#### **ARGYLL AND BUTE COUNCIL**

**POLICY & RESOURCES COMMITTEE** 

### **CLIMATE CHANGE BOARD**

11th May 2023

### DEPOSIT RETURN SCHEME (DRS) IMPLICATIONS FOR ARGYLL AND BUTE INCLUDING COUNCIL SERVICES AND STAKEHOLDERS

#### 1.0 HEADLINES

- 1.1 As part of its climate change and zero waste to landfill strategy, the Scottish Government is implementing a Deposit Return Scheme (DRS) which was due to come into effect on 16 August 2022. During the production of this Committee Paper there has been confirmation that the scheme will have a delayed implementation of 7 months with a new launch date of March 2024. However, for the benefit of Members and public this report seeks to raise awareness of the scheme and outline some outstanding issues that were apparent if the scheme had been implemented in August 2023. The Deposit Return Scheme (DRS) will require everyone who purchases a glass or plastic bottle or a drinks can to pay a 20p deposit, which will be redeemable at point of purchase when they return their empty bottle or can.
- 1.2 The implementation of this scheme will have implications for whole of Argyll and Bute including a number of Council services and teams, for example, the Waste Team, Catering and Cleaning Team, Finance Team, Education and the Economic Growth Team, and will have implications for retail businesses, for households, as well as for children in receipt of free school meals and those who currently pay for meals.
- 1.3 This paper outlines the various implications for Council services, partners, local businesses and for households, so that elected members and officials can better understand the operational, cost and strategic implications of the Deposit Return Scheme, as they are currently understood.
- 1.4 The Deposit Return Scheme administrator, Circularity Scotland, has yet to provide firm advice and answers to a number of concerns that have been raised with them, and further changes to the implementation of this scheme are emerging from Scottish Government as they work towards implementation.
- 1.5 With the original implementation date only a matter of months away there has been high level focus on the roll out of the scheme and it was a notably topic of some of the debates during the selection process of the new First Minister. The new First Minister announced on 18<sup>th</sup> April 2023 that the Deposit Return Scheme (DRS) will no longer launch this August, with a seven month delay and new implementation date of March 2024 to allow de-risking and operational issues to be addressed.

## 2.0 RECOMMENDATIONS

- 2.1 Policy and Resources Committee is asked to:
  - a) Consider the content of the report and endorse the work of officers across the Council to implement the Deposit Return Scheme;
  - b) Agree that officers should continue to highlight the concerns of business and the potential negative impacts on matters such as Free School; Meals to the Scottish Government seeking greater clarity and response on operational matters;
  - c) Agree that the Policy Lead for Climate Change and Environment Services be authorised to make representations to the Scottish Government on behalf of the Council; and
  - d) Note that the Scottish First Minister announced on 18<sup>th</sup> April 2023 that the Deposit Return Scheme (DRS) will no longer launch this August, with a seven month delay and new implementation date of March 2024 to allow de-risking and operational issues to be addressed.

## 3.0 DETAIL

## 3.1 BACKGROUND

- 3.1.1 In 2019, the Scottish Government set out a planned implementation date of April 2021 for a national deposit return scheme for drinks containers including PET plastic drinks bottles, drinks cans and glass bottles.
- 3.1.2 During the COVID-19 outbreak the implementation date was delayed by the Scottish Government until July 2022 and then further delayed until August 2023 and now March 2024. <u>Circularity Scotland</u> have been appointed by the Scottish Government to administer and operate the scheme throughout Scotland, Circularity Scotland is funded by, and operating on behalf of, drinks producers who are the primary producers of cans and bottles. The producer registration process is open, with all businesses producing bottles for sale in Scotland expected to register for the scheme if they wish to continue to sell their products in Scotland once implemented.
- 3.1.3 Circularity Scotland are still developing guidance for various sectors affected by the scheme, and they have held a series of workshops for producers, retailers, hospitality businesses and other businesses who will have a part to play in the scheme. BIFFA is the private company that has been contracted to help deliver the scheme on the ground working with local businesses and other stakeholders. The council has played no part in the administration of this scheme. Appendix A of this report contains more information on the DRS.

