can/ bottle or used to preserve some drinks</p>	Yes to all.
Q10	<p>10. Do you believe we have identified the correct pros and cons for the all-in and On-the-Go schemes described above? <input type="checkbox"/> Yes <input type="checkbox"/> No Please elaborate on your answer if you wish.</p>	Yes. However, 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.
Q11	<p>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. <input type="checkbox"/> Yes <input type="checkbox"/> No Please elaborate on your answer if you wish.</p>	Yes. UK Consistency/alignment should be sought across the devolved administrations
Q12	<p>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? <input type="checkbox"/> All-in <input type="checkbox"/> On-the-go Please elaborate on your answer if you wish.</p>	All In. As demonstrated by the Impact Assessment, this provides significant economic and environmental benefit relative to its costs.
Q13	<p>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</p>	No. Any DRS will require 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 modulating their behavioural responses to circumstance.

	would be less disruptive to consumers? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Q14	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)? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, how would you change the definition of an On-the-Go scheme?	No. Multipack containers should remain in scope as these items are regularly consumed away from the home. It is also a clearer and simpler message for residents that all cans are covered under the scheme.
Q15	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? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Difficult to say	Yes
Q16	16. Please provide any information on the capability of Reverse Vending Machines to compact glass?	N/A
Q17	17. Do you agree that the scope of a deposit return scheme should be based on container material rather than product? <input type="checkbox"/> Yes <input type="checkbox"/> No	Yes
Q18	18. Do you agree with the proposed list of materials to be included in scope? <input type="checkbox"/> Yes <input type="checkbox"/> No	No. Cartons need to be included. The consultation gives no meaningful reason for excluding it and many local authorities are collecting it. The consultation document highlights that there was strong support in round one (including from the carton industry) for its inclusion and no clear rationale is given for it being out, over and above any other materials. Also, while it is always desirable to include as many materials as possible, the proposed DRS materials align well with the best performing DRS systems in Europe and, alongside a reformed EPR should have good total coverage.

Q19	<p>19. Do you consider there will be any material switching as a result of the proposed scope? <input type="checkbox"/> Yes <input type="checkbox"/> No Please provide evidence to support your response.</p>	<p>No. Experience from other DRS suggests not. It can be assumed that, due to the increased quality of collected product, producers will look to support product-to-product equivalence at least in support of circular economy principles (e.g. British Soft Drinks Association). It seems inevitable that there would be some material switch by some producers as a response to the implementation of a DRS of any scope, to avoid a product being in the scope of any DRS. However, any such pronounced switch could be addressed by modulated fees as part of any EPR scheme, which highlights the need for any EPR to have the ability to review and modulate fees relatively quickly and the potential for complimentary interaction of a DRS and EPR in an evolutionary manner.</p>
<p>Chapter 2: Targets</p>		
Q20	<p>20. Which of the following approaches do you consider should be taken to phase in a 90% collection target over 3 years? <input type="checkbox"/> 70% in year 1, 80% in year 2, 90% in year 3 and thereafter <input type="checkbox"/> 75% in year 1, 80% in year 2, 90% in year 3 and thereafter <input type="checkbox"/> 75% in year 1, 85% in year 2, 90% in year 3 and thereafter <input type="checkbox"/> 80% in year 1, 85% in year 2, 90% in year 3 and thereafter</p>	<p>Option D. Given the delay in implementation of DRS now until 2024 at the earliest, and given that industry estimates are that 74% and 72% of plastic drinks bottles and aluminium drinks cans are already recycled, a year 1 target of 80% seems suitably realistic, but also ambitious.</p>
Q21	<p>21. What collection rate do you consider should be achieved as a minimum for all materials after 3 years? <input type="checkbox"/> 80% <input type="checkbox"/> 85% <input type="checkbox"/> 90% collection rate should be achieved for all materials</p>	<p>90% for all materials. The best performing systems across Europe achieve in excess of 90%.</p>
Q22	<p>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? <input type="checkbox"/></p>	<p>No, due to lack of RVM density and coverage, as well as more reliant on more unplanned consumer behavioural responses.</p>

