



Department
for Environment
Food & Rural Affairs

Industry Sprint Playback

22/03/2023

Housekeeping

- Fire Exits
- Toilets
- Mobile Phones
- You are welcome to help yourself to drinks or take a break when needed
- Please also feel free to wear a mask, if you wish
- Any questions throughout the day the persons to see are **Amy Richardson, Jonathan Glassey or Harj Toor**

Agenda

- | | |
|----------------|-----------------------------------|
| 1.00 to 1.20 | 1. Welcome |
| 1.20 to 15.00 | 2. Playback of vision |
| 15.00 to 15.15 | 3. Break |
| 15.15 to 16.30 | 4. Transition plan and next steps |

1. Welcome

Welcome

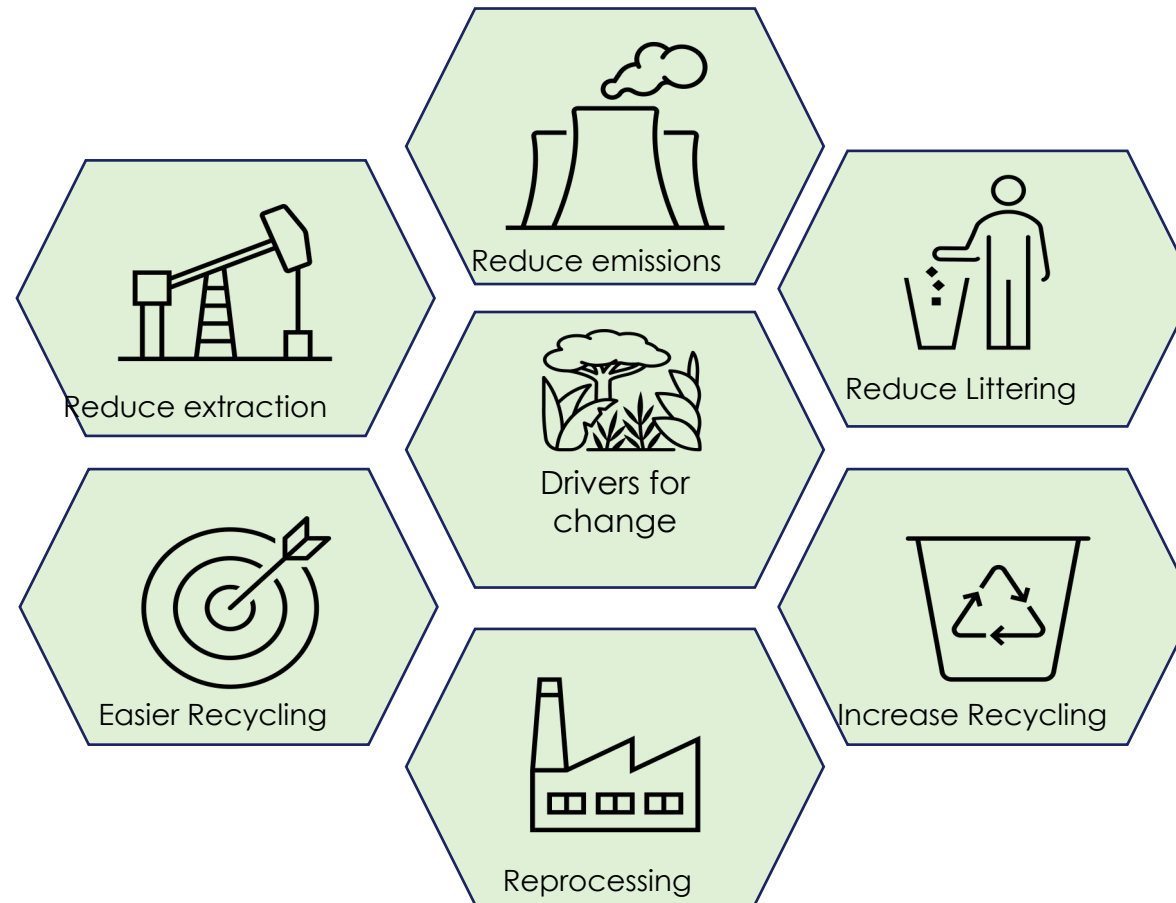
Thank you so much for attending this playback session focusing on the longer-term vision for packaging reform

We want to thank everyone who took part in the sprint process both directly and indirectly – you have helped to create and test a joint vision

We are truly blessed to have such expertise coming together.

Lynne Phillips
Defra Director
Environment Group

Current Packaging Vision



Here and Now...

Journey is already
underway

Your collaboration
and input is vital

Together we build
a solid base

Insight into future
vision is essential



Co-Design

Reminder of the sprint goals

Problem statement:

- There is a real need and desire to provide a **consistent understanding across the three policies** that form part of the reforms
- There is a need to ensure there is a full understanding of **desires, ambitions and benefits sought from the longer-term Packaging Reforms** to ensure everyone is **strategically aligned**
- It is essential to ensure that desires, ambitions and benefits have been assessed against any **legislative, political and pace of change constraints** to ensure the timeline of benefit realisation is clear for Packaging Reforms
- This will allow a clear understanding of the elements that need to change, who is accountable to drive the change and the associated timelines to realise associated benefits

Sprint goals:

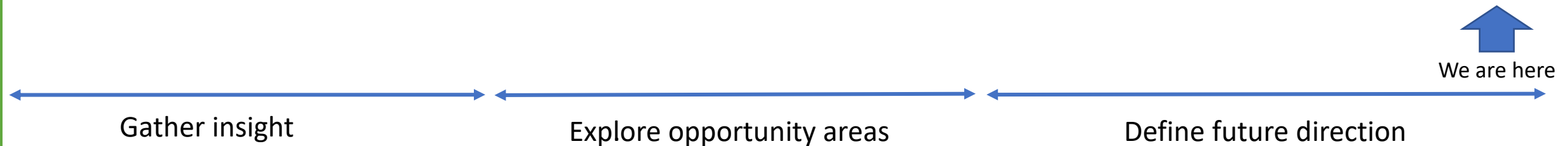
- Collaboratively define a longer-term vision for the Packaging Reforms
- Identify strategic objectives to deliver the Packaging Reforms vision and identify the associated activities required to deliver and achieve the end state vision
- Ensure all assumptions on achieving the objectives have been captured and risks and challenges identified
- Co create a shared high-level outcome focused roadmap for post 2023 and identify any gaps in delivery of the reforms that could hinder realisation of the end vision

2. Playback of vision

Sprint Process

Industry Sprint Process

Sprint 1			Sprint 2			Sprint 3		
Week 1 Wc 23/01	Week 2 Wc 30/01	Week 3 Wc 06/02	Week 4 Wc 13/02	Week 5 Wc 20/02	Week 6 Wc 27/02	Week 7 Wc 06/03	Week 8 Wc 13/03	Week 9 Wc 20/03
Kick off workshop	Analysis & synthesis	Follow up workshops	Analysis & synthesis	Feasibility workshops	Analysis & synthesis	Preparation for workshops and playback	Vision refinement workshops	Vision playback



- In person kick off workshop
- 10 further online workshops
- Synthesis and analysis
- Brainstorming session
- Policy team alignment
- Playback session
- Transition planning

[illegible]

4 group
visions

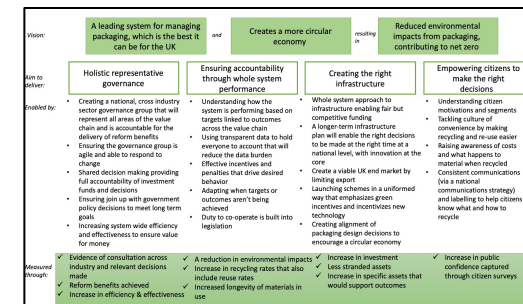
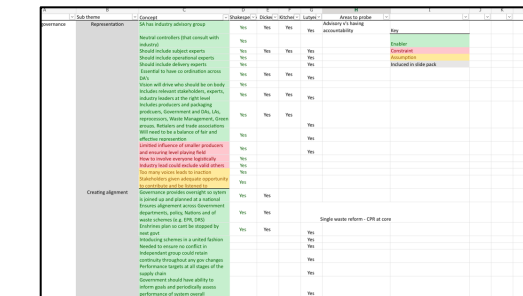