# 3.2 IMPLICATIONS FOR THE CATERING AND CLEANING TEAM AND THEIR STAKEHOLDERS

## 3.2.1 Impact in Secondary Schools

The DRS will have implications for every retailer or hospitality venue that sells

single use bottles or cans. While this will not be an issue for the Primary school catering service as there are no single use disposables in use for lunch service, it is a significant concern for Secondary schools, where bottled water, flavoured drinks and canned drinks are sold to paying pupils, or are available for young people entitled to a free school meal to purchase using their meal allowance.

- 3.2.2 Current guidance is that if purchasers are able to take their drinks out of the hospitality venue, then the regulations will apply to that venue. As Secondary school pupils are able to purchase their lunch and also then able to leave the school grounds, this means that the DRS will apply to any drinks bottles or cans sold within the school and each school will need to be registered as a return point.
- 3.2.3 As a result of this, a 20p deposit will have to be applied to the purchase price, and a means for providing a refund will have to be introduced. During the course of 2023, Argyll and Bute Council is introducing a new version of its cashless catering system across all Secondary schools, including Tiree High for the first time. This system will have to be reconfigured to enable the deposit to be taken, recorded and refunded in some way against the online account of young people. However, as the catering service will be a return point, the service will have to accept returns not purchased in the school, but purchased elsewhere e.g. from a local garage or supermarket, or by other pupils and there will need to be a mechanism to refund those 20p deposits also, even when not purchased in school. In addition to this, there is no exception from glass, and so pupils will also be able to return glass bottles to the school, even when not purchased there.
- 3.2.4 When bottles and cans are returned, these have to be processed and stored securely, to ensure that they can be returned centrally, and only then will the service be able to be reimbursed for the value of the deposits of the bottles returned. To store the bottles and cans, they cannot be crushed or dented as this will result in no refund being provided either for the pupil or for the return point. This will require additional and potentially significant storage space to be identified in Secondary school buildings where space is already at a premium. It will also require the purchasing of specialist totes, trolleys and cages for storage, along with specific bags and tags, which is unbudgeted spend and would be a cost pressure.
- 3.2.5 In addition to the space requirements, there will be resource requirements, which will come at a cost to the Council. Staff time will be needed to receive, collect, prepare and store the bottles safely, and to ensure they are uplifted by the contractor. The bottles also need to be scanned and recorded, and so there is also a technology need. This technology will not be provided by Circularity Scotland, and there is an expectation that retailers (including the Council) will have access to mobile phones and apps that can scan, record and upload the details to Circularity Scotland's systems. This may be time consuming, and will require connectivity to be maintained and mobile phones available for this purpose. The impact of this has yet to be costed, as the physical requirements for how this will operate in practice are not yet clearly understood or communicated by Circularity Scotland. It is understood that the app will not be available until May/June, allowing no time for schools to fully test the tech or app in advance of the original roll out in August. Hopefully the new deferred

implementation date will allow testing.