	Yes <input type="checkbox"/> No Please provide evidence to support your response.	
Q23	<p>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? <input type="checkbox"/></p> <p>The producer/ importer <input type="checkbox"/> The retailer <input type="checkbox"/></p> <p>Both the producer/ importer and retailer</p> <p>What would be the implications of obligations to report on volumes of deposit return scheme material for producers/ importers and retailers?</p> <p>Please provide evidence to support your answer.</p>	Producer/importer
Q24	<p>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?</p>	Similar to the current system with packaging waste, accredited reproprocessors or exporters can provide consignment/evidence note for delivery with type and tonnage details.
Chapter 3: Scheme Governance		
Q25	<p>25. What length of contract do you think would be most appropriate for the successful bidder to operate as the Deposit Management Organisation? <input type="checkbox"/> 3 - 5 years <input type="checkbox"/> 5 - 7 years <input type="checkbox"/> 7 - 10 years <input type="checkbox"/> 10 years +</p>	5 - 7 years. The contract would need to be long enough to provide sensible loan terms and arrangements and subsequent cash flows.
Q26	<p>26. Do you agree that the above issues should be covered by the tender process? <input type="checkbox"/> Yes <input type="checkbox"/> No Please</p>	Yes. We believe that the digital option for kerbside collections should not be left to the discretion of the DMO. If the trials in Wales and Northern Ireland are proven successful this should be integrated into the scheme design and

	list any further issues you believe should be covered as part of the tender process?	not be left as an option. 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.
Q27	27. Do you agree that the issues identified should be monitored as Key Performance Indicators? <input type="checkbox"/> Yes <input type="checkbox"/> No	Yes
Q28	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? <input type="checkbox"/> Yes <input type="checkbox"/> No Please elaborate on your answer if you wish.	Yes. Consistency and integration for LAs will be key, especially given other reporting regimes (e.g. EPR, waste data flow etc.)
Q29	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? <input type="checkbox"/> Yes <input type="checkbox"/> No	Yes. We are happy to offer support.
Chapter 4: Financial Flows		

Q30	30. What is an appropriate measure of small producers for the purposes of determining the payment of registration fees? <input type="checkbox"/> Taxable Turnover <input type="checkbox"/> Drinks containers placed on the market <input type="checkbox"/> Other If other, please specify.	Drinks container placed on the market, as taxable turnover is often manipulated. Using the amount of containers placed on the market is an appropriate and transparent measure to ensure that any involvement is proportionate to the amount of containers.
Q31	31. Is a high level of unredeemed deposits funding the scheme problematic? <input type="checkbox"/> Yes <input type="checkbox"/> No Please explain your answer.	Yes. However, the levels of unredeemed deposit and the associated total funding formulation/structure for the DMO should not end up perversely acting as a disincentive to improve performance.
Q32	32. Which option to treatment of unredeemed deposits do you support? <input type="checkbox"/> Option 1 <input type="checkbox"/> Option 2	Option 2 as this provides for a core proportion of annual operational costs
Q33	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?	No. As an adjunct to the concept and practice of producer responsibility it is right and it represents effective management for producers to ensure that a core part of the DMO's role is met by them. Also, a mechanism should be found that prioritises (in P and L terms if not cash flow) the use of material revenues over the use of unredeemed deposits (e.g. unredeemed deposits should be seen as a form of annual reserve to meet cash low shortfalls.
Q34	34. If a floor is set do you consider that this should be set at: <input type="checkbox"/> 25% of net costs <input type="checkbox"/> 33% of net costs <input type="checkbox"/> 50% of net costs <input type="checkbox"/> Other Please provide evidence to support your response.	50% of net costs
Q35	35. Do you agree that any excess funds should be reinvested in the scheme or spent on other environmental causes? <input type="checkbox"/> Reinvested in the scheme <input type="checkbox"/> Environmental causes	Yes, they should be reinvested in the scheme. Unredeemed deposits should also be included as subset of EPR, unless EPR will fully fund the costs of dealing with the cost of materials in the scope of DRS that are not collected.