Synthesis and analysis



Strategic blueprint

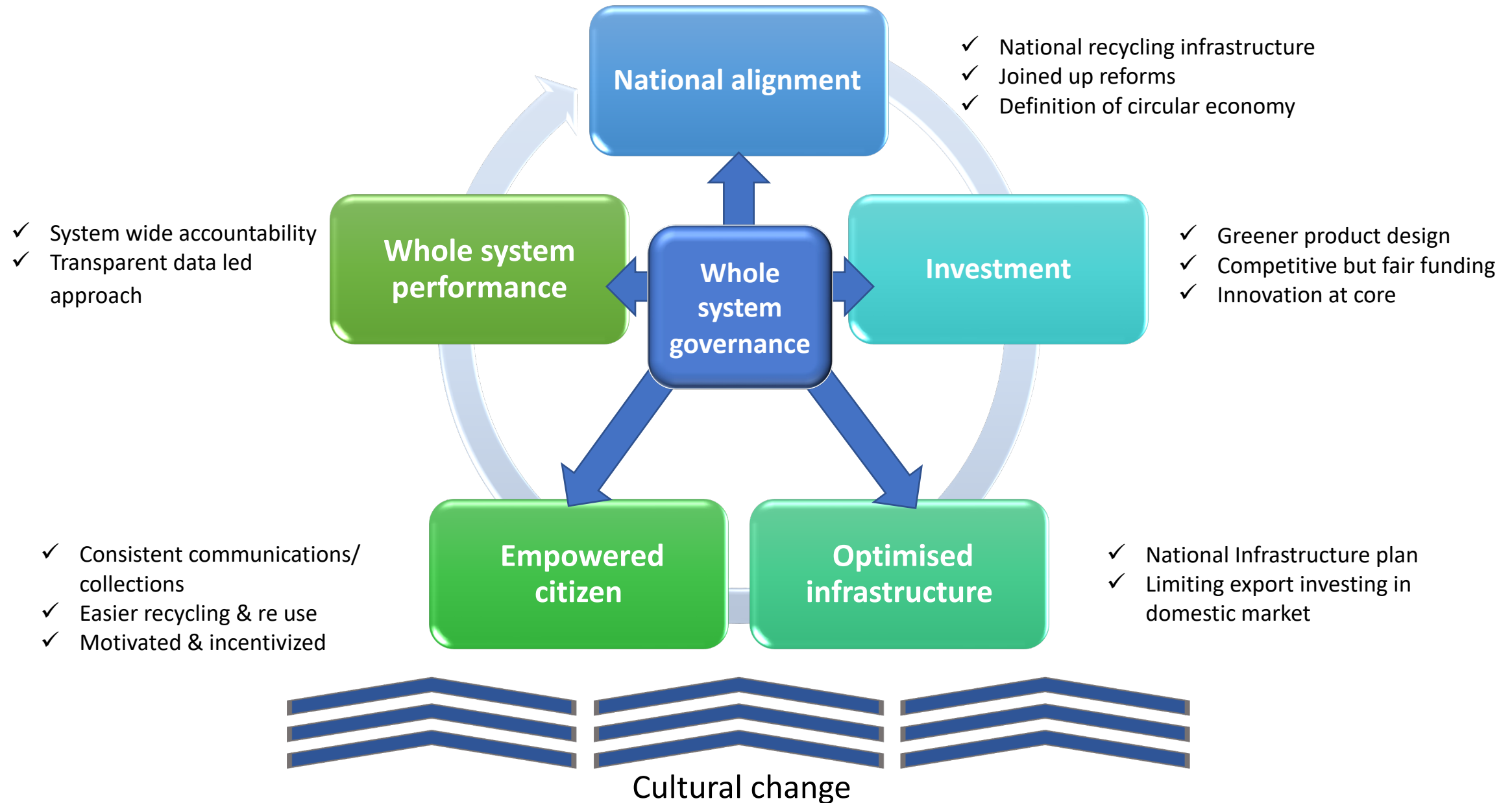
Multiple digital boards

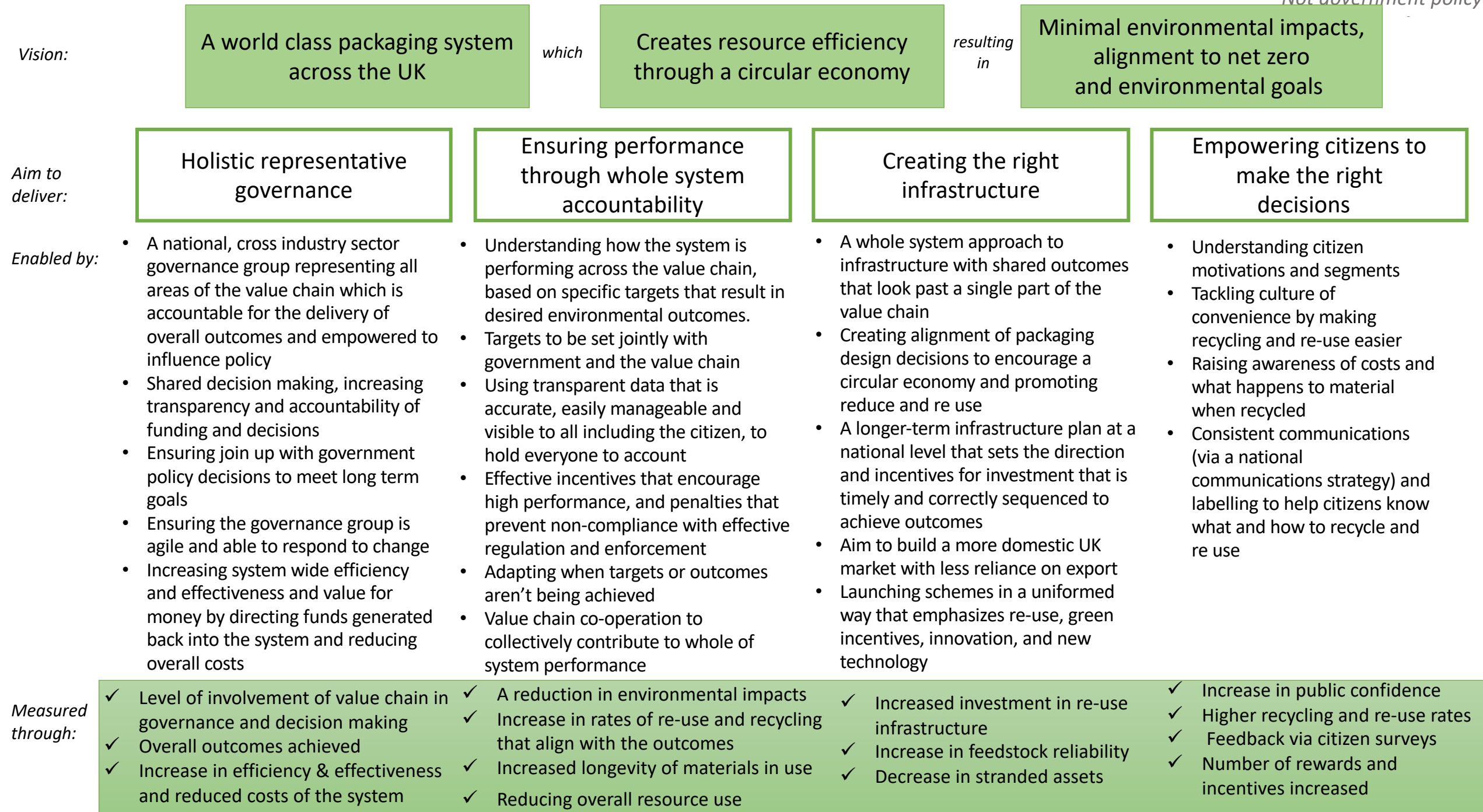


Strategic Blueprint

Ambition overview

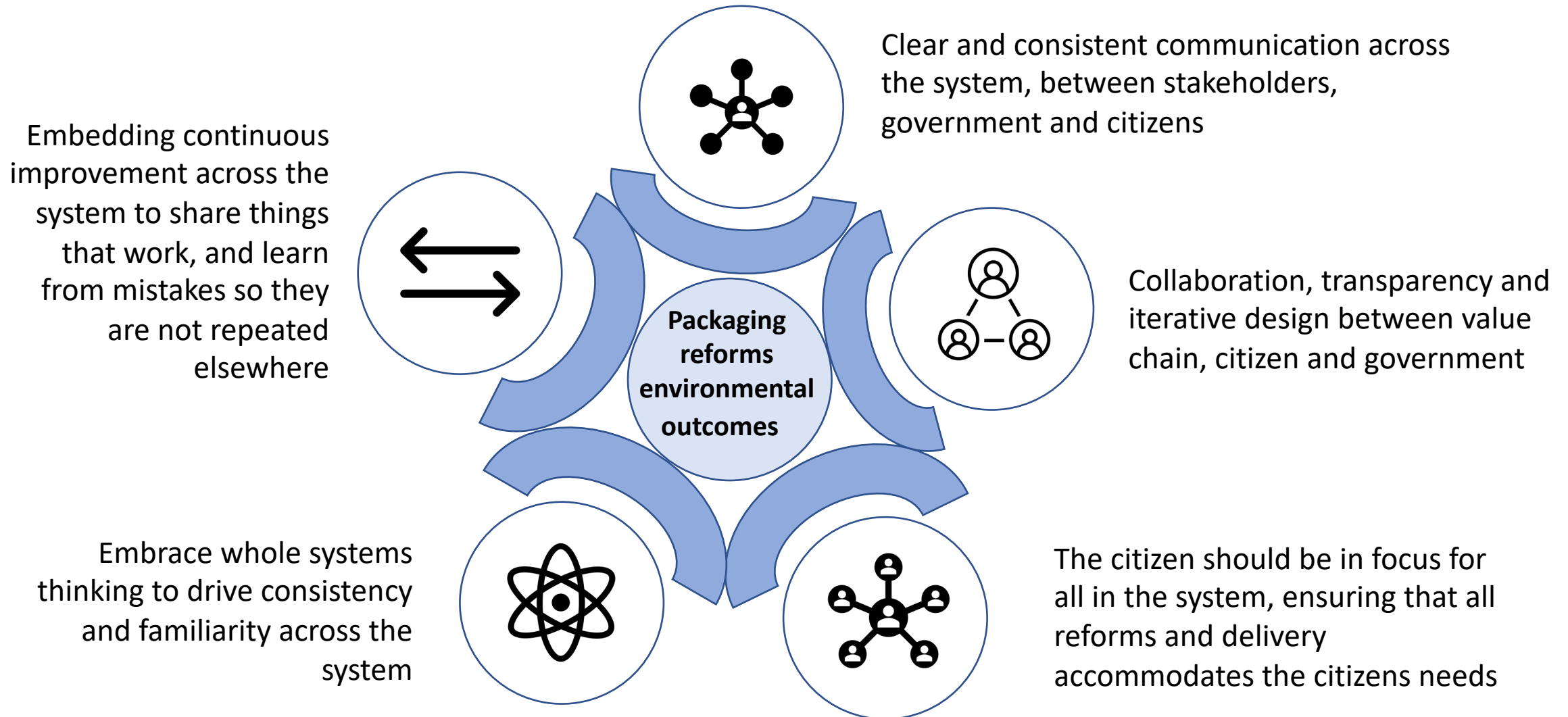
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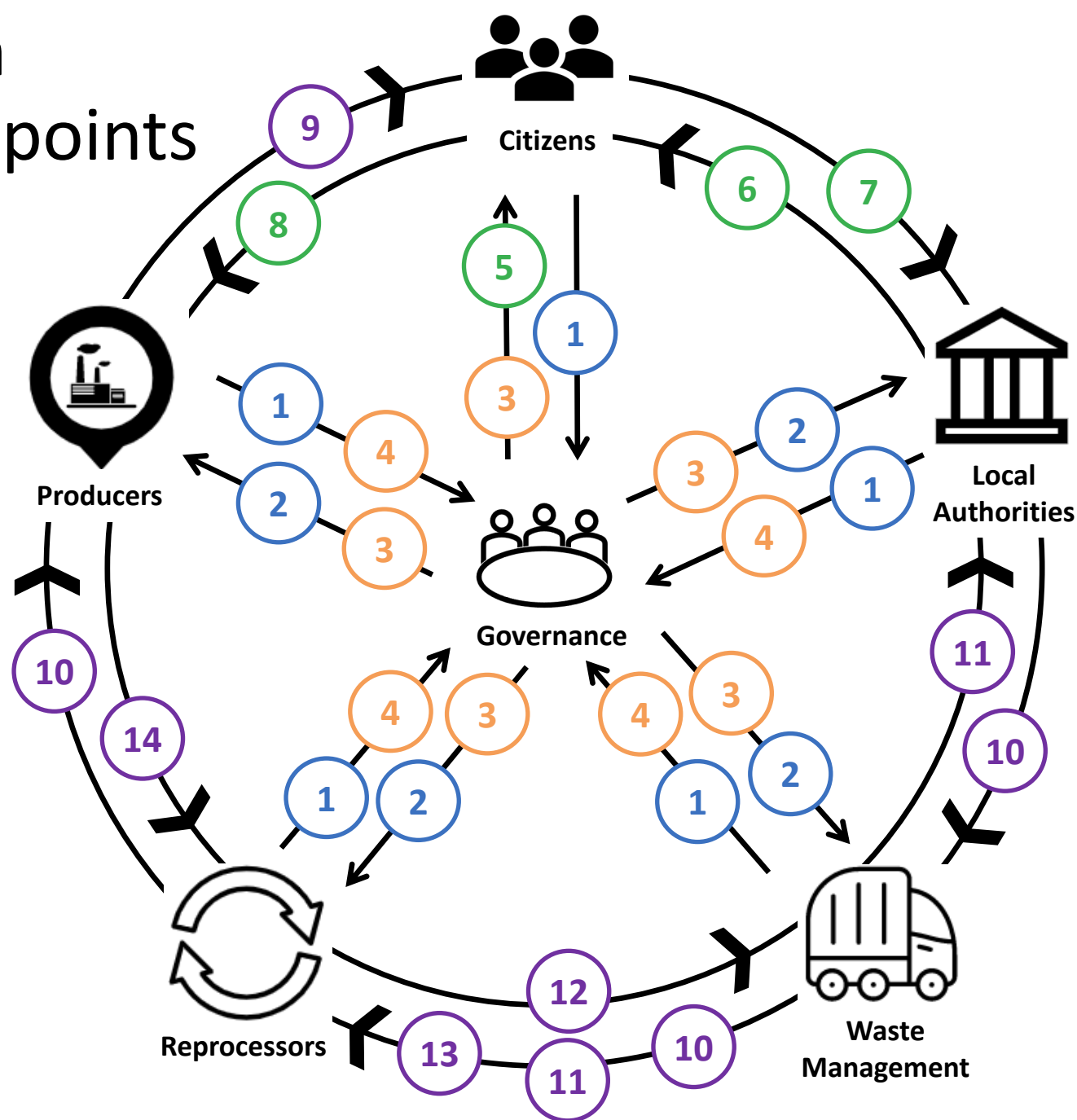


Cultural change enablers

Supporting delivery of the packaging reforms ambition will require embedding cultural changes to ensure the whole system is aligned.



Vision Touchpoints



Not government policy

Governance

1. Representative cross industry stakeholders at the appropriate level make up the governance, who can bring their ideas and innovation and make decisions
2. Governance provides clarity on direction, unlocking and incentivising green investment

Performance

3. Governance sets specific targets for each part of the value chain which are connected to overall outcomes, with incentives for performance and penalties for non-compliance
4. Stakeholders submit data with minimal burden, which allows governance to understand performance and holds the value chain to account

Citizens

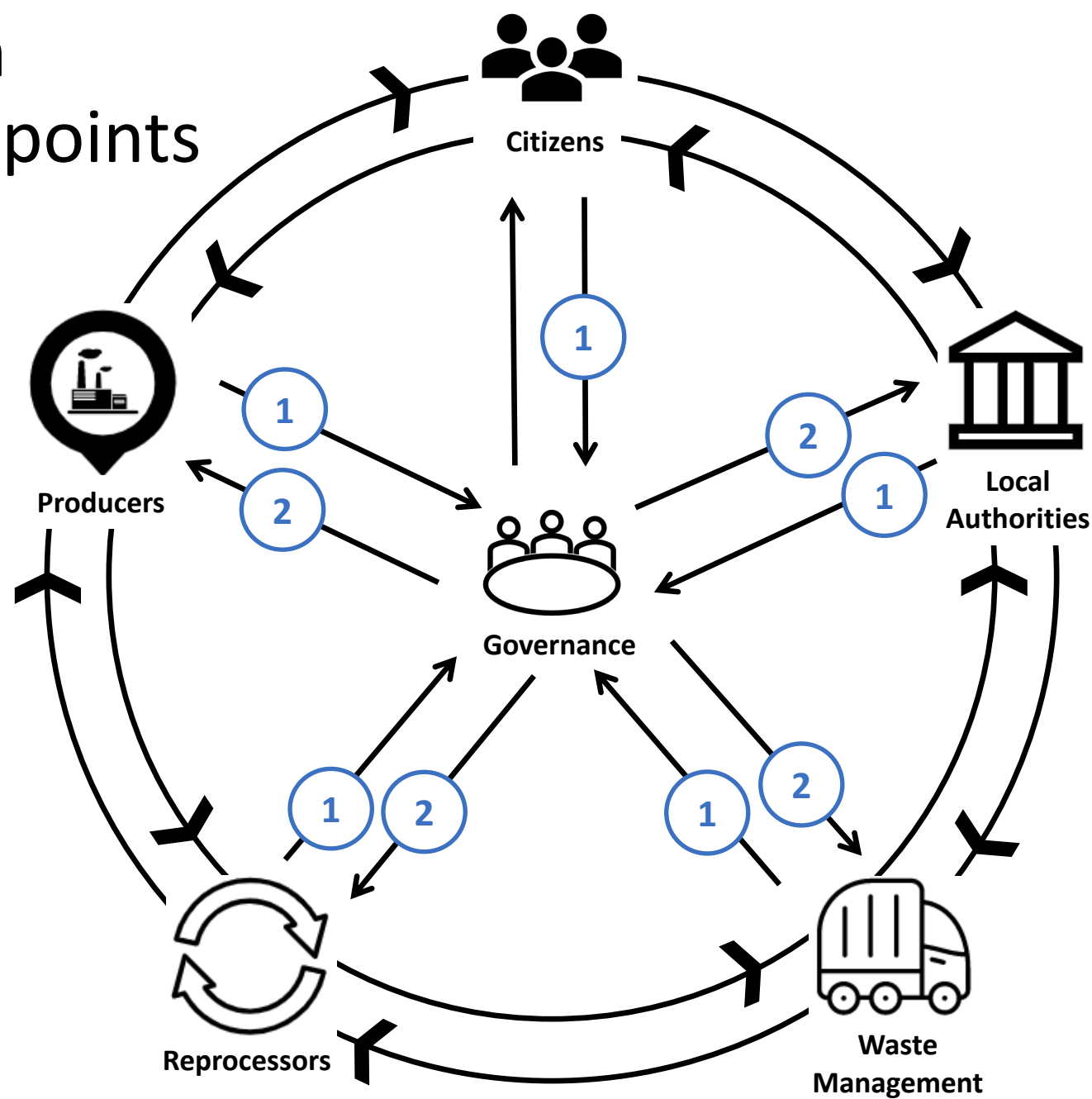
5. Clear and consistent messaging to citizens on how to carry out their role and why its important
6. Citizens have the resources they need to from LAs to recycle effectively
7. LAs are collecting less contaminated and more valuable waste streams
8. Citizens are using re-use packaging, which makes its way back to producers without the whole value chain

Infrastructure

9. Packaging placed on market has a viable end of life market with minimal environmental impact
10. There is a consistent feedstock of high quality valuable material moving through the system
11. Facilities and assets used by value chain are aligned to material types across parts of the system
12. Creation of viable and desired domestic end markets
13. Where appropriate, less material is exported
14. Producers using recycled material over virgin