- 3.2.6 It should be noted that the financial risk for the scheme lies with the producer and with retailer, in this case, this is the catering team: when initially purchasing the bottles or cans from the wholesaler, the Council will pay the 20p deposit on each unit purchased. This cost burden will remain with the Council until the empty bottles are processed and returned to the scheme administrator's appointed company, at which time a refund will be given to the retailer. This will likely take some time to recover, and will be a rolling additional cost. At this point in time, producers are advising that the increased charge rate per product will be higher than 20p to cover on costs, and so it can be expected that each bottle or can will increase in price by significantly more than 20p. One producers has indicated that the cost is likely to be around 28p per unit.
- 3.2.7 There are also additional risks for how this will operate in a school environment, and whether empty bottles could become a form of 'currency' introducing a potential means of bullying or extracting funds from individual pupils. As bottles and cans cannot be crushed or dented and labels must be intact, there will also be anticipated issues with pupils trying to obtain a deposit and refused. In addition to this, there could be security risks, should there be storage in school playgrounds or outbuildings, and Police Scotland have raised concerns about whether the scheme could be targeted by organised crime. As a result of the issues identified at 3.2.5-3.2.7 officers do not think that a manual system is deliverable for the secondary schools estate.
- 3.2.8 Council Officers are exploring whether a reverse vending machine could be procured for each Secondary School to enable pupils to 'self serve' and return the bottles themselves. There would be a cost attached to procuring, purchasing and maintaining these machines, and space would have to be identified to locate them. In addition, the responsibility for monitoring use, maintaining them, and dealing with breakdowns and issues would remain, as will the requirement to empty them, bag and tag the bottles and cans, and store in advance of uplift. This option may not be a viable one for schools in Argyll and Bute, as advice from Circularity Scotland is that the volume needed to make these cost effective is in the region of 250 bottles per day, and this volume would not be reached in any of our schools, though officers will determine this for themselves. If neither a manual system nor a reverse vending option is viable, officers will also explore whether exceptions can be granted on the grounds of health and safety where a lack of storage and secure space is unavailable.
- 3.2.9 The other option which Officers are considering is that the Catering Team could remove the sale of all plastic bottles and cans, leaving a very limited choice of tetra pack drinks and cartons for sale. Water is available from dispensers in all schools, and pupils can use their own refillable bottles or cups. The switch to alternative packaging is being discouraged by Circularity Scotland, as it undermines the principles of the scheme by switching to alternative materials for example tetra pak contains aluminum which has a higher carbon footprint. This would also need careful consultation with pupils, as previous trials to switch to refillable water bottles in Secondary schools have not been particularly successful. However, given the lack of time to determine this, the products may have to be removed initially, and potentially reintroduced if alternative potions become achievable.

- 3.2.10 This is also a financial implication should elected members prefer a move away from selling bottles and cans, as it would result in lost income. Between August 2022 and December 2022, income from the sale of bottles and cans in the 10 Secondary Schools was in the region of £62,600.
- 3.2.11 There is also a risk that any reduction in a choice of drinks will mean more young people will opt to leave the school grounds at lunchtime, leading to a drop in uptake of school meals. There is a statutory duty to actively encourage the uptake of school meals, so any policy decision taken that could risk this would need to be considered carefully. Furthermore, this would be an option imposed on young people, rather than a decision reached through collaboration and consultation.

## 3.2.12 Impact on Free School Meals Entitled Pupils

There is a specific impact on young people who are entitled to a free school meal that had not been anticipated by Scottish Government, and has been raised with them, but to date there has been no guidance on how this can be resolved, and no funding identified to mitigate the impact.

- 3.2.13 At present, pupils in receipt of a free meal in Secondary schools receive an allowance of £2.40 to spend on their own choice of food and drinks at lunchtime, to enable equity, dignity and choice. When the DRS is introduced, there will be no exemption from the deposit for these young people, and so they will have to spend 20p of their £2.40 allowance on the deposit, should they wish to have a bottle or a can, thus reducing how much food they can buy.
- 3.2.14 As free meal entitled pupils could, in theory, return the bottle the same day, they could then be refunded the 20p meaning that this would be a one-off cost to them. However, given the choices available to young people not all will return their bottle or can, meaning that the financial burden is likely to reoccur, for some as often as every day. An alternative would be to ask them to pay the 20p deposit but this would mean that their free meal is no longer free. A further alternative would be to increase the value of the free meal to £2.60 to provide an allowance for the deposit without reducing the value of their meal. This would come at a cost to the Council In the region of £25K per annum and there is no guarantee it would be used for a deposit each day. Another option would be to limit the £2.40 meal allowance to food only, thus reducing the choice of free school meal entitled pupils, making them more easily identifiable.

