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Defra's Resources and Waste strategy, which we have summarised before [\[click here\]](#), set an ambitious vision for a world-leading system that reduces waste and fundamentally changes the way many industries – especially packaged goods – operate. On Monday this week, they released the 4 initial consultations on how to achieve these objectives, starting the clock on a critical 12-week chance for industry, local government, NGOs and citizens to have their say.

Weighing in at almost 500 pages and more than 250 questions, these four consultations – on a Deposit Return Scheme, a Plastics Tax, Standardisation of collection of materials and PRN reform – are a large but important body to engage with. Here we summarise some of the key debates within the industry that players need to engage with – which emerged from the Resources and Waste Strategy Unwrapped conference held last week among policy makers, industry and local government.[1] An influential set of partners – from INCPEN to WRAP, ESA, CIWM and the Resource Association convened this as an early chance to get everyone talking together – because for changes of this size, we need many parties to agree on a common way forward that works for everyone, and avoids the unintended consequences that are so easy in a project of this size.

### *Objectives and trade-offs*

As we saw across the day, many players are still not fully aligned on how to prioritise objectives, and what trade-offs to make. Everyone agrees we want less waste, more recycling and less littering. But they lack clarity on questions like how to trade-off higher recycling rates with higher carbon footprints that some solutions involve, what price is worth paying for a 1% increase in recycling rates and whether the policy outcomes are more focused on reducing littering or creating a more efficient recycling system. Because there is not common agreement on these areas, this creates different favoured solutions. Therefore, stakeholders need to get together and agree these foundations as a way of shortcutting disagreements and getting to a more productive consensus quickly.

### *Systemic change*

Though we need stronger alignment, there was a lot of enthusiasm about creating a better system – and excitement around the opportunities for standardisation in the system that will help create large scale change. Many in industry warmly greeted proposals to standardise household collections from the current range of over 400 systems – though local government representatives made the important point that we need consistency of treatment and recycling capacity if this is to be meaningful. As Daniel Roberts from LARAC put it, it would be fiscally irresponsible to collect a standard set of materials that then are not recycled because there is no cost-effective local infrastructure.

The lack of infrastructure was a common challenge – as the new vision relies on firms having high quality recycled material to use in new packaging – and therefore needing domestic capacity to recycle and produce enough to meet the demand. Delegates also raised concerns that this would be hard to achieve rapidly, especially since the new plastics tax and PRN reform may offer new funding streams, but businesses need to start adapting before these are available, so it will be hard to fund the costs of transition, especially the rapid scaling up of recycling infrastructure.

This raised the most common concern – everyone wanted guarantees that any additional funds raised will be kept aside to help improve the system and aid a transition, rather than being absorbed into general Treasury or local government budgets. As businesses step up to their responsibility to pay more, and local authorities struggle after years of cut backs, this is the most important guarantee decision makers need. Therefore, the call is for government to make stronger commitments that enable systemic change at pace – whether it is supporting recycling infrastructure, or helping local authorities with locked-in, long-term recycling contracts that prevent short-term change.

### *Citizen and consumer engagement*

Everyone wants systemic change, but this cannot happen without bringing along citizens and consumers. Many delegates noted it is easy to get carried away discussing a complex mechanical system and forget to engage the millions of busy and pressured people who will have to change their behaviour to make this a success. Firstly, there is the risk that the new measures that increase the cost of packaging will act as a regressive tax on essentials like food, hitting the most vulnerable at a time when we are already facing inflated food prices in a post-Brexit world. Without clearly addressing this

issue, industry and government run the risk of losing legitimacy for the bigger project and throwing away the current public goodwill around tackling plastic waste.

Bringing people on board means getting a more consistent message across – currently every brand and local authority speaks about waste and recycling in a slightly different way. Some local authorities raised, there is a role for tailoring communications to different communities with different levels of engagement. However, we need a more consistent framework for how we communicate to reduce confusion and make it as easy as possible for people to do the right thing in an area they don't want to spend much time on. This is particularly true for the hot topic of litter – the UK has one of the worst littering rates in Europe, suggesting there is a strong role for a behaviour change campaign that helps stop the problem at source, rather than trying to fix it afterwards. Indeed, many delegates suggested that behaviour change has been underplayed and under-funded overall – if the biggest challenges are around areas like food waste and littering, then engaging with people and looking higher up the waste hierarchy to reducing and re-using is a critical part of the solution. [2]

This means stakeholders need to have a clear voice of the citizen at every stage of their thinking, to ensure we do not treat this as a technical problem to be optimised, but a human opportunity to create better outcomes for everyone.