Q36	36. What should be the minimum deposit level set in legislation? <input type="checkbox"/> 10p <input type="checkbox"/> 15p <input type="checkbox"/> 20p <input type="checkbox"/> Other If other, please specify.	From the figures provided we are inclined to support 10p, although any figure should be variable over time and the ability to modulate fees by material should not be overlooked. The information provided to justify any choice is limited; if a single figure is to be used then that should be established by the DMO and could be influenced by the materials in the scope of the DRS, i.e. whether it was full-scope or on-the-go.
Q37	37. Do you agree that there should be a maximum deposit level set in legislation? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 30p <input type="checkbox"/> 40p <input type="checkbox"/> 50p <input type="checkbox"/> Other If other, please specify	Yes, 50p. A maximum deposit level is required to ensure the impact of DRS is not allowed to create packaging poverty.
Q38	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?	There should be no differentiation made between the rate for a single or multipack purchase. This would also prevent inequitable pricing effects, which would allow some parts of society to benefit more greatly from bulk purchases when their financial capacity allows it, whilst others unable to purchase in bulk or without the same need to would be disadvantaged.
Q39	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? <input type="checkbox"/> Yes <input type="checkbox"/> No Please provide evidence to support your response.	No. There should be no differentiation made between the rate for a single or multipack purchase. The end point of the material is a key consideration in a DRS and it is unrealistic to expect that all items in a multipack would be returned together, and even if they were they would be presented as individual units of the same size with the equivalent considerations that would generate.
Chapter 5: Return Points		
Q40	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? <input type="checkbox"/>	Yes. There should be no distinction between an all in or on the go in this regard. This is subject to defined exemptions as considered in later questions. There should, however, be an option for a non-exempt small retailer to pay to discharge their obligation with the fund used to pay for coverage of public RVM's.

	Yes <input type="checkbox"/> No Please provide evidence to support your response.	
Q41	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? <input type="checkbox"/> Yes <input type="checkbox"/> No If so, how long or how frequently would such delays be likely to arise for?	No. It is likely that this would be the case, but the system should respond to it. The DMO should be obligated to monitor this alongside other elements of the system potentially making public satisfaction a Key Performance Indicator. The DMO and Government should reserve the flexibility to make modifications such as the introduction of better technology at manual return points, more public RVM's, wider online delivery takeback obligations.
Q42	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. <input type="checkbox"/> Option 1 <input type="checkbox"/> Option 2 <input type="checkbox"/> Option 3 Please explain your answer.	Option 2 - 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. However, at the same time, it recognises that for many smaller on line 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). 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.
Q43	43. Do you agree with the proposed criteria for the calculation of the handling fee? <input type="checkbox"/> Yes <input type="checkbox"/> No Would you propose any additional criteria are included for the calculation of the handling fee?	No view
Q44	44. Please tick which exemptions you agree should be included under the scheme: <input type="checkbox"/> Close proximity <input type="checkbox"/> Breach of safety Any further comments you wish to make.	We do not support the exemption on close proximity. The return points need to be in the shops where people most conveniently want to do their shopping. However, it is accepted that a DRS places a disproportionate burden on small retailers and this should be minimised where reasonable. We support the exemption on grounds of health and safety. Street scene should also be a consideration, but the DMO should collect materials sufficiently frequently to

		avoid build-up of on deposit containers. It is notable that time-banded waste collections are prevalent in London, which further enhance the potential that infrequent collections by a DMO could lead a small retailer to commit an offence.
Q45	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.
Q46	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? <input type="checkbox"/> Signage to demonstrate they don't host a return point <input type="checkbox"/> Signage to signpost consumers to the nearest return point Anything else?	Yes to both. To avoid some exempt retailers essentially circumventing any requirements there should be very specific requirements on legibility, branding, size, etc and it might be useful if standard signs/templates could be produced and sold/distributed by the Deposit Management Organisation. Businesses should be obliged to support the objectives of the DRS scheme. The DMO should consider producing an app to provide information generally, location of return points, opening times, etc.
Q47	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? <input type="checkbox"/> Yes <input type="checkbox"/> No Please explain your answer.	No. It is not an onerous requirement and an exemption creates a gap in the system, so there should be a requirement to signpost.
Q48	48. How long do you think exemptions should be granted for until a review date is required to ensure the exemption is still	3 years seems reasonable, but with a statutory obligation to review sooner if there is a significant change in relevant circumstances.