## 3.2.15 Impact on Commercial Catering

The issues outlined at sections 3.2.1 – 3.2.8 largely also apply to the commercial catering offered in Kilmory, Helensburgh and Lomond Civic Centre, Pier Point Café in Helensburgh and the Beach Café in Oban. As hospitality venues, each of these cafés will also be subject to the scheme, and will most likely have to participate in charging the 20p deposit, develop a means of refunding the 20p deposit to staff and customers, find a way of storing and processing the returned bottles and cans as well as having additional staff resource requirements to process and operate the scheme onsite. This will inevitably lead to an increase in prices to ensure that operational costs are

covered.

- 3.2.16 In every one of the commercial cafes, space is at a premium, and so additional storage will have to be identified and made available in Kilmory, in Helensburgh and Lomond Civic Centre and in negotiation with SAMS (which will come at a cost) in Beach Café in Oban.
- 3.2.17 The Council's Events Team would also be affected by the DRS and would need to find a way of storing all bottles and cans used in bar services during events and meetings to enable the deposit to be returned. The resource implications would also apply to this team as they too would need to process, record and return all bottles and cans. At this moment in time, officers are exploring whether events and commercial cafes can operate a 'closed loop' system, whereby cans and bottles are consumed on site and returned to the point of sale immediately, thereby exempting the need to become a return point. Items sold would still require up-front payment of a deposit, and drinks will not be permitted to be taken from the café.
- 3.2.18 As noted at 3.2.8, officers are exploring whether there could be a way of being exempt from the scheme both for secondary schools and commercial cafes. There is a possibility this could be granted on the grounds of health and safety for some sites. The alternative exemptions is to have another nearby site collection point available (measured as 400 metres as a pedestrian would travel), and to negotiate exemption by the other collection point agreeing to act as a collection point for our venues. This is less likely to be achievable.

#### 3.2.19 Impact on Cleaning Services

It is unclear at this stage if there will be implications for cleaning staff, and how they should deal with any plastic bottles or cans found in the course of their duties. It is anticipated that advice will have to be provided to front line staff, to ensure that they are not at risk of inadvertently doing something wrong should they find these products disposed of in bins for landfill. Further advice and guidance is being sought from colleagues in waste services. If cleaning staff are required to move this waste or respond differently, that may add time and a cost to their duties.

#### 3.2.20 Further Actions Underway to Mitigate Risks and Costs

Officers from Commercial Services have been working hard with colleagues across Scotland to better understand these implications and to come up with alternative, viable solutions. The implications for catering services could be significant, and through the Council's active participation in ASSIST FM, the organisation that represents catering, cleaning and FM services across all 32 Local Authorities in Scotland, these concerns have been raised directly with both Circularity Scotland and with the Scottish Government. The team's Business Development Manager sits on ASSIST FM's Sustainability Group and has been active in discussions with government and with Circularity Scotland. A session organised by ASSIST FM takes place in late April with Scottish Government, Circularity Scotland, SEPA, Biffa and other partners invited to enable the school-specific issues to be resolved. To date, however, there has been no advice, guidance or interventions offered to mitigate any of these specific issues.

## 3.3 IMPLICATIONS FOR THE WASTE TEAM AND THEIR STAKEHOLDERS

- 3.3.1 The DRS scheme may result in an overall Scotland-wide increase in recycling including other environmental benefits e.g. current non-recyclers may use the scheme plus there should be less littering of such items.
- 3.3.2 The scheme may however, see a reduction in Council recycling performance if items such as glass drinks bottles are no longer handled by Council glass collections albeit they should still be recycled in future via the DRS scheme. The DRS scheme aims to capture 70% of such items during the first year of implementation then rising to 90% in future years. Much will depend on how the scheme is implemented by the Scottish Government and Scheme Administrator in the coming years and public participation in the scheme.