Vision Touchpoints

Not government policy

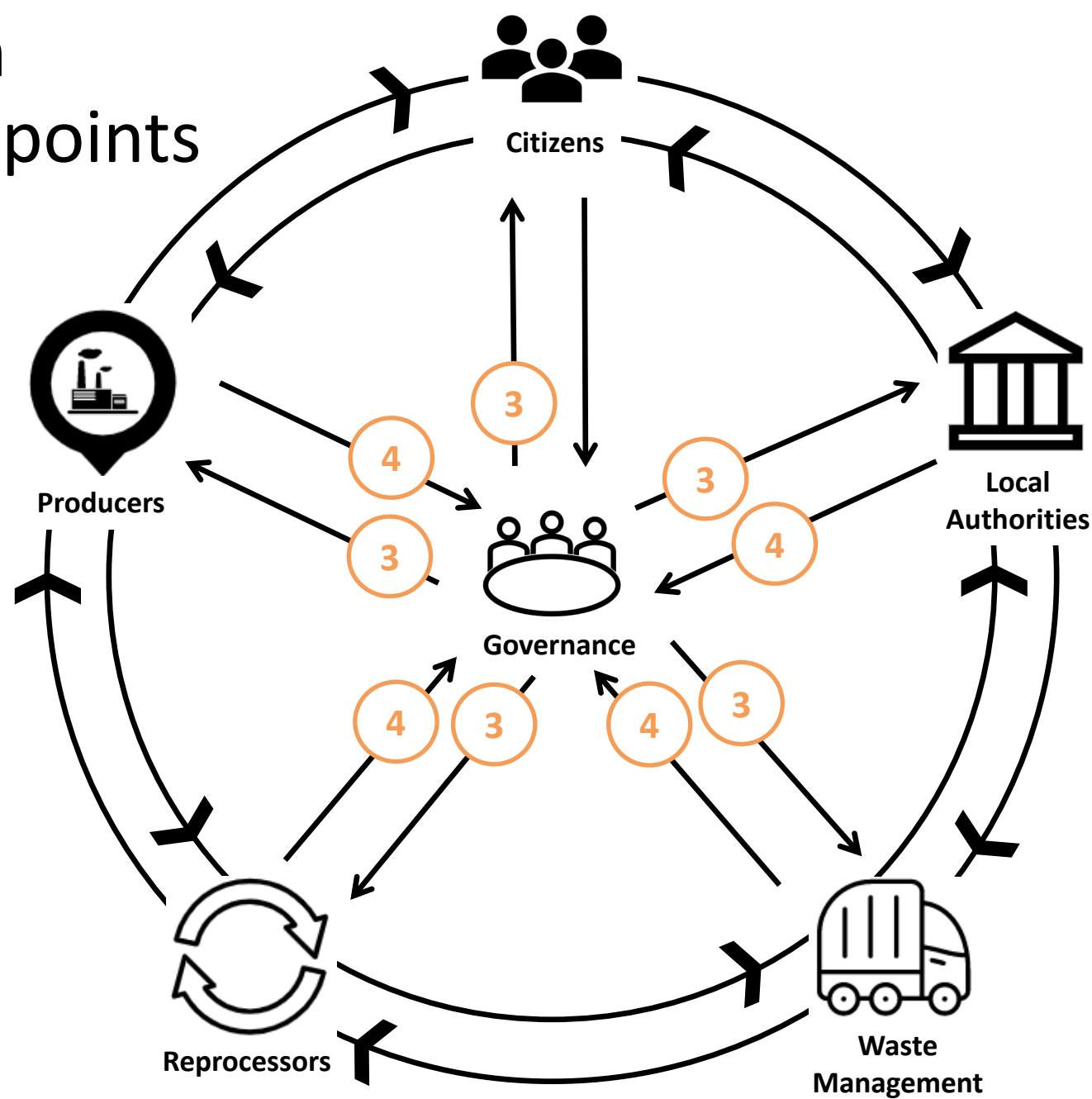


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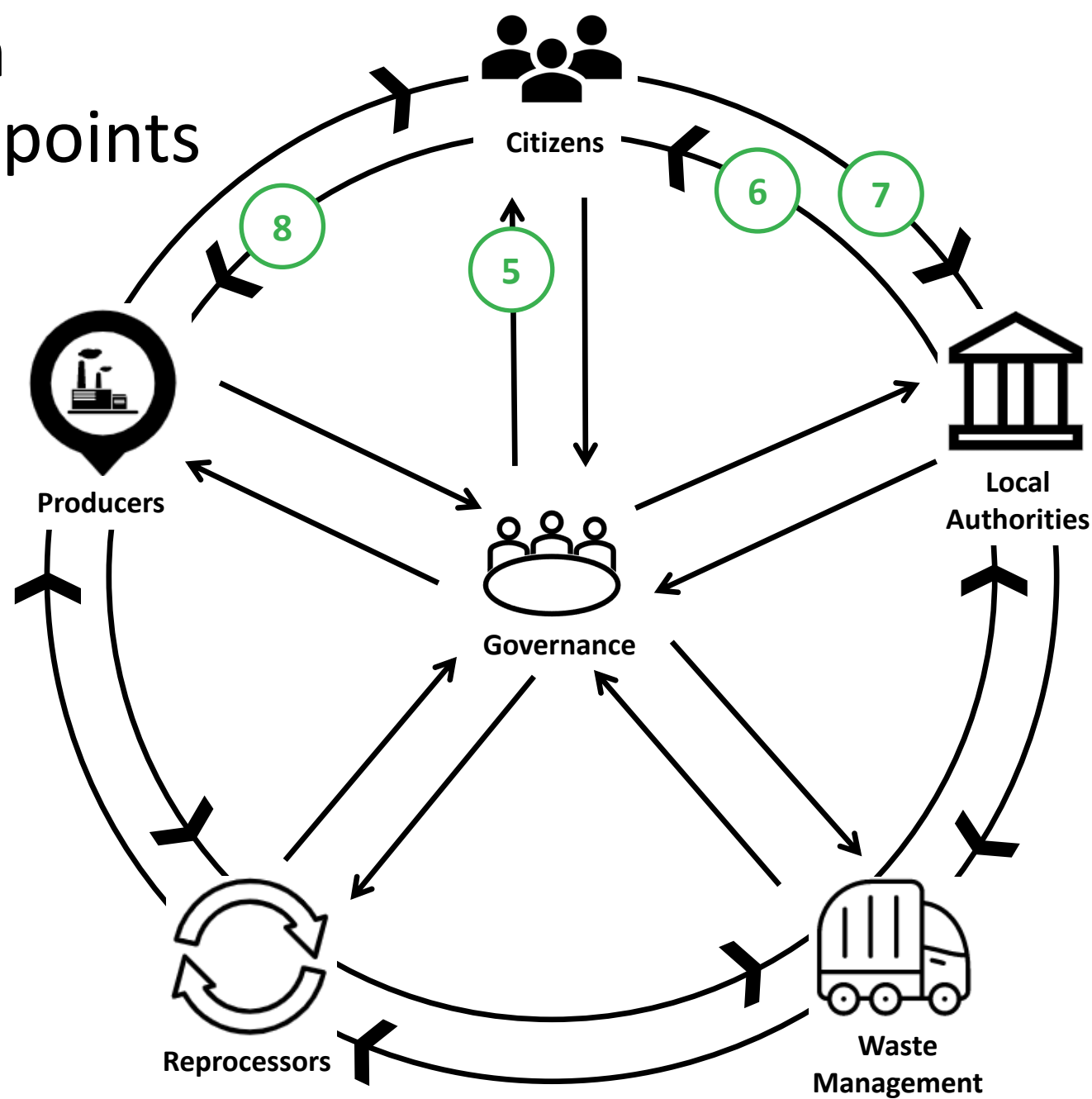


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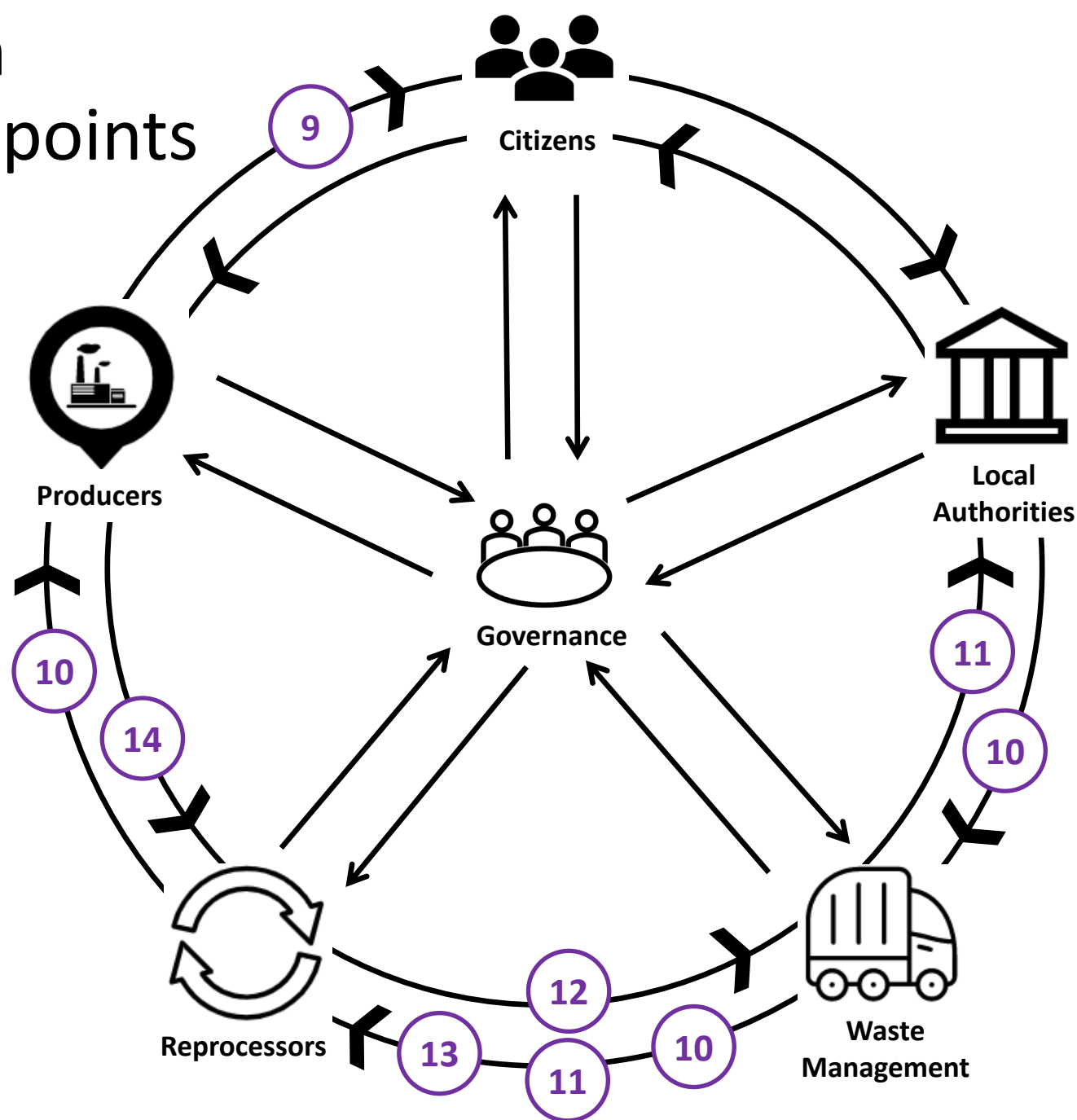


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Holistic representative governance

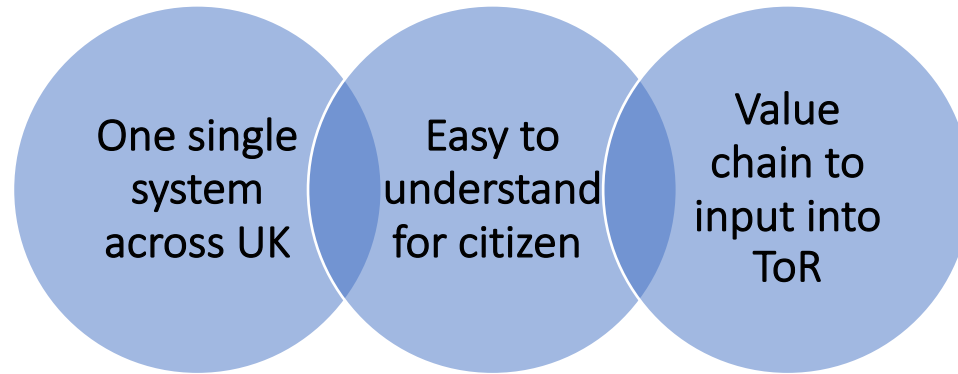
Holistic representative governance

There was alignment on:

- ✓ The SA must be a consistent UK wide scheme
- ✓ There is a need for a more joined up approach that is transparent and inclusive
- ✓ Governance that includes representatives from across the entire value chain to ensure alignment
- ✓ A plan that does not change when government changes
- ✓ Introducing schemes in a united fashion



The Scheme Administrator



The Scheme Administrator should:

1. Set fees for producers and establish funding and reimbursement arrangements
2. Set and communicate clear performance incentives
3. Develop and implement a plan to achieve program goals
4. Implement recycling system changes
5. Regularly report on performance
6. Include transparent auditing
7. Coordinate public awareness and education campaigns for consumers

We heard.....

The SA should be able to interact with government so that other legislative change could be discussed

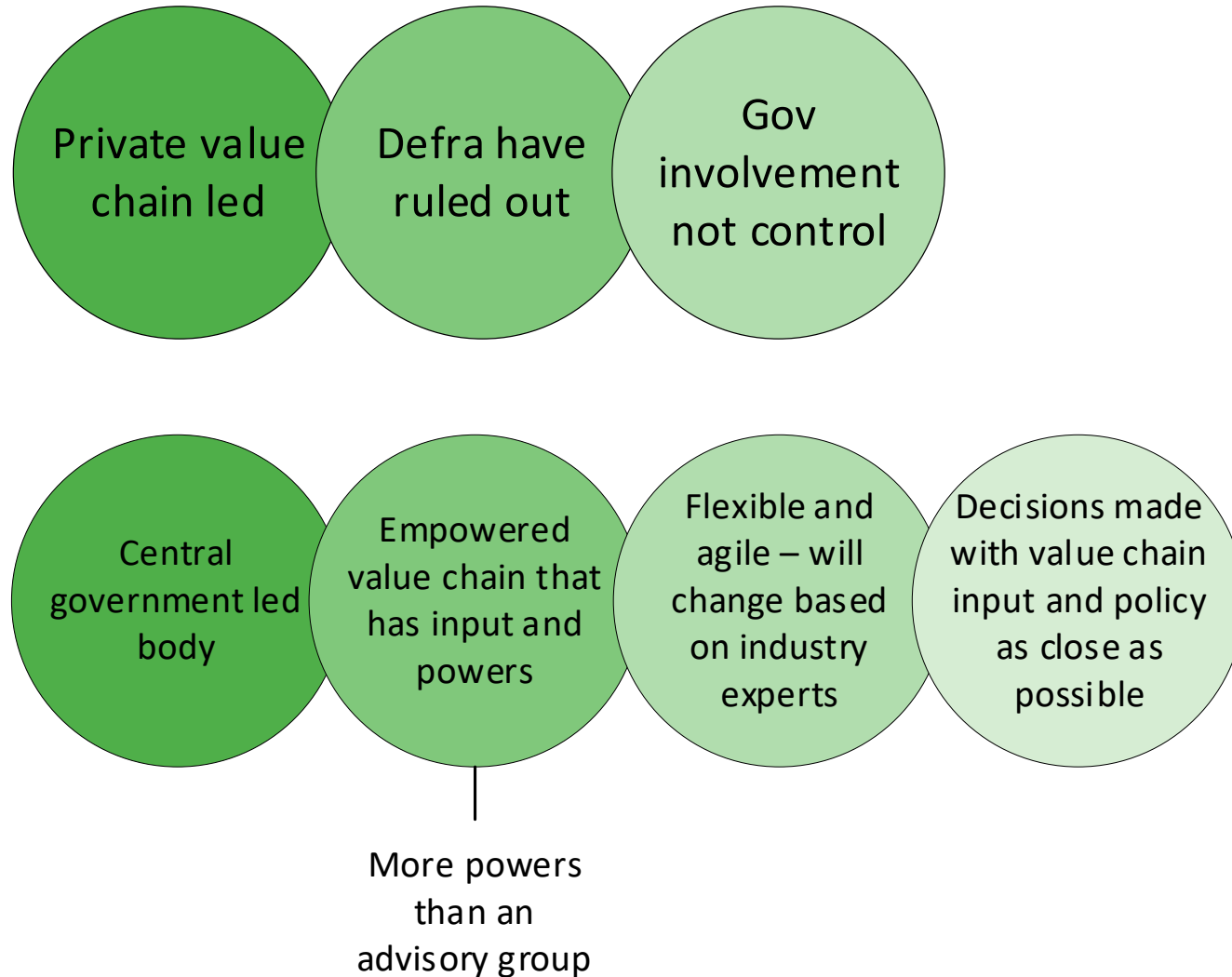
Timelines need to be taken into account as the SA is due to be appointed by the end of the year