### *Non-household waste*

People are important, but it's not just about citizens in their homes and on the streets – a strong theme raised by WRAP was the importance of waste from people when they are at work – whether offices, factories or foodservice locations. Our recycling rates here are currently low – and improving these is critical in reaching ambitious overall recycling targets – in fact this could have a bigger impact than improving the already adequate in-home recycling rates. The challenges here are that businesses are less consistent than households – they have very different types of waste – some are dominated by food waste, others by electrical waste or paper-based waste, so arranging consistent systems for collection is challenging. Many smaller businesses also struggle to organise a diverse set of collections, especially if they have low volumes of waste.

We need to expand our thinking to consistently incorporate non-household waste, making sure we do not fall back onto the easy shorthand of household collection, instead designing more consistent and joined up systems that create the economies of scale needed to cope with this diversity.

### *Deposit Return Schemes*

Poorer recycling out of home is one of the key reasons for introducing a Deposit Return Scheme – where people pay a deposit on products they buy, that they can reclaim when they return the packaging for recycling. This turned one of the most hotly debated areas of the day. There was common ground in participants wanting a UK-wide system, since products pass freely within the UK, so having multiple systems would only create more cost, complexity and confusion for consumers and manufacturers alike – though concerns were raised over the Irish border. Many also agreed on which materials should be part of a DRS – suggesting that PET bottles are the core focus – easy to collect, tackles real littering problems, and economical – while glass should be excluded since it adds weight, cost, and creates health and safety issues if there are many more containers of smashed glass all around the country. Paper was generally excluded, again for adding complexity, and not being the main littering issue, and there was debate over whether cans should be included. On the one hand these are easy to collect, but there were concerns this would skim off the most valuable stream from curbside collections, which could make local councils run recycling services at a loss, and therefore add to the cost's taxpayers have to foot.

The biggest difference in opinion was over whether DRS should focus on 'on the go' consumption only or cover all bottles. The idea here is that 'on the go' consumption is the cause of the vast majority of litter and is the area we do not currently collect and recycle well. This would be a system that targets the problem, and keeps it efficient, given we already have effective curbside recycling. The challenge is that defining 'on the go' containers would be very difficult in practice, be hard to communicate to people, and has not been tried anywhere else.

Here we need a clearer view on the impact of both approaches, and a chance for stakeholders to agree the key objectives and tradeoffs. For instance, delegates raised questions like is a DRS that improves recycling rates by 15% worth the investment, where if it only improved recycling rates by 5% it would not be? Is getting better sorted and less contaminated recycle worth the price to improve the

overall system? Are the aims more easily, effectively and cost-efficiently achieved by other mechanisms like EPR and the plastics tax?

### *Quality of recycling materials*

The greatest excitement around DRS came from its ability to get more reliable sources of uncontaminated material. As one recycler mentioned, currently of all the PET bottles they receive, sometimes they can only recycle 30% - because the rest are too contaminated with food, drink, broken glass and other materials to be easily and cost-effectively recycled. This lack of quality materials was a common challenge – as we may aim for using more recycled materials, but currently there is far too little quality recycled material available to supply the needs of the industry. Delegates also raised the challenge that by increasing recycling rates, we are likely to increase contamination. People who are more enthusiastic about recycling – and more likely to wash their packaging to avoid contamination – are already recyclers, so the next wave of people who start recycling will likely take less care – so increasing contamination and reducing quality.

As quality affects the whole system, and since it is easy to have unintended consequences, this is again an area where stakeholders across the value chain need to come together to understand the issues and chart a more effective combined solution.

### *In conclusion*

The RWS strategy and consultations offer the chance to take a big step forward – and players across the spectrum showed a mix of excitement and nervousness. Some delegates even challenged whether all initiatives should be rolled out at once or should be phased so we learn from each step along the way and identify whether all 4 interventions are necessary. We need to be careful to create an efficient and effective solution, but the overall takeout of the session was that we must start acting now to tackle the scale of the challenge, and it is by acting together and building consensus across different stakeholder groups that we will be able to create the step change we all need.

**Sancroft can help you:**

- Evaluate your business' position following the RWS and advise on your approach to the consultations
- Help you see the whole system – from consumer to packaging manufacturer – and the opportunities and challenges this creates for you
- Understand your exposure to future legislative changes and how to take advantage of them
- Determine actions that align with your strategic priorities to future-proof your business
- Communicate your progress to stakeholders
- Convene key stakeholders to work out the most productive way forward

[1] [https://docs.wixstatic.com/ugd/438e63\\_52e35fb805934d2dbdd09c8428fb3579.pdf](https://docs.wixstatic.com/ugd/438e63_52e35fb805934d2dbdd09c8428fb3579.pdf)

[2] For a summary of the waste hierarchy, see:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/69403/pb13530-waste-hierarchy-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/69403/pb13530-waste-hierarchy-guidance.pdf)