	required? <input type="checkbox"/> 1 year <input type="checkbox"/> 3 years <input type="checkbox"/> 5 years or longer	
Q49	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? <input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Yes. It is feasible that a DRS scheme could benefit from technological solutions in the returns process alongside reverse vending and manual returns. In fact, this aspect may be desirable for those households without out space to store items for longer periods or who don't want to, as it would open up the option of consumers using local authority kerbside collections and recycling centres as a part of a wider suite of complimentary options. 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. There are also equality issues around some of the public not having smartphones, scope for potential fraud (i.e. items being scanned twice) and disposal of items in the residual waste.</p>
Q50	50. How could a digital deposit return scheme solution be integrated into existing waste collection infrastructure? Please explain your answer.	<p>The ease of integration with local authority collections depends considerably upon the characteristics of the system. If the system meets the following criteria then any system would integrate better than if any of the criteria were not met.</p> <ul style="list-style-type: none"> • Is effectively fraud-proof such that there would be no means by which consumers could claim for a deposit on an item that it not placed in in appropriate container for recycling; • Does not allow any mechanism by which deposits can be redeemed twice (such that 'bin-diving' will not be incentivised); • Is reflective of the quality/segregation requirements on the material that can realistically be achieved in particularly rural/urban areas; • Contains a downstream sampling system that is efficient/responsive/granular; • Allows those without smartphones to access the system; • Does not require significant variations to existing LA contracts/vehicle purchasing cycles; • Is well communicated (including significant resource for local communications to reflect service-specific elements);

		<ul style="list-style-type: none"> • Does not require significant variation to the role of crews at the point of collection (particularly relating to administrative and data activities); • Is subject to Full Net Cost Recovery from an LA preventive that is sufficiently broad in scope/granular to reasonably cover all costs; and • Is otherwise well designed such that it incentivises the correct behaviour. <p>Issues around cost, sampling, contracts and the role of crews could probably be addressed if the system was well resourced/implemented - and bearing in mind it will still likely be much cheaper than a RVM/retailer driven scheme. It is assumed that unique bar codes or a similar system would address any issues around 'double claiming' and 'bin-diving'. Issues around access to smartphones could be addressed by having a partially mixed system that still relies to an extent on RVM's and takeback upon delivery. Any need however to set out and collect in scope containers – potentially separately by material type, would experience practical barriers in urban environments where there would not be the space to store, set out, collect and transfer streams separately. Any system based on commingled systems would inevitably lead to contamination and this would be the case in any event with regards bring or on the go systems.</p>
Q51	<p>51. What are the potential fraud control measures a digital deposit return scheme could bring? Please explain your answer.</p>	<p>The barcode would need to recognise when the deposit has been redeemed to prevent multiple deposit requests being made. Systems would also be required to confirm that the product once scanned ends up in the correct recycling collection box/bin and not placed in the residual waste. 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.</p> <p>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. Also, there is a potential for people to scan "litter" drinks containers and then leave them as litter.</p> <p>Regarding the scanning, we need clarification as to whether material will be</p>

		<p>reused or it has to be recycled. We need to have a standard deposit price so there is no cross boundary trading between home nations.</p> <p>There is a risk of IT glitches and systems being hacked. A sophisticated sampling system would be needed to differentiate the proportion of containers in the local authority system on which the deposits have been claimed or not claimed.</p> <p>Any enforcement over these elements should not be for local authorities to resolve and should fall to the DMO to manage.</p> <p>We would also raise the fact that potential fraud on a digital DRS needs to be set against the context of fraud in a RVM DRS.</p>
Q52	<p>52. Do you think a digital deposit return scheme could ensure the same level of material quality in the returns compared to a tradition 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? <input type="checkbox"/> Yes <input type="checkbox"/> No Please explain your answer.</p>	<p>No. It may encourage greater capture rates, however material quality is highly dependent upon contamination, which this scheme would not prevent at a kerbside (and particularly flats) 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.</p> <p>The system may also not guarantee the containers are recycled, as once scanned it is difficult to see how there is any guarantee they would end up in the recycling stream, unless there is adequate technology to scan that container at the MRF. This could not be guaranteed depending on the collection infrastructure used. There could be a slight improvement to contamination rates as this provides more opportunity for comms, but it is unlikely to have significant impact.</p> <p>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.</p>
Q53	<p>53. If the digital deposit return scheme system can be integrated into the existing waste collection infrastructure would its implementation and running costs be</p>	<p>Local authorities have mature collecting systems in place which are very efficient due to several years of austerity, providing an acceptable quality recycle to reprocessors. Including a digital solution to the DRS system to incorporate kerbside collections would significantly reduce the running costs of the scheme as most of the infrastructure is already in place to collect this material (along with other non-DRS packaging). This is likely to result in fewer</p>