Value chain involvement needs to be built in the design of the SA right from the start

The SA needs to be an evolving system that is continually improving, identifying blockers and driving improvements

The Scheme Administrator

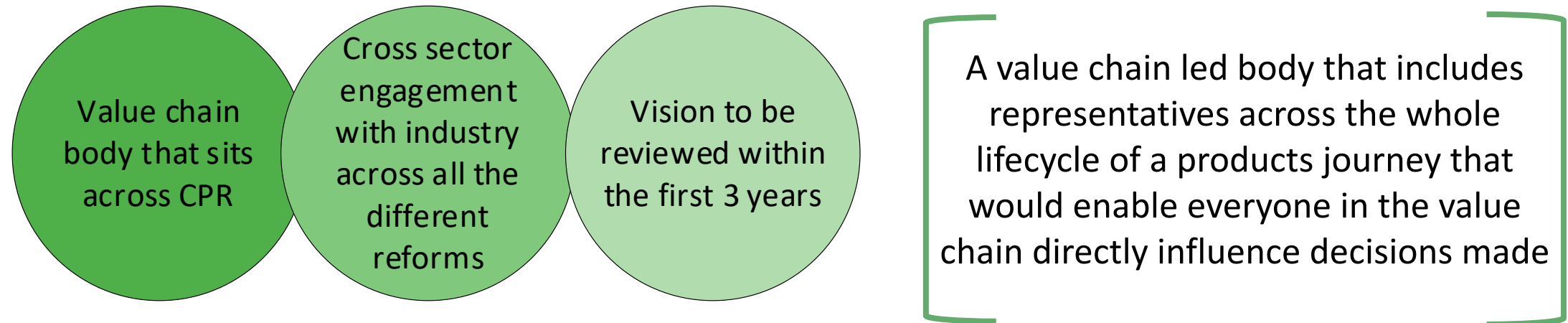
There was non-alignment on how the scheme administrator should be formulated



Concerns:

- Will take a political rather than green focus
- Producers are the ones paying the fees so should have meaningful input
- There needs to be one system across the UK to avoid devolved issues
- Stakeholders given adequate opportunity to contribute and be listened to
- Public sector ability for being effective and efficient

Value chain body that sits across CPR

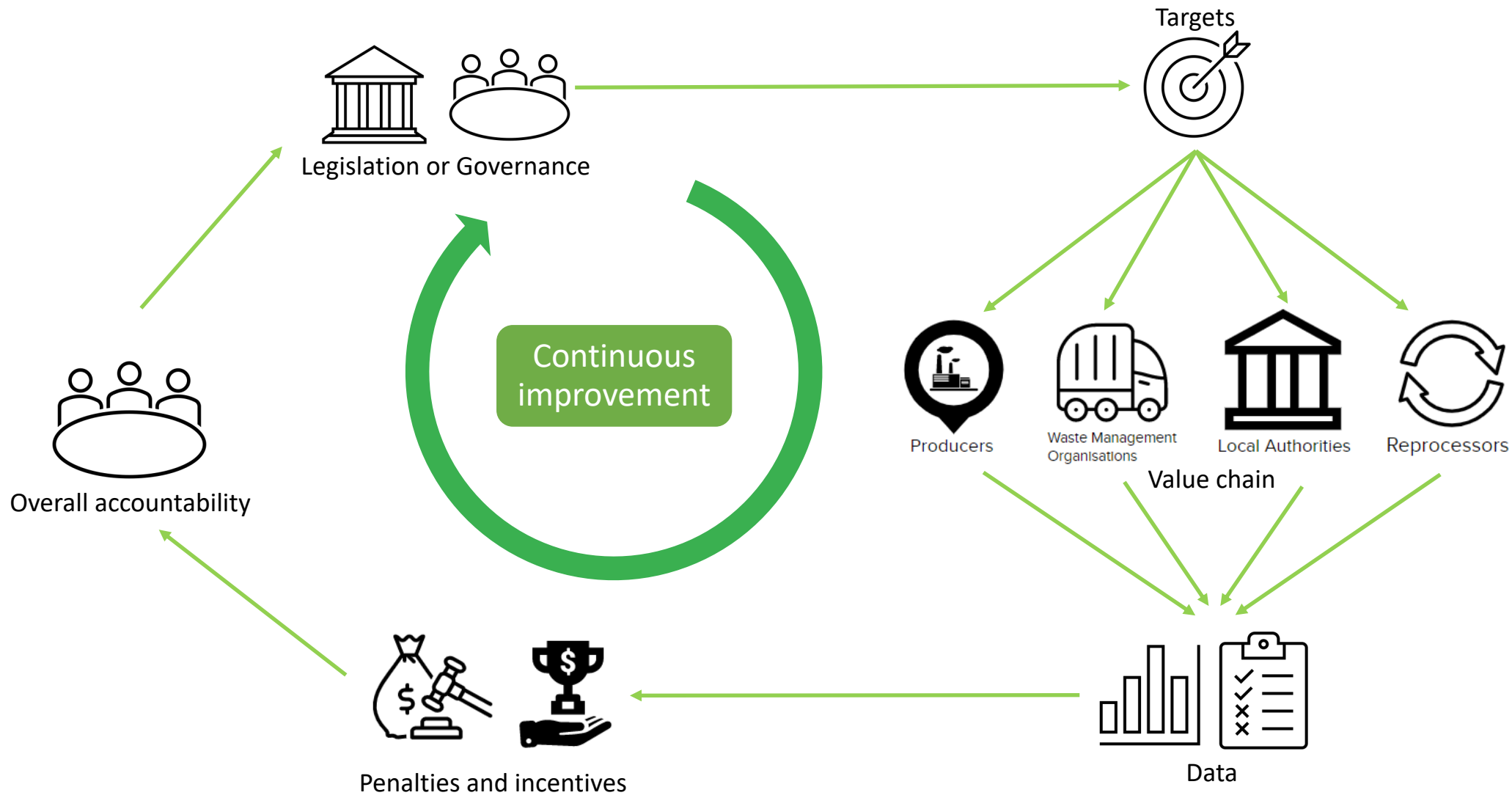


Some thoughts we heard:

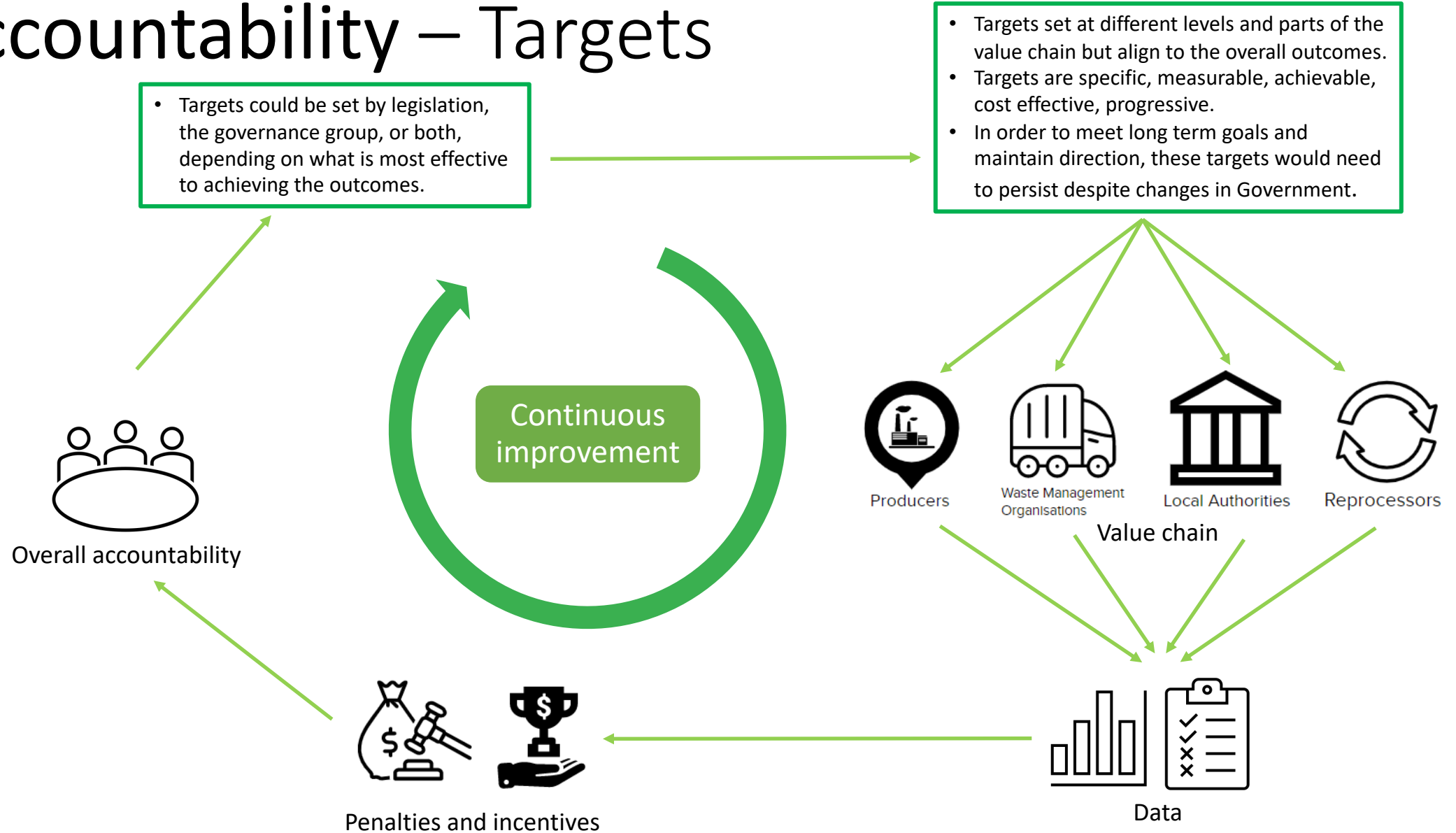
- This advisory body can directly influence policy making decisions and the future of CPR
- Monitoring abilities of the SA performance
- Has a mandate at suitable level that allows it drive outcomes
- Independent group could retain continuity throughout any gov changes
- Stakeholders hearing and understanding each other's priorities, pressures, goals and drivers

Ensuring performance through whole system
accountability

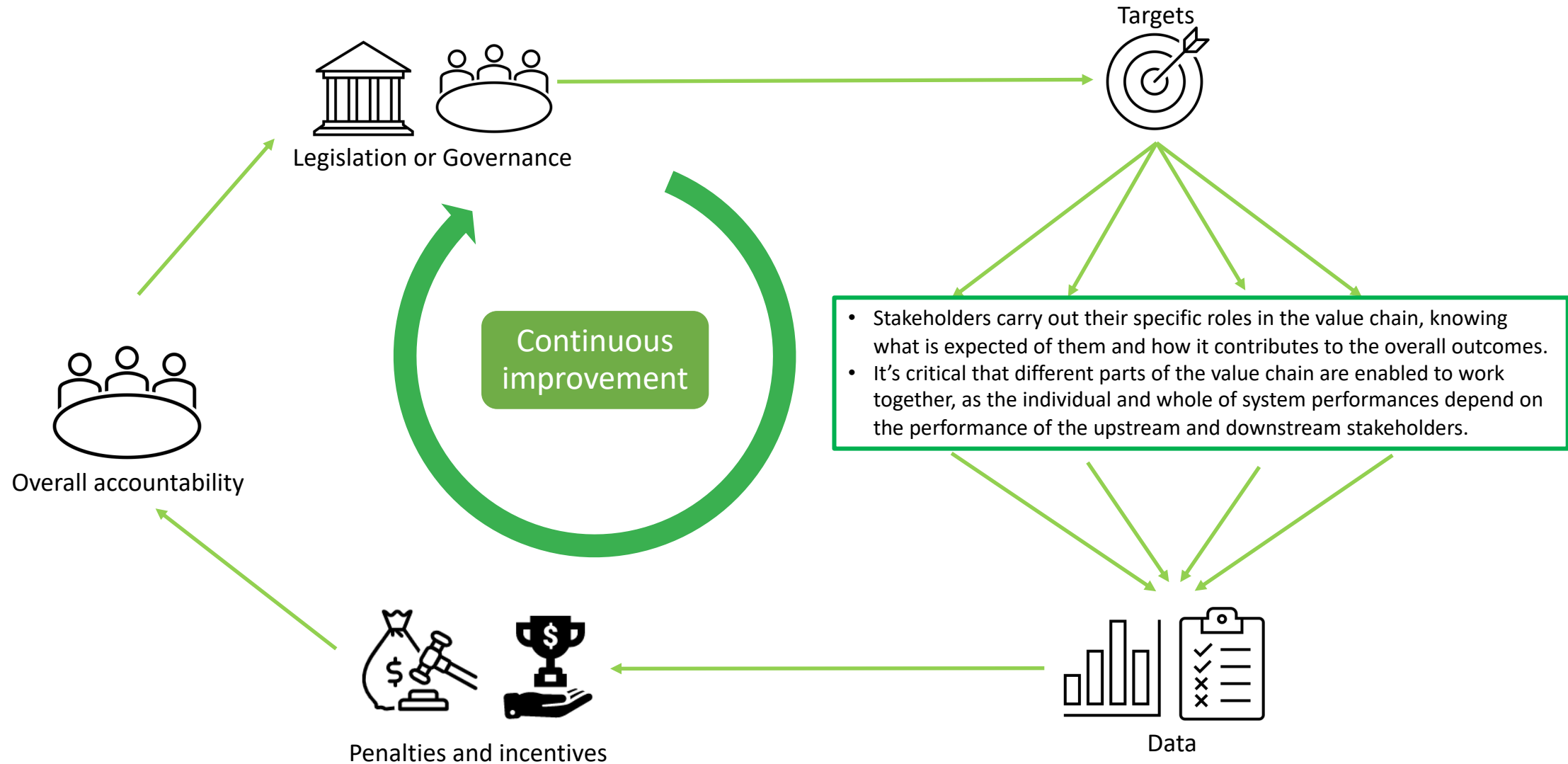
Ensuring performance through whole system accountability – Overview