## 3.4 IMPLICATIONS FOR THE ECONOMIC GROWTH TEAM, BUSINESS, ISLAND COMMUNITIES AND OTHER STAKEHOLDERS

- 3.4.1 Argyll and Bute's largest private sector is hospitality and tourism. There is a concern that the imposition of the DRS scheme will incur additional costs on these businesses at a time they are under significant financial strain. This may mean some businesses may cease to exist with impacts on employment opportunity and damaging our tourism offer.
- 3.4.2 500 businesses wrote to the SG highlighting the 'catastrophic impact' this would have on their business and the impact could be exacerbated on island and remote rural businesses that already have higher costs to deal with and more limited revenue schemes. Whilst there are exemption in place there remains considerable uncertainty on how this will be applied particularly on island and remote rural communities where there is no nearby supermarket including how containers will be able to be stored or transported to bulking stations.
- 3.4.3 There is also a lack of clarity from both Circularity Scotland and BIFFA on what is being done in our area to facilitate the scheme. Recent correspondence suggests things are in place but when this has been questioned further there appears to be little action on the ground apart from some supermarkets installing reverse vending machines or applying for permission to do this. Other concerns are listed in the link below as outlined by the industry.

Industry open letter calls for delay of DRS | Scottish Licensed Trade News (sltn.co.uk)

# 3.5 IMPLICATIONS FOR VULNERABLE HOUSEHOLDS DURING THE COST OF LIVING CRISIS

3.5.1 The deposit will apply to all households, regardless of their ability to pay and so this will place an additional cost burden on all households who purchase bottles

and cans, but particularly those in financial hardship. As this levy applies to all bottles and cans of certain, fixed sizes up to 3 litres, it will result in a 20p up-front cost for all purchases of bottles, including those used for essentials, adding a further strain on the finances of vulnerable households.

For example:

- A six pack of soft drinks (Irn Bru) currently costs £2.25 in Aldi. This pack will cost an extra £1.20 to purchase, to cover the cost of the deposits for each can in the pack, meaning that the up-front cost will now be £3.45
- A 12 pack of 500ml bottled water from Aldi currently costs £1.59. This pack will cost £3.99, an extra £2.40 to cover the deposit costs.
- 3.5.2 Evidence suggests that more financially vulnerable households may also lead more chaotic lives, which means the ability to plan for the storage, washing, collecting and returning of used bottles and cans is likely to be more challenging for some, which may result in these households not returning them for a refund.
- 3.5.3 In addition to this, financially vulnerable households are less likely to have access to a car and are more reliant on public transport, meaning that some may face an additional barrier to transport used bottles and cans back to a collection point for reimbursement. In addition to this, where households receive their shopping via online delivery and currently don't visit a shop themselves, they will now need to find a way of returning their own bottles and cans to a return point which may be some distance away.
- 3.5.4 There may also be implications for some groups with protected characteristics, such as households with people who have a physical disability, who may have specific issues with using local return points. This could have implications for social care staff who may be asked to return bottles and cans on behalf of their clients.
- 3.5.5 In its Equality Impact Assessment, the Scottish Government notes that:

'The potential for negative impacts from this policy have been identified. Through this work, though, measures to effectively mitigate these impacts have also been identified – some of these have been reflected in the scheme design and others will be addressed as part of implementation work.'

No further detail on how implementation will mitigate these risks has been forthcoming at this stage.

## 3.6 IMPLICATIONS FOR PARTNER AGENCIES

3.6.1 <u>Police Scotland</u> - There will be significant implications of this scheme that have not yet been identified, or which may be relevant for communities but are not within the Council's remit, but fall to other community planning partners. One such implication has been identified by Police Scotland, who have raised concerns that scheme could be <u>targeted by organised crime gangs to commit</u> <u>fraud.</u>

It may also lead to a rise in opportunistic crime, whereby some households may

opt to store their empty bottles in garages, sheds or outbuildings which could become a specific target for opportunistic criminals looking to generate some cash.