	lower? Please provide evidence to support your response.	return points being required, reducing the potential burden especially smaller retailers which may have limited capacity to host a return point and online retailers which will require new processors to allow for returns.
Q54	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? <input type="checkbox"/> Yes <input type="checkbox"/> No Do you have any amendments or additional parameters you would propose are reflected in the permitted development right?	Yes. However, there is a risk of antisocial behaviour and fly-tipping. There should be triggers for remedial action and/or removal if improperly sited.
Chapter 6: Labelling		
Q55	55. Do you agree that the following should be part of a mandatory label for deposit return scheme products? <input type="checkbox"/> An identification marker that can be read by reverse vending machines and manual handling scanners. <input type="checkbox"/> A mark to identify the product as part of a deposit return scheme. <input type="checkbox"/> The deposit price	Yes. The labelling serves two purposes, consumer information and then audit trail/repayment. We believe that OPRL can fulfil 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.
Q56	56. Are you aware of further measures that can be taken to reduce the incidence and likelihood of fraud in the system?	No
Q57	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? <input type="checkbox"/> Yes <input type="checkbox"/> No	Yes

Q58	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? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Please provide evidence to support your response.	Potentially no. However we do not have access to data to validate that view and the consultation document does not provide enough information either.
Q59	59. Do you consider leaving any labelling requirements to industry to be a better option than legislating for mandatory labelling requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Please explain your answer.	No. Consistency of branding and simplicity of messages are key, and similar to the inclusion of bar codes on products, standard presentation and formatting should be a mandatory requirement.
Q60	60. Are you aware of any other solutions for smaller producers who may not currently label their products? Please explain your answer.	Providing smaller producer with stickers is a reasonable approach and would allow for any digital solutions to be easily adopted.
Q61	61. We believe 18 months is a sufficient period of time for necessary labelling changes to be made. Do you agree? <input type="checkbox"/> Yes <input type="checkbox"/> No Please provide evidence to support your response.	Yes
Q62	62. Will your processes change as a result of mandatory labelling? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know Please explain your answer.	N/A
Q63	63. Do you agree that our proposed approach to labelling will be able to accommodate any future changes and innovation? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know Are you aware of any upcoming technology in the field of labelling?	Don't know. There is not enough information about the proposed approach and the terms of engagement of a DMO and its remit to justify a definitive view.

Chapter 7: Local authorities and local councils

Q64	<p>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? <input type="checkbox"/> Yes <input type="checkbox"/> No Please explain your answer.</p>	<p>No. We could not rule it out as long as more detail is provided and a number of issues, such as the below, are addressed.</p> <p>Consideration should be given to LA-owned RVMs and how that material would be handled separately. Sampling will also be key. Lower performing authorities could be penalised through no fault of their own, for example if they continue to experience lower recycling rates. Instead, perhaps look at funding of collections and behavioural change campaigns. The authorities will still be paying to collect the items, whichever stream they end up in, and this needs to be recognised, either through this scheme or EPR, but without being seen to reward failure.</p> <p>It would also depend on Borough arrangements and, where relevant, their MRF contracts. For example, whether MRF operators have ownership of the material or Boroughs, whether Boroughs be entitled to claim back some of the deposit or just get the usual income. Steel cans from MRFs are likely to be mixed with tins, which are outside scope, aluminium cans will contain foil, and glass jars will be mixed with glass bottles.</p> <p>The view of MRF contractors is important and it is key to know how possible it is to identify containers and keep them separate from other materials. In this scenario where is incentive to recycle litter as can't claim deposits on containers from litter or residual.</p>
Q65	<p>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? <input type="checkbox"/> Yes <input type="checkbox"/> No Please explain your answer.</p>	<p>No. Potentially unlikely during an existing long term contract where gate fees are set and profit sharing has been agreed. This is more likely to happen from the start of a new contract.</p>
Q66		