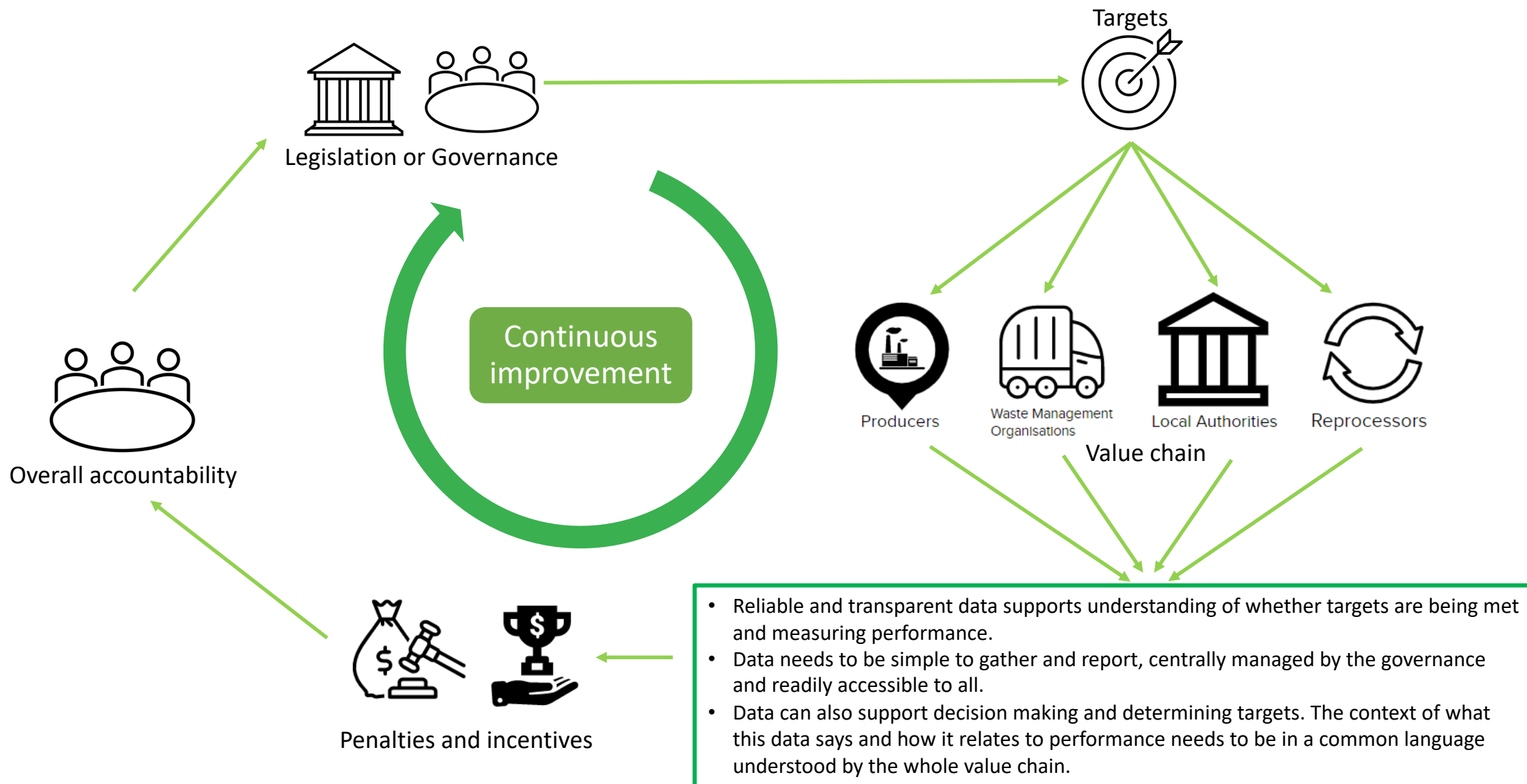
Ensuring performance through whole system accountability – Targets



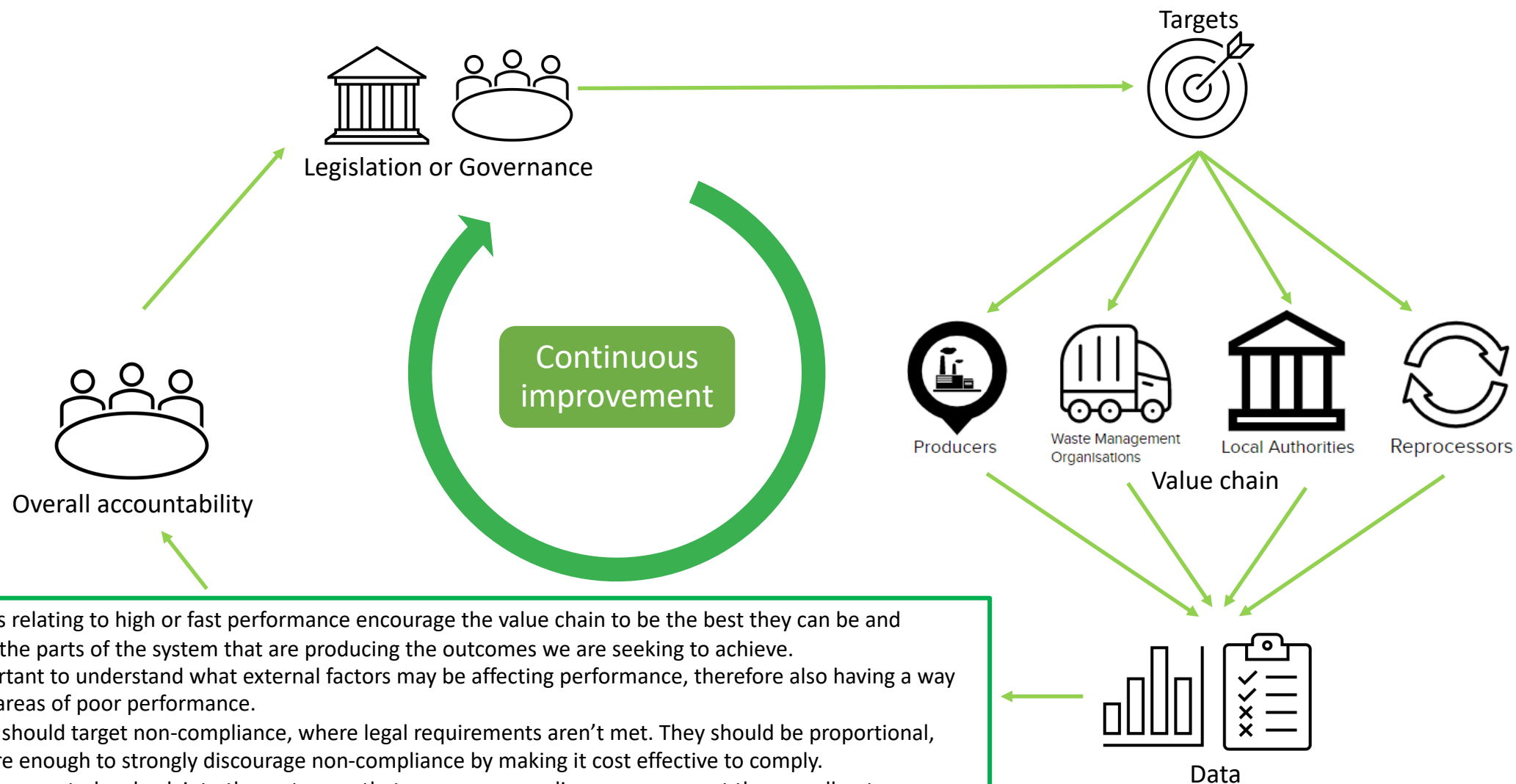
Ensuring performance through whole system accountability – Activity in value chain



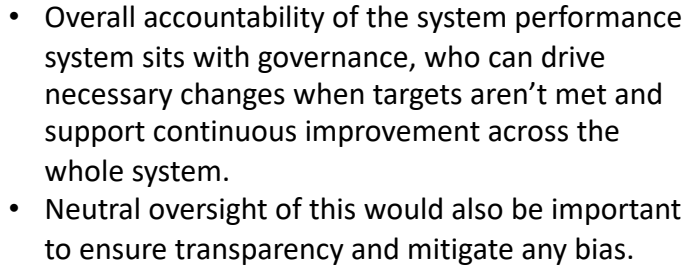
Ensuring performance through whole system accountability – Data



Ensuring performance through whole system accountability – Penalties and incentives



- Incentives relating to high or fast performance encourage the value chain to be the best they can be and supports the parts of the system that are producing the outcomes we are seeking to achieve.
- It is important to understand what external factors may be affecting performance, therefore also having a way of lifting areas of poor performance.
- Penalties should target non-compliance, where legal requirements aren't met. They should be proportional, and severe enough to strongly discourage non-compliance by making it cost effective to comply.
- Any fines generated go back into the system so that even non-compliance can support the overall outcomes.



Ensuring performance through whole system accountability – Further considerations

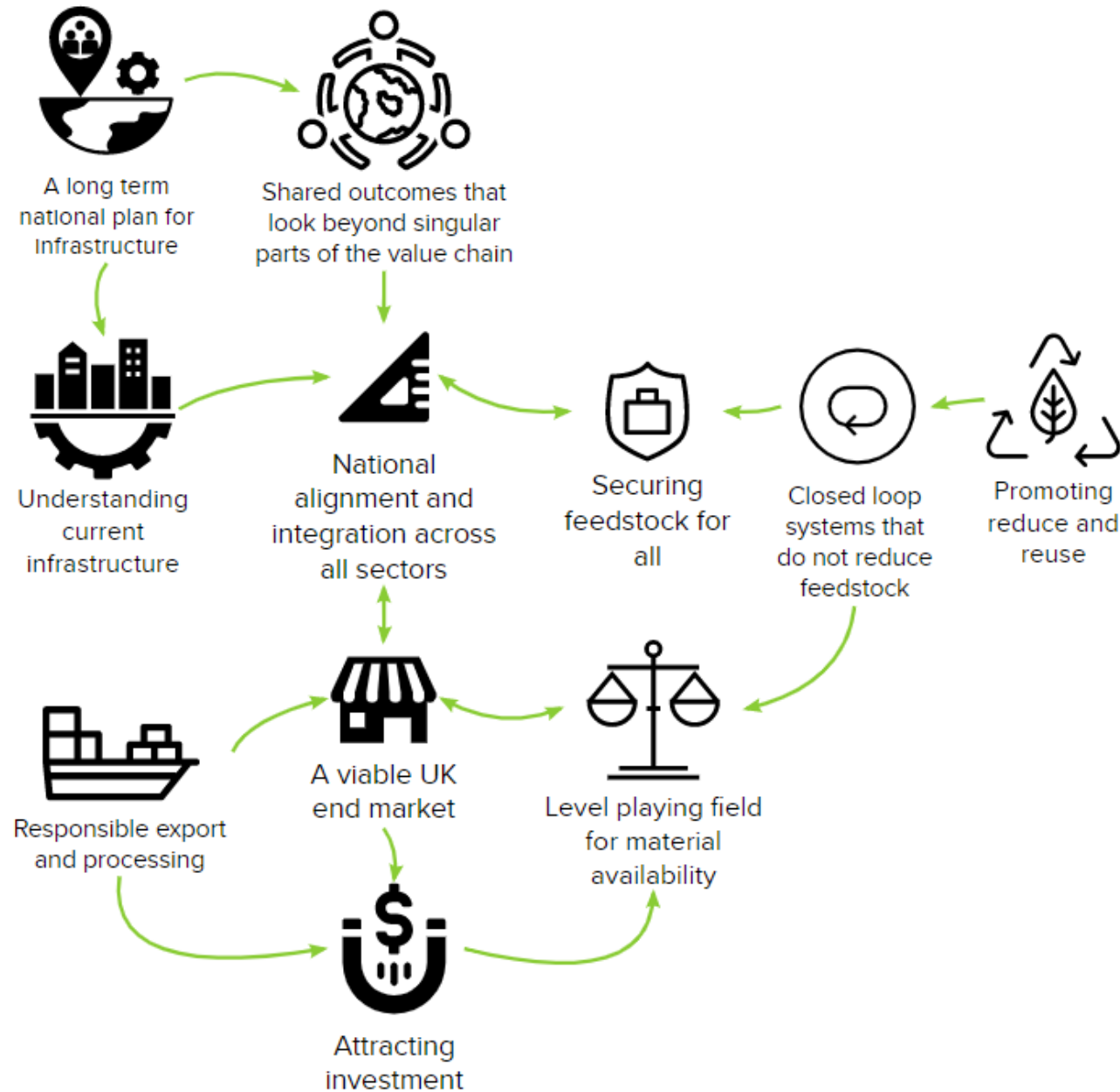
Sample of detailed considerations that came out of workshops:

- The specific outcomes we are seeking and how these align with current government goals
- Which metrics will be used to measure performance
- Sharing responsibility
- Determination of legislative and governance set targets
- Effective and proportional penalties and incentives
- Specific functions and features of data
- Overall accountability and continuous improvement

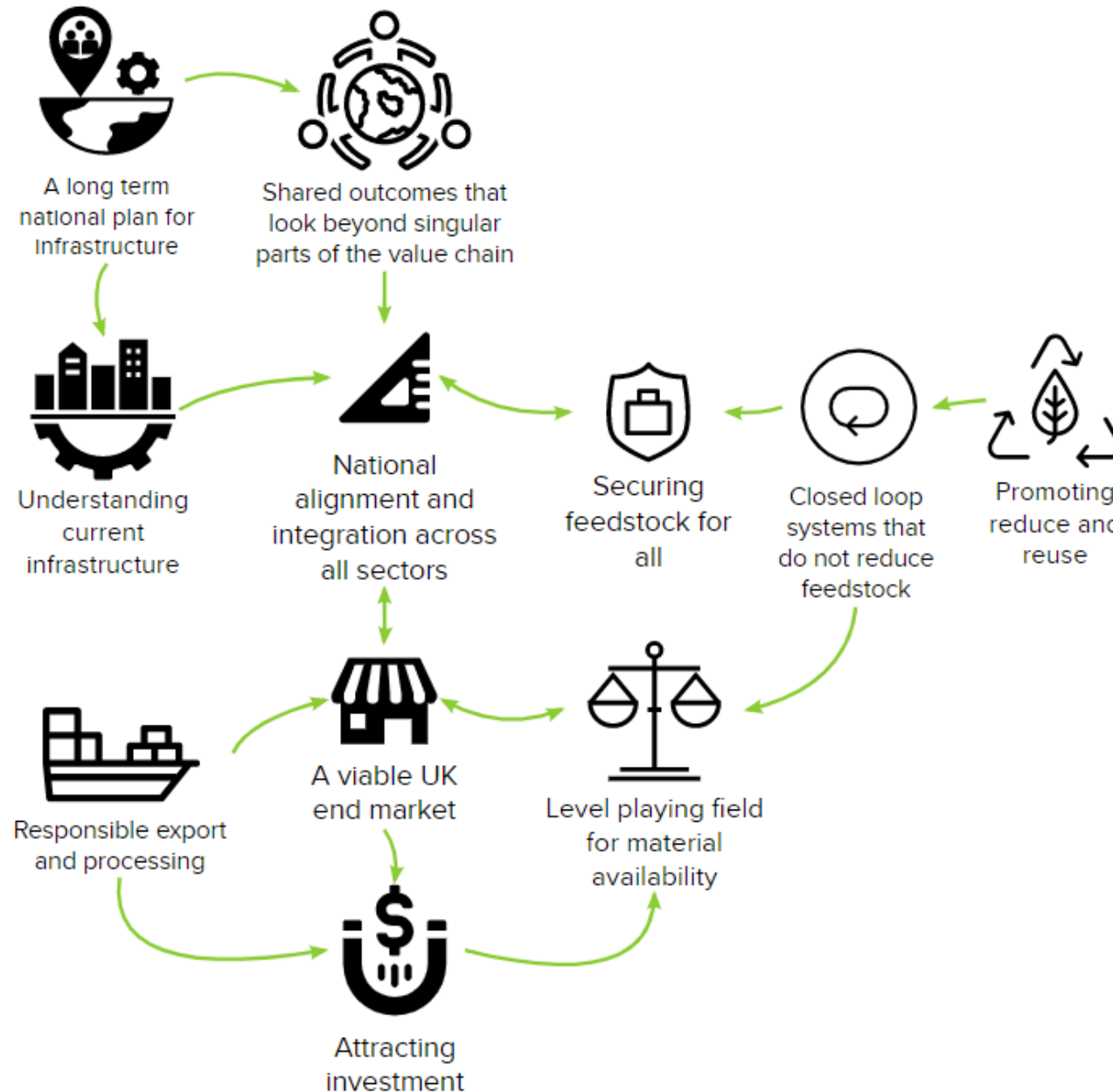
These considerations, and many more, will need to be taken forward and worked through as part of the next phase.

Creating the right infrastructure

Creating the right infrastructure



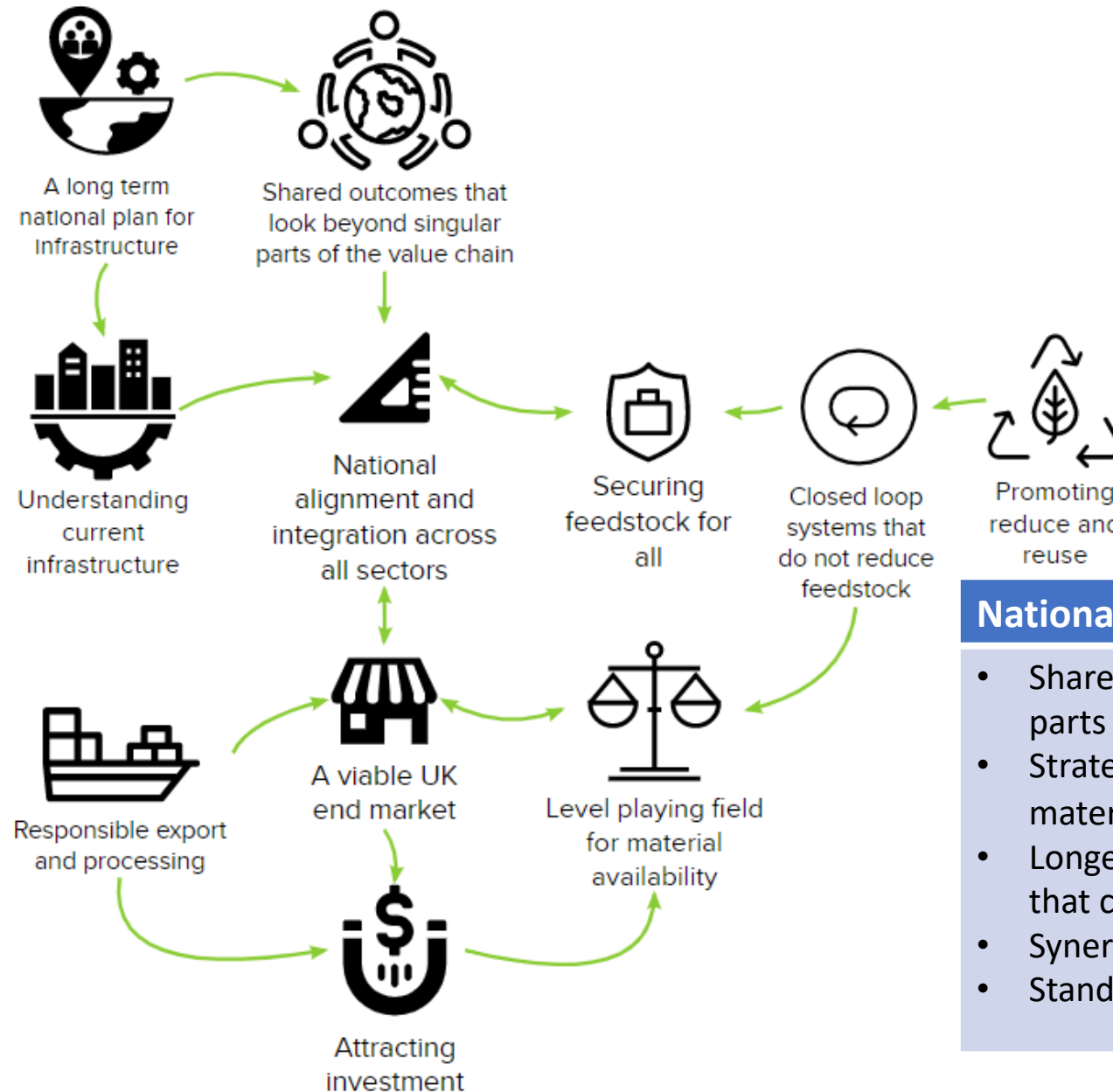
Creating the right infrastructure



Promoting Reduce and reuse

- Setting out the role of closed loop systems as part of promoting reduce and reuse
- Explore potential for legislative requirements
- Building up industry that uses end of life materials/recyclate

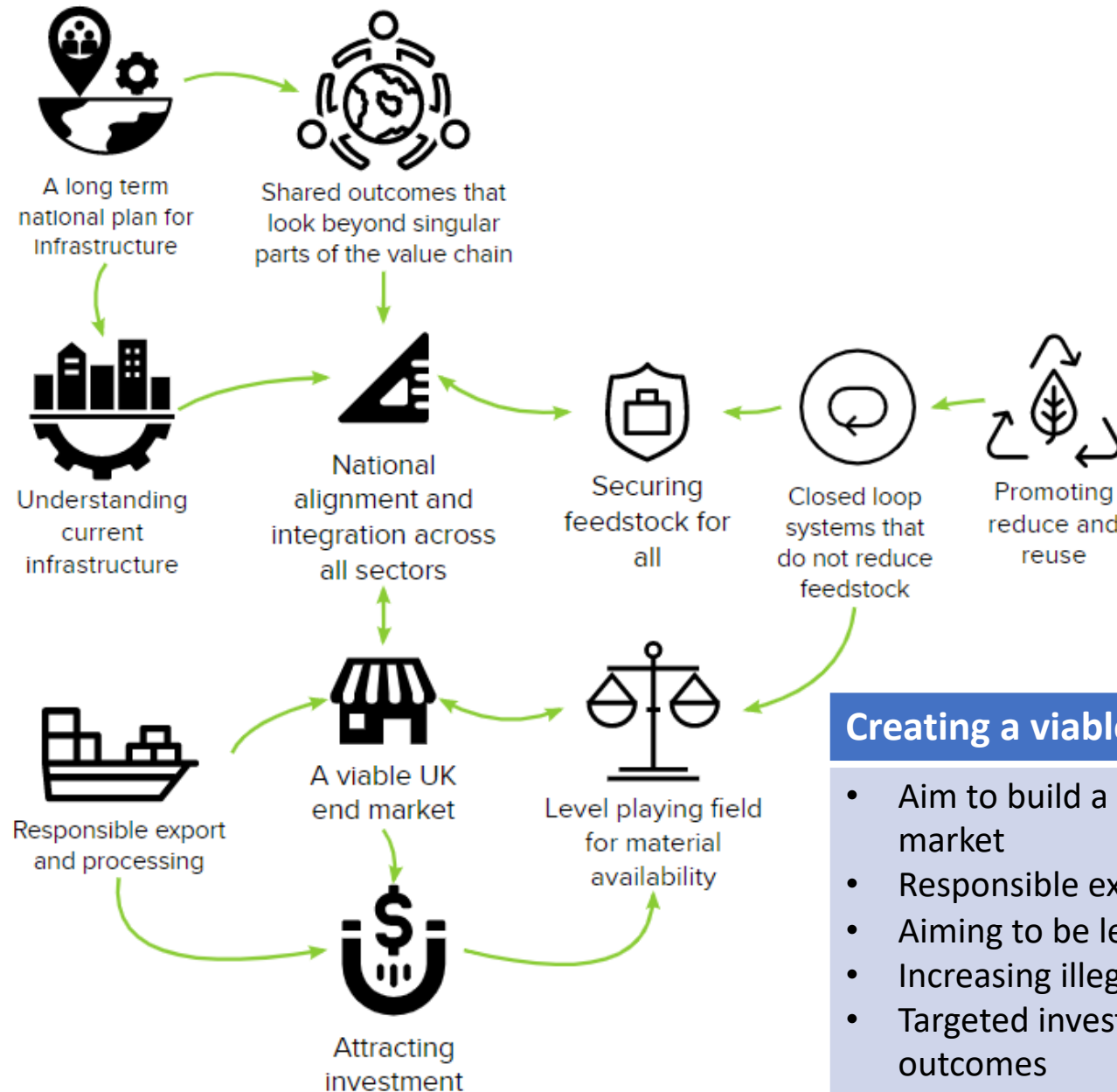
Creating the right infrastructure



National alignment

- Shared outcomes that look beyond singular parts of the value chain
- Strategic approach that considers different material types
- Longer term contracts where appropriate that consider planning permissions
- Synergies with other industry sectors
- Standardised material types and design

Creating the right infrastructure



Creating a viable end market

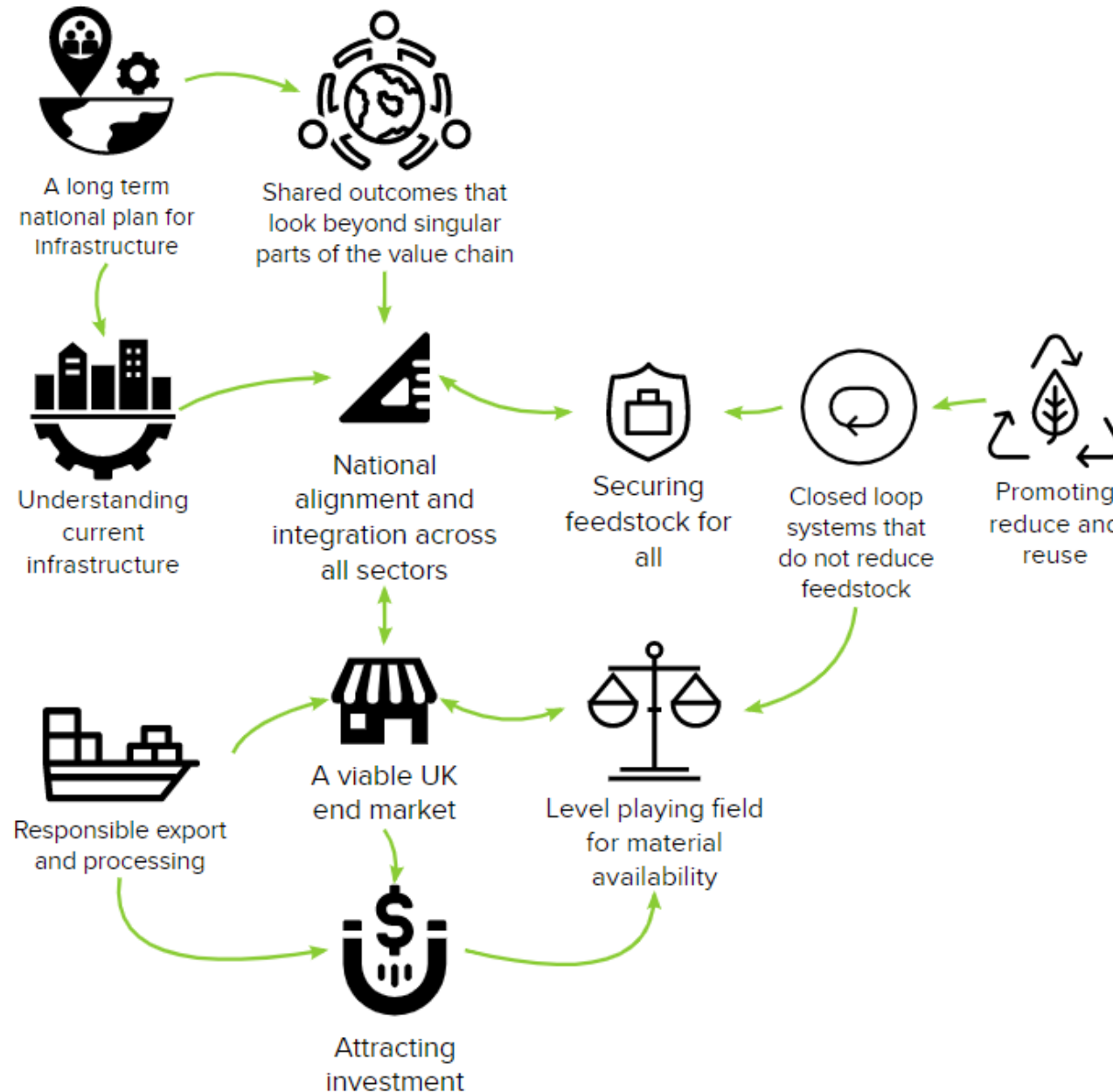
- Aim to build a more domestic UK market
- Responsible export and processing
- Aiming to be less reliant on export
- Increasing illegal export enforcement
- Targeted investments for specific outcomes

Creating the right infrastructure

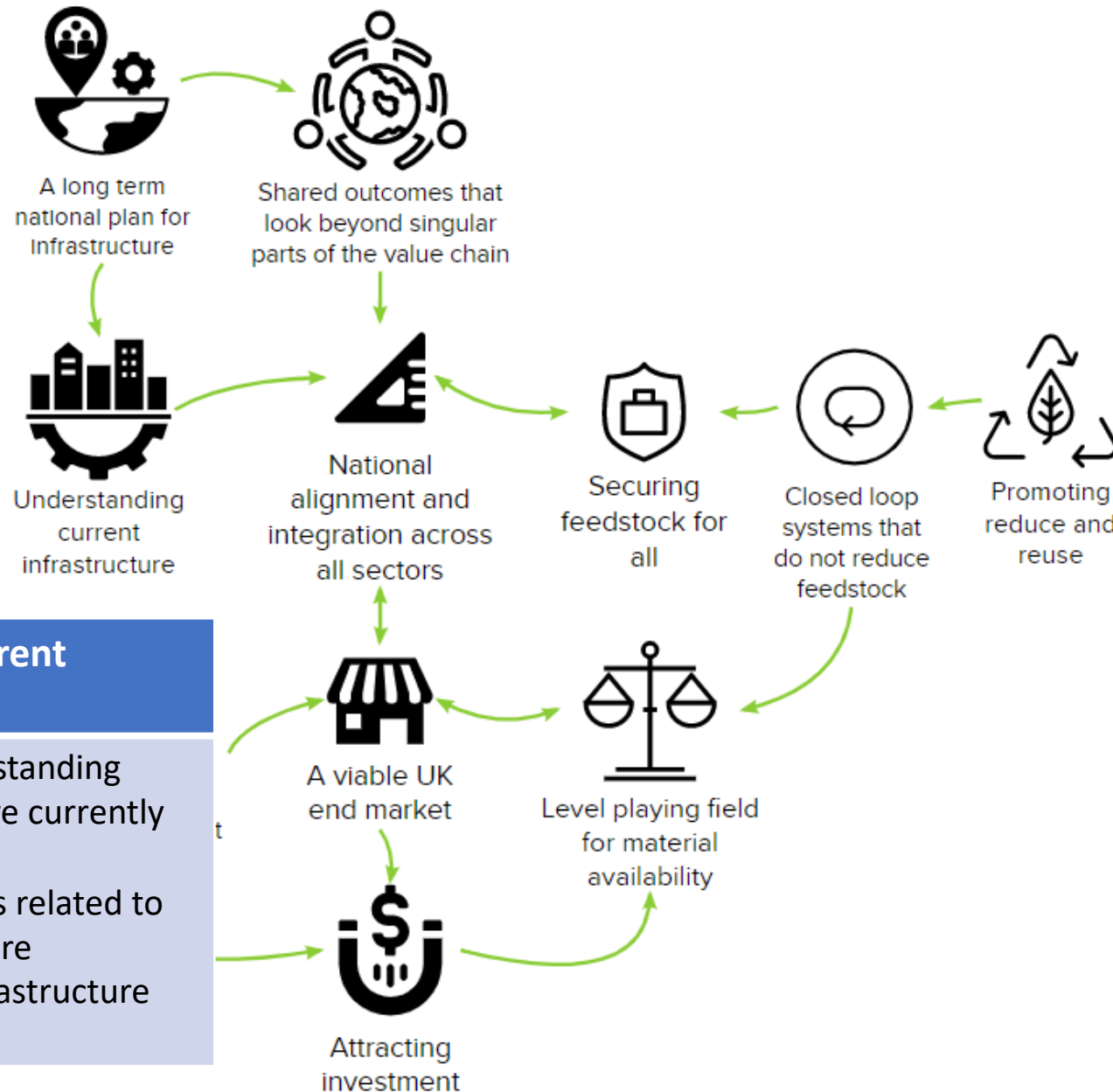
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Securing feedstock for all

- Consider where this intersects with other policy areas
- Increasing visibility to allow the value chain to adapt
- Promoting circular economy and less reliance on virgin materials
- Increase viability of material captured
- Consistent collections



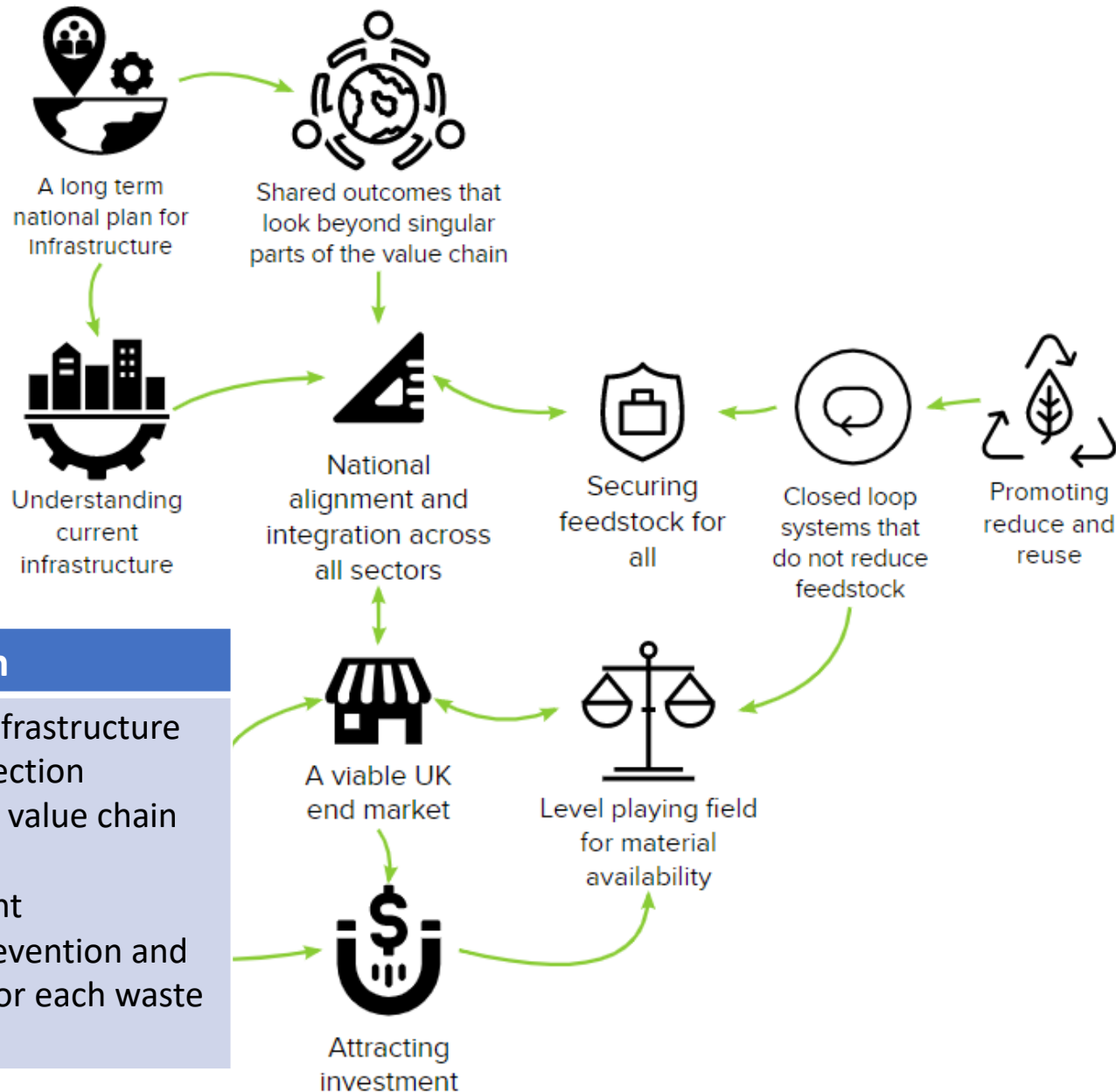
Creating the right infrastructure



Understanding current infrastructure

- Building an understanding what infrastructure currently exists
- Review all logistics related to waste infrastructure
- Using existing infrastructure and retrofitting it

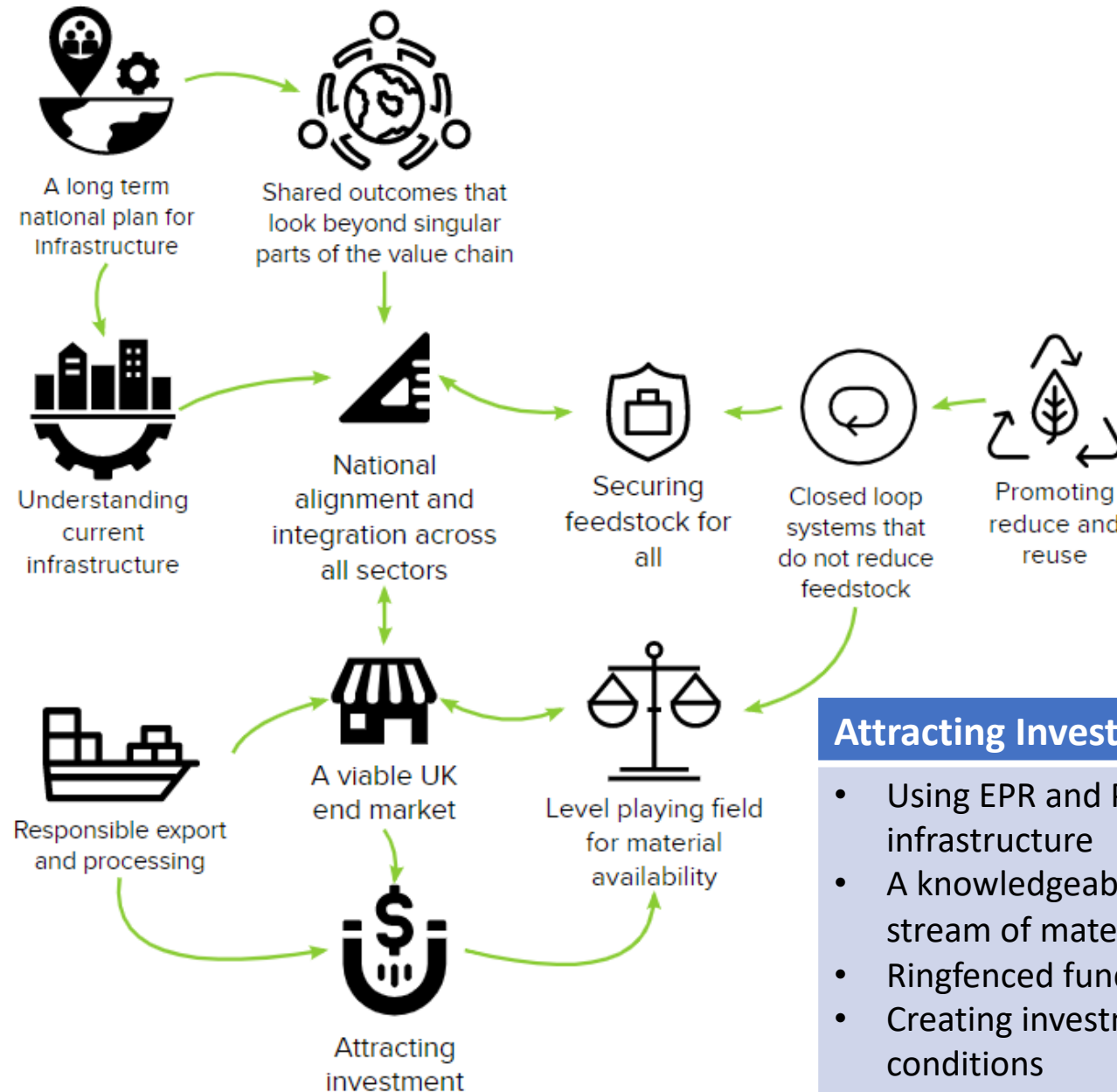
Creating the right infrastructure



Infrastructure Plan

- An overarching infrastructure plan that sets direction
- Takes account for value chain nuances
- UK wide alignment
- Mutual sector prevention and eco-design plan for each waste stream

Creating the right infrastructure



Attracting Investment

- Using EPR and PRN to fund infrastructure
- A knowledgeable and reliable stream of material
- Ringfenced funding as CPR only
- Creating investment ready conditions

Creating the right infrastructure

Considerations:

Reduce and Reuse

- How can infrastructure be used to promote the adoption of reduce and reuse?

Export

- How can we make UK material more cost efficient than imported?

Circular Economy

- How do we promote a circular economy and create an environment that is not as reliant on virgin materials that still promotes securing feedstock for all?

Timing

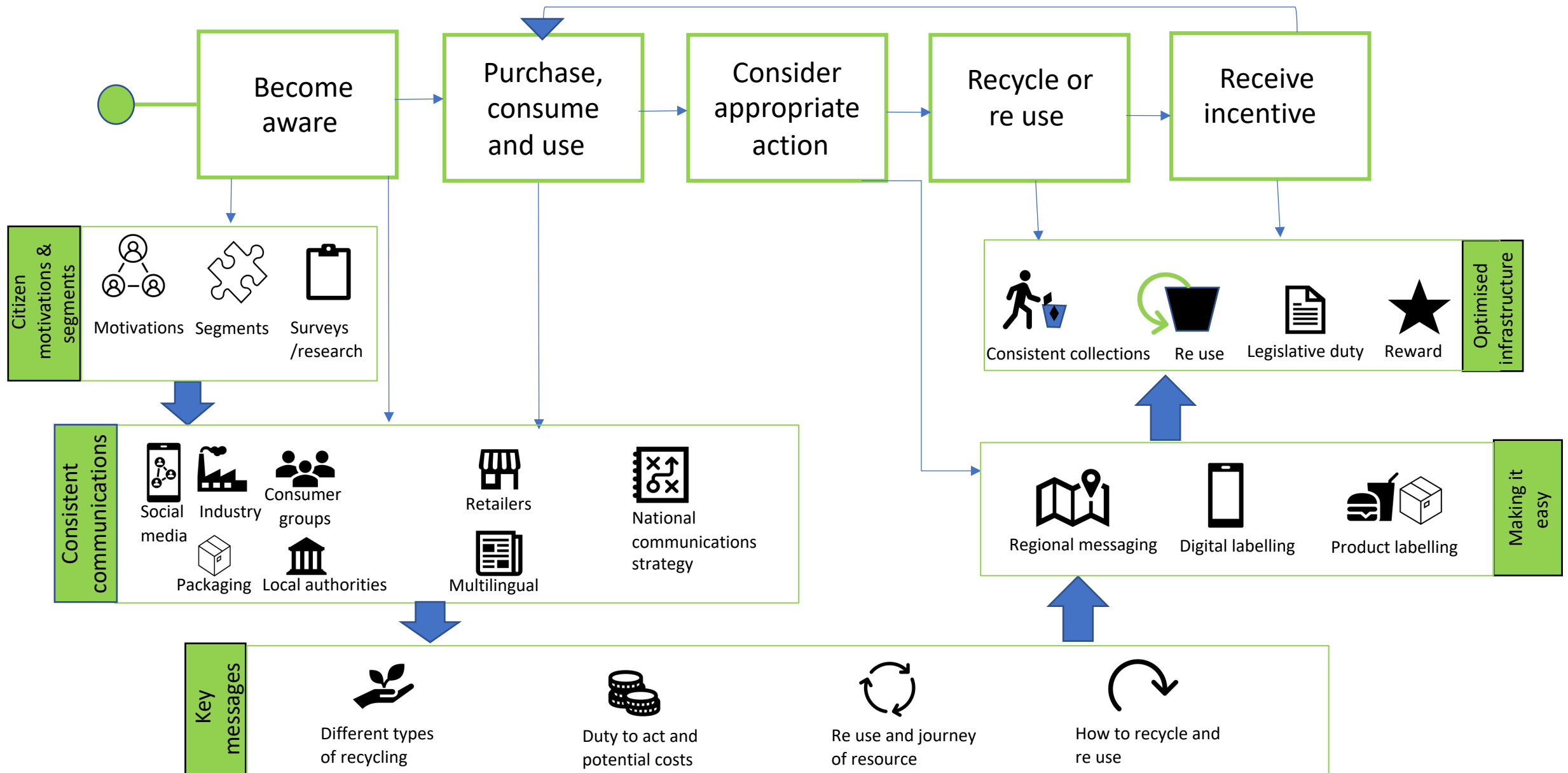
- How can we ensure that infrastructure can keep up with new technology and allow for innovation in the long-term?

Infrastructure plan

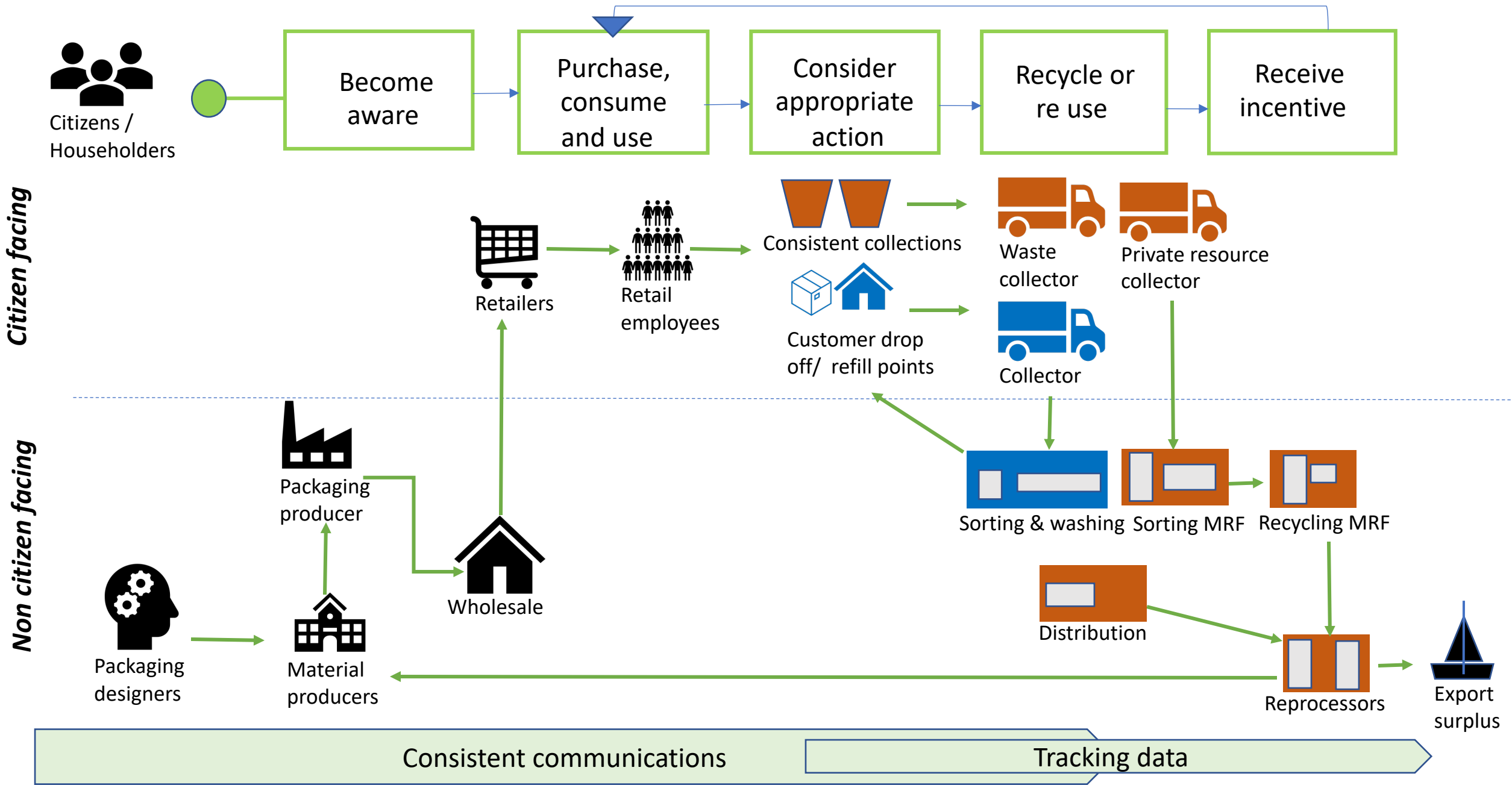
- Is it possible to align infrastructure across the value chain?

Enhanced citizen experience

Enhanced citizen experience



How citizen experience is impacted



3. Break 15 mins

4. Transition plan & next steps

Next steps



Value chain

Review of vision
with members and
represented
organisations

Feedback shared
with sprint single
point of contact

Involvement in
transition
planning

DEFRA

Share vision
review pack
by 24.03

Send out
feedback
survey

Collate
feedback

Definition of
co design &
next steps

Transition plan steering group

Transition plan
framework
overview

Transition plan
framework
review

Confirmation of next
steps with transition,
linking in with co
design approach

Transition plan - framework

What is a project transition plan?

A transition plans needs to

- Agree a **common goal**
- **Map the participants** engaged in the value chain required to change to achieve the progress from today to the common goal
- Identify the **roles and dependencies** of & between the participants in the value chain
- Establish the **actions & the interdependencies between the actions** required by the various participants to achieve the progress from today to the common goal
- Identify the **sequence of actions** required between the defined actions
- Create a **monitoring and review** process to measure progress and create any interventions to deliver the common goal. A transition plan is only finished when the common goal is achieved, it becomes a live project after first creation and is continually reviewed and adapted where necessary.
- An agreed transition plan delivers more certainty for **finance**

Process

- Establish the above and set a skeleton delivery plan.
- Each element of the delivery plan that needs definition and/or resolution is then undertaken by a task and finish group established from members of the Sprint Group & others where needed.
- Sprint group task and finish work is then consolidated and any new tasks arising are assigned in the same way until a plan with all parties, dependencies, interdependencies and actions is agreed. The plan should be agile through the period of delivery, the principle being **the plan is not completed until the common goal is achieved.**

This Sprint process has been working
on a definition of a common goal

Common Goal

Defined by the sprint process and the targets

Behind the % targets are real kg’s collected from homes and businesses that make real tonnes handled, sorted, recycled and which are sent back to make more products.

Targets should reflect % and actual collected data.

	2025			2030			
	No change	DRS Consistency +EPR	+ Percentage point increase	No change	DRS Consistency + EPR	+ Percentage Point increase	2030 PPWD Targets ⁴
Plastic	42%	51%	+9%	42%	62%	+20%	55%
Wood	38%	39%	+1%	38%	39%	+1%	30%
Aluminium	57%	69%	+12%	57%	69%	+12%	60%
Steel	83%	88%	+5%	83%	92%	+9%	80%
Paper/card	70%	81%	+11%	70%	86%	+15%	85%
Glass	69%	92%	+23%	69%	93%	+25%	75%
Total	61%	73%	+11%	61%	78%	+16%	70%

Note: this analysis assumes the introduction of an England, Wales and Northern Ireland deposit return scheme, Extended Producer Responsibility and Consistency (in England). The analysis does not include the contribution from Scottish deposit return scheme material.

Common Goal (illustrative example only)

Defined by the sprint process and the targets, but for LA's

All LA's achieve a minimum of 35% dry recycling where possible (?)

This plan presents a common method of dry recycling calculation across the UK and will therefore differ from methods used and reported locally.

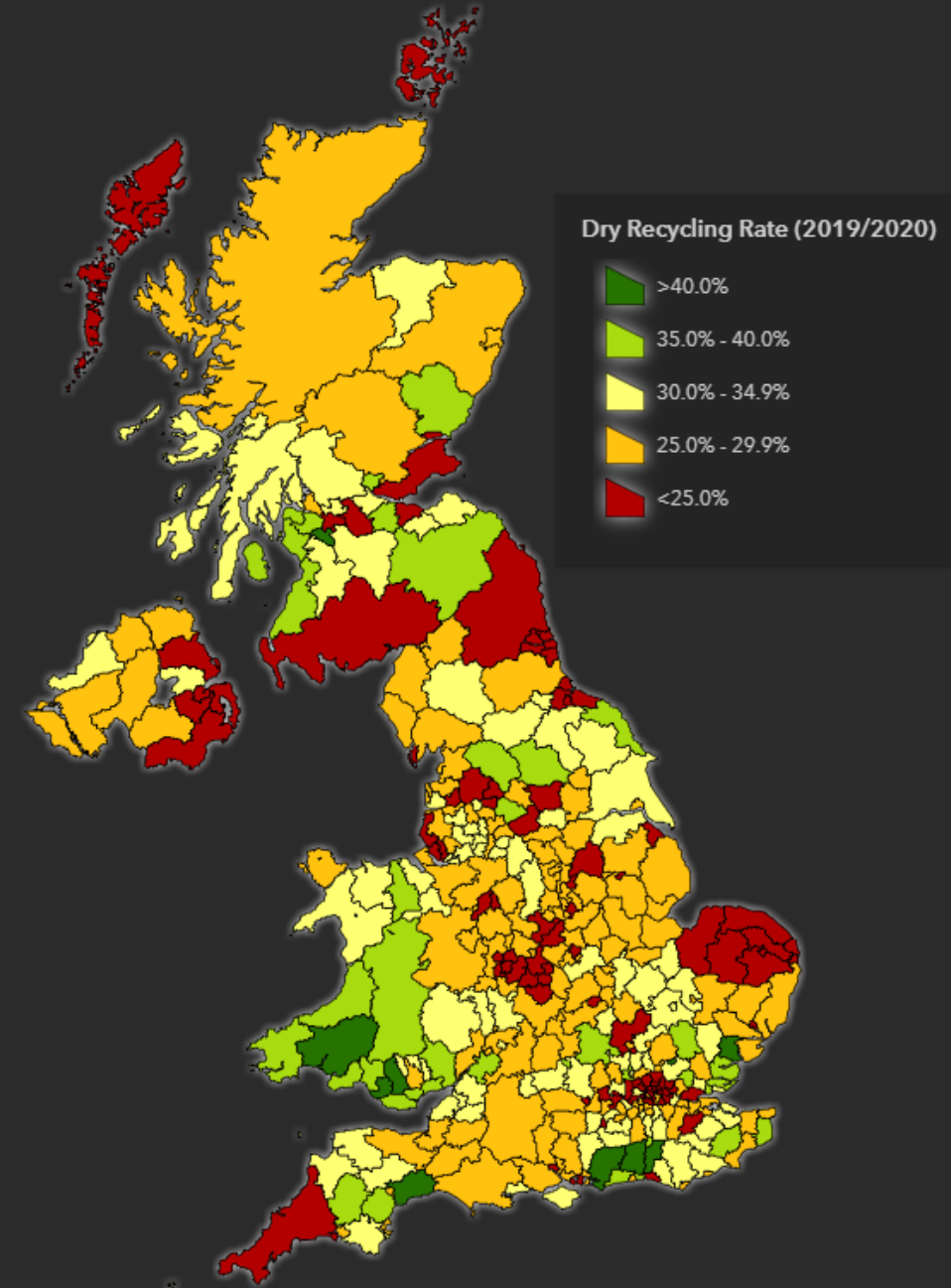
The recycling performance data for local authorities in England is based on information submitted by local authorities to Waste Data Flow. The English data is audited and published annually by the Department for the Environment, Food and Rural Affairs (Defra). This data relates to the 2019/2020 financial year as published by Defra on 03.03.2021.

Recycling performance data for local authorities in Scotland was published by the Scottish Environmental Protection Agency (SEPA) on 27.10.2020.

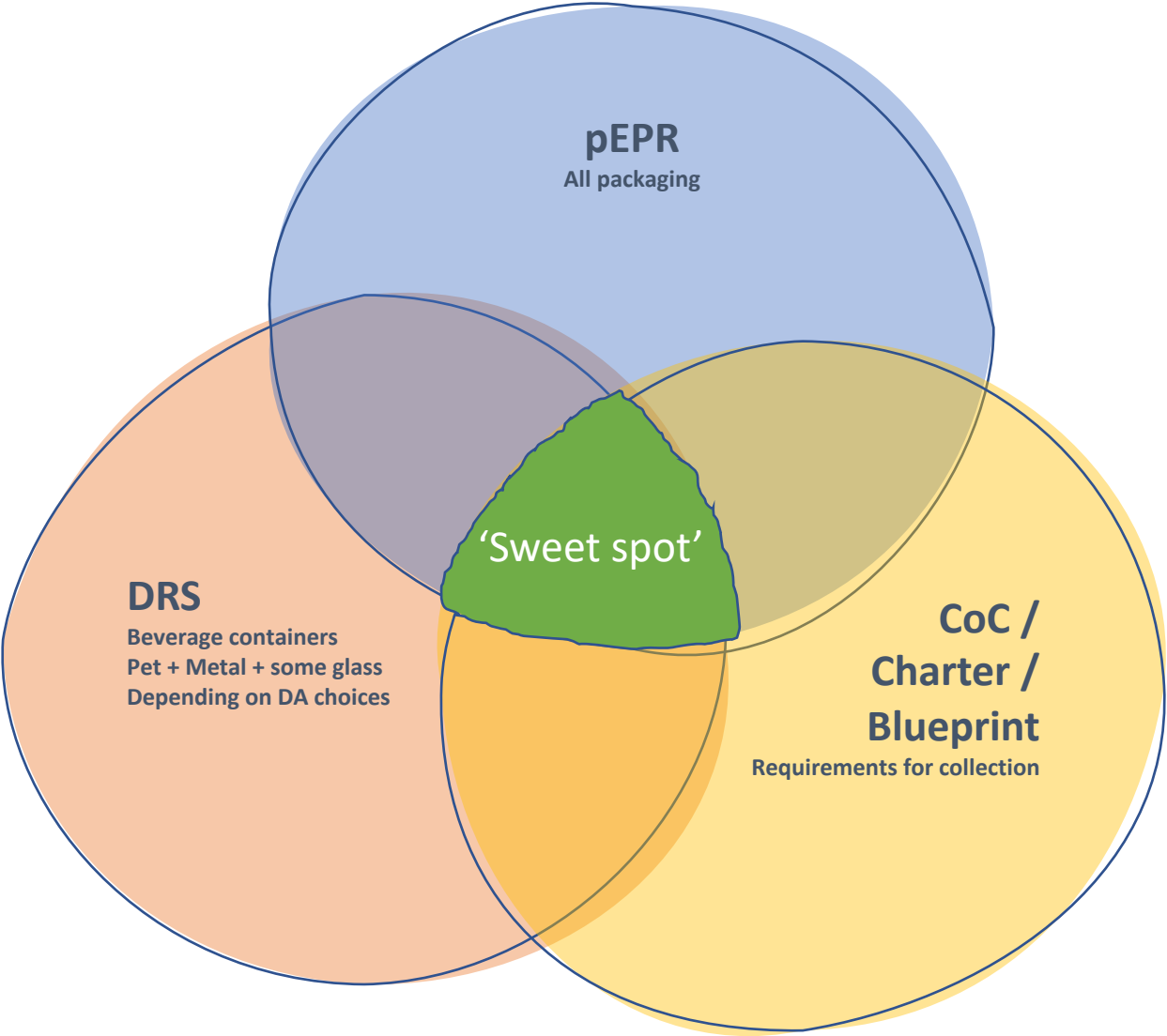