3.6.2 <u>Live ArgyII</u> – This could mean additional costs for Live ArgyII, or the curtailing of certain products going forward. Live ArgyII also operate a number of traditional vending machines.

## 3.7 Circularity Scotland Logistics

- 3.7.1 Biffa, who are Circularity Scotland's appointed delivery partner, are having discussions with national logistics companies and Council Officers have passed Biffa the names of several local hauliers who service islands in Argyll and Bute. Officers have also suggested they contact the existing supermarket supply chain, as they have stores on our islands. The reason for Biffa contacting them would be to explore if the supermarkets could back-haul segregated DRS recycling, assuming their stores take part.
- 3.7.2 The Council RCV collections are not suitable for sub-contracting, as the DRS items have to be collected separately and cannot be mixed with non DRS items or materials.
- 3.7.3 It may be that DRS materials on the islands will more than likely be collected by Circularity Scotland/Biffa in vans or lorries using existing hauliers and/or supermarket transport companies .This assumes however that there are enough obligated premises on the islands who participate. If most obligated premises do not take part or are granted exemptions, then there could well be gaps on some islands or rural areas for public wishing to get their 20p's back.
- 3.7.4 With regards to Biffa's having a bulking centre which most of the Argyll islands materials would go to, Biffa have indicated that they hope to have a DRS bulking point in place in Oban where they will initially take the DRS collected materials for bulking prior to their larger counting and baling centres in the central belt e.g. Motherwell. They have not revealed the exact location in Oban at this stage but seemed hopeful that it would be in place for the implementation date.

## 4.0 CONCLUSION

- 4.1 The DRS scheme has the potential to increase recycling rates and minimize waste. It is likely to become a reality across the UK but at this time Scotland is proposing to introduce this scheme before the rest of the UK leading to coordination issues and the likely loss of product choice.
- 4.2 This initiative is being taken forward by Circularity Scotland on behalf of the Scottish Government and the council is not part of the administration of this. There are likely to be a number of implications arising from the implementation of the proposed DRS scheme which has the potential to disproportionally impact on our rural and island communities, the operation of council services and our fragile economy that relies on the hospitality industry. Of particular concern is the lack of clarity on what infrastructure will be put in place in or area to

implement the scheme from the start date of the 16<sup>th</sup> of August – Officers will seek further information on this matter from Government and Circularity Scotland with the new deferred implementation date. There is an urgent need for further assurances from the Scottish Government and Circularity Scotland together with their on the ground operator BIFFA on how the scheme will be implemented across Argyll and Bute.

Appendix A of this report contains more information on the DRS and its implementation.

## 5.0 IMPLICATIONS

- 5.1 Policy DRS is a new initiative being taken forward by the Scottish Government.
- 5.2 Financial There could be considerable financial implications for the council both good and bad particularly in the short term.
- 5.3 Legal None as yet but the council will have to comply with this Government Initiative.
- 5.4 HR None known as yet but could have staff implications.
- 5.5 Fairer Scotland Duty:
- 5.5.1 Equalities protected characteristics Could have substantial impacts on remote rural and island communities in terms of additional costs and availability of products. Lack of clarity in DRS as presented makes this difficult to quantify.
- 5.5.2 Socio-economic Duty Potential for substantial impacts on the local economy with unquantified additional costs for SMEs at a time of substantial economic uncertainty. Whilst exemptions have been identified it remains unclear how this will apply in remote communities including our island communities.
- 5.5.3 Islands considerable concern our island communities could be severely impacted here through additional costs and loss of product choice
- 5.6 Risk Loss of employment and additional costs placed on the council and wider Argyll and Bute economy.
- 5.7 Customer Service None.
- 5.8 Climate Change DRS will have possible climate change benefits if the right parameters for implementation are set.