	<p>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?</p>	<p>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, as long as there is an appropriate way of apportioning the waste. Composition analysis on entry to the MRF (amendment to MRF CoP requirements) and composition analysis of residual waste entering disposal sites (by collection stream). For residual tonnage this would have to be done before the waste enters the processing facility. With regards to data collected on a borough by borough basis, MRF regulations currently do not take this into account.</p> <p>Other areas to take into account 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.</p>
Q67	<p>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.</p>	<p>Not too difficult given existing MRF regulations cover sampling. If the regulations say MRFs must pass on deposit in full, this may get around any weaknesses in existing contracts. Where collection authorities within JWDAs have very different performance a concern would be how often would WCAs need to be carried out, and against what level of sampling criteria. For option 3 there is a concern about how the sampling will be done and our view is that contract terms are to be negotiated between the local authority and their MRF regardless of how the scheme is designed, so the first negative point isn't really an issue. There is already composition data from MRFs to this level of detail, so it depends on the requirements for residual streams; however regular residual analysis could give other benefits (e.g. showing which materials we are failing to capture for recycling). That being said, there is a potential for distortion in the system due to things like putrescible being weighed along with films.</p>
Q68	<p>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? <input type="checkbox"/> Option 1 <input type="checkbox"/> Option 2 <input type="checkbox"/> Option 3 Please briefly state the</p>	<p>Option 2 or 3: This may partially depend upon how a digital return scheme might operate. However, either way, materials will still be present in some LA waste streams. Given those waste streams may include street litter, the "efficient and effective systems" approach will need to take street cleansing practices into account. For example, on-the-go recycling has traditionally been subject to heavy contamination, rendering the materials lower value.</p>

	reasons for your response. Where available, please share evidence to support your view.	Likewise, customers redeeming deposits elsewhere may mean that the remainder of recyclate is of lower value, affecting those LAs that have traditionally received income from that stream. Option 3 makes sense as it avoids double payments and the option 1 sorting requirements are unrealistic. However, there are concerns as to how any of these three options work with technology apps discussed at Q49 where resident scans bottles and then puts them in the kerbside recycling container and how the technology proposal affects the financing of any of the three presented options.
Chapter 8: Compliance Monitoring and Enforcement		
Q69	69. Are there any other producer obligations you believe the Environmental Regulators should be responsible for monitoring and enforcing? Please explain your answer.	No
Q70	70. Are local authorities (through the role Trading Standards and the Primary Authority Scheme) best placed to enforce certain retailer obligations? <input type="checkbox"/> Yes <input type="checkbox"/> 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?	The Primary Authority Scheme is voluntary and does not guarantee that a business will not breach the requirements. This is a new burden and the costs of Trading Standard Enforcement should be borne by producers.
Q71	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.	Additional offences for retailers, falsely claiming an exemption and lack fulfilling signage and other requirements on exempt retailers. The interaction of the offence of leaving containers unsecured with s47 and s33 offences needs to be carefully considered. The offences of not providing accurate data and inappropriately handling materials. The potential for breaches by consumers MRF operators also needs to be considered.

Q72	72. Are there any other vulnerable points in the system? If so, what? Please explain your answer	We are concerned about the potential for fly tipping and litter around return points including antisocial behaviour if improperly sited. Whilst we support permitted development of RVM's, careful consideration and consultation with local authorities should be a requirement. There should be triggers for remedial action, including relocation of RVM's if non retail settings is problematic.
Q73	73. Do you see a role for the Deposit Management Organisation to seek compliance before escalating to the Regulator? Yes / No Please explain your answer	Yes, as long as there is a clear route of escalation.
Q74	74. Do you agree with the position set out regarding enforcement response options? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain your answer.	Yes
Chapter 9: Implementation Timeline		
Q75	75. Do you have any comments on the delivery timeline for deposit return scheme? Please pose any views on implementation steps missing from the above?	No
Q76	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? <input type="checkbox"/> 12 months <input type="checkbox"/> 14 months <input type="checkbox"/> 18 months Any other (please specify) If other, please specify. Please provide evidence to support your response.	18 - 24 months to ensure smooth transition to live operations and infrastructure testing.. Any duration will determined by whether the scheme was on-the-go or all-in and whether it is a reverse vending based or digital DRS.

Q77	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.
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Chapter 10: Summary Approach to Impact Assessment

Q78	78. Do you agree with the analysis presented in our Impact Assessment? <input type="checkbox"/> Yes <input type="checkbox"/> No Please briefly state the reasons for your response. Where available, please share evidence to support your view.	<p>No</p> <p>The impact assessment 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.</p> <p>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.</p> <p>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 implements 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</p>
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		<p>limited to 750ml size containers. However, and 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.</p>
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