Dyddiad /Date: 01.06.2021

Gofynnwch am/Please ask for: Craig Mitchell

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Dear Minister

The WLGA are grateful for the opportunity to respond to the consultation documents on EPR and DRS that were published recently. As a nation with a high performing kerbside recycling service paid for by public money, we are particularly interested to ensure that there are no unforeseen consequences of the new system and certainly no wastage by duplication.

It is the public that will pay either through their taxes or by the cost of goods at the checkout so that must remain a priority. Indeed, the potentially regressive nature of these costs if passed onto consumers must also be noted.

That is why we are arguing that the potential of a digital DRS at home scheme should be fully explored so that the infrastructure already in place can be utilised and costs reduced for the consumer. A UK wide approach to this would have significant benefits and can be integrated into the labelling requirements of the EPR scheme seamlessly.

The implementation of the polluter pays principle within EPR is sound and welcomed and will help drive better resource management in the economy.

As part of the consultation period the WLGA have organised jointly with Welsh Government a series of regional consultation events involving lead cabinet members for waste to allow for informed discussions. Individual local authorities will respond on the detailed questions set out in the consultation papers. In this letter I'd like to reflect on the key strategic issue highlighted by those discussions and set out below.

WLGA are positive about aspects of DRS especially on the issues of litter and the role it might play in helping citizens take responsibility for their waste and their consumption. However, there are some key caveats as DRS has never been implemented where there is a mature and comprehensive well-functioning kerb side service available to the public:

Dr Chris Llewelyn Prif Weithredwr Chief Executive

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- Where comprehensive kerbside services exist paid for once already by the public there is a real danger of duplication and wasted cost.
- It will make those services more expensive for the public in the long run as they will still be required to collect non-DRS materials which may have less value with the same or similar fixed overheads.
- The cost of the DRS infrastructure such as reverse vending machines will need to be borne by the consumer who will be paying also for the EPR packaging proposals (and the residual LA services).
- Collection infrastructure is likely to be centralised meaning that there will be a greater incentive to by-pass smaller shops and go to larger supermarkets.
- Remote locations will be poorly served and heighten social disadvantage in certain communities.
- It could result in a reliance on the car even for short journeys undermining active travel/decarbonisation ambitions.
- The potential for some items to be DRS and others not will be confusing for the public and may lead to a reduction in use of the kerb side service.

Consequently, we are arguing that DRS should be paused until the roll out of EPR and the disruption of that has settled before reviewing what additional benefit DRS could add.

In terms of EPR again we are supportive as it is essential that the polluter pays principle is applied and manufacturers and consumers understand the real cost of their consumption patterns. The greater availability of recycled materials and demand for recycled content will help drive the circular economy. There remain some key points that cause concern:

- The role of the governing body raises some issues, it will require a lot of resource to run, which in effect must be top sliced off the fees on packaging, and as this will be separate to government there are issues over transparency and accountability.
- Payments will be made to groups/categories of councils where there are concerns that this will fail to recognise the diversity of the challenges they face.
- Payments will be made for 'effective and efficient' services which are difficult to determine and suggests a levelling down of services especially in a Welsh context where comprehensive waste services are already in place.
- Payment made in arrears with an element of performance incentive may cause significant uncertainty in LA budgets and since relevant capital elements can be annualised into these payments it gives the governing body a significant say in investments in LA services.
- Non packaging elements of services will still need to be funded by LA's/WG and the synergy between services cannot be lost.
- There is likely to be significant additional data requirements on LA's to access this
 funding which may be difficult to attain given the operation of the chain of 'off
 takers' where material is passed through several operators.
- If national governments reduce the current waste budgets from the current settlement, then it will a zero-sum gain for LA's with additional costs and restrictions, and additional costs for consumers.
- It is not clear how packaging will be verified as containing the material stated especially when imported into the UK.

•	There is a regressive element to EPR as all citizens pay equally on their consumption
	certain groups have little choice in their consumption patterns and may be
	disproportionately impacted.

Yours Sincerely

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WLGA Leader & Spokesperson for Transport, Environment and Sustainability