# Douglas Hendry, Executive Director with responsibility for Commercial Services

Kirsty Flanagan, Executive Director with responsibility for Development and Infrastructure

**Councillor Ross Moreland – Policy Lead Climate Change & Environment** 4<sup>th</sup> April 2023

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## APPENDICES

Appendix A - Scottish Deposit Return Scheme [DRS] FAQs

## APPENDIX A - Scottish Deposit Return Scheme (DRS) FAQs

In response to recent media coverage and various enquiries received we have pulled together an FAQ sheet on the DRS for you should you have any constituent queries over the next few months ahead of its proposed implementation date of August 2023. Now been deferred implementation date of March 2024.

Zero Waste Scotland has a more comprehensive FAQ on their website here.

#### What is the Council's role in administering the scheme?

The Council has no responsibility for administering the scheme

### Who does run the scheme?

The scheme is operated and administered on behalf of the Scottish Government by a newly created body called <u>Circularity Scotland</u>.

#### What is DRS?

Under the plans, if a premises sells drinks to consumers in Scotland from March 2024 (previously August 2023), then they must provide a return point to accept empty bottles and cans. Consumers will pay a 20p deposit when purchasing a drink in a single-use container made from polyethylene terephthalate PET plastic [plastic drinks bottles], steel, aluminium or glass. The deposit will be refunded when the empty container is returned.

#### Do all businesses need to comply with the scheme?

Some businesses can claim an exemption for <u>proximity</u> or <u>environmental health</u> reasons. More information on exemptions is available on the Zero Waste Scotland website <u>here</u>.

## Is the Scottish Government providing funding for businesses to set up for DRS coming into force?

Not that we are aware of although there are container handling fees paid by Circularity Scotland to businesses that take containers back.

More information on the cash flow arrangements can be found <u>here</u>.

#### Why is it being introduced?

The scheme aims to reduce littering and improve recycling by incentivising the return of drinks bottles and cans while improving the quantity and quality of materials collected. The aim is that by 2025 it will capture 90% of all drink containers included in the scheme, which is expected to provide 2 billion drink containers a year for recycling.

## When does it come into effect?

Scottish First Minister announced on 18<sup>th</sup> April 2023 that the Deposit Return Scheme (DRS) will no longer launch this August, with a seven month delay and new implementation date of March 2024 to allow de-risking and operational issues to be addressed. Previous proposed go-live dates have been pushed back due to the impact of the pandemic.

## How will it work?

The scheme applies to all drinks sold in single-use containers between 50ml and 3 litres and made from PET, plastic, glass, aluminium and steel. All businesses making or importing these products for sale in Scotland are required to register with the Scottish Environment Protection Agency (SEPA) before 1 March 2023, either directly or via Circularity Scotland. The scheme will then go live in March 2024, when producers will have to charge a 20p deposit on each container they place on the market and arrange for empties to be collected for recycling, meeting collection targets.

Retailers, wholesalers and hospitality businesses in Scotland must also comply with the Deposit Return Scheme Regulations, though do not have to register with SEPA. Their obligations include only selling drinks from a registered producer and including the 20p deposit on each drink sold. They will also act as a return point, providing information on how customers can bring back their empty containers and receive a refund of the 20p deposit.

Some other Councils have already announced they will stop their kerbside glass collection as a result of DRS – do we have any such plans? It is too early to say what the exact impacts of the DRS will have on existing glass collections.

#### What will the impact be on our glass recycling contracts?

As above, it is too early to say. We intend to closely monitor the impact of the DRS on our waste and recycling services and will be reporting any issues to Members

#### Will the Council be providing DRS voluntary communal return points?

The Council has no role in operating the scheme and we have not received any funding from the Scottish Government to create DRS voluntary communal return points which would require either reverse vending machines or staffed manual take back points.

## What about Council commercial waste customers who receive a glass collection?

Individual businesses should make their own business decisions – we would suggest contacting Circularity Scotland with any queries as they may be able to offer advice. Ultimately if a business decides to vary or cancel their contract with the Council, they can do this by contacting our commercial waste team by calling 01546 605514 or via the online form available <u>Commercial Waste (custhelp.com)</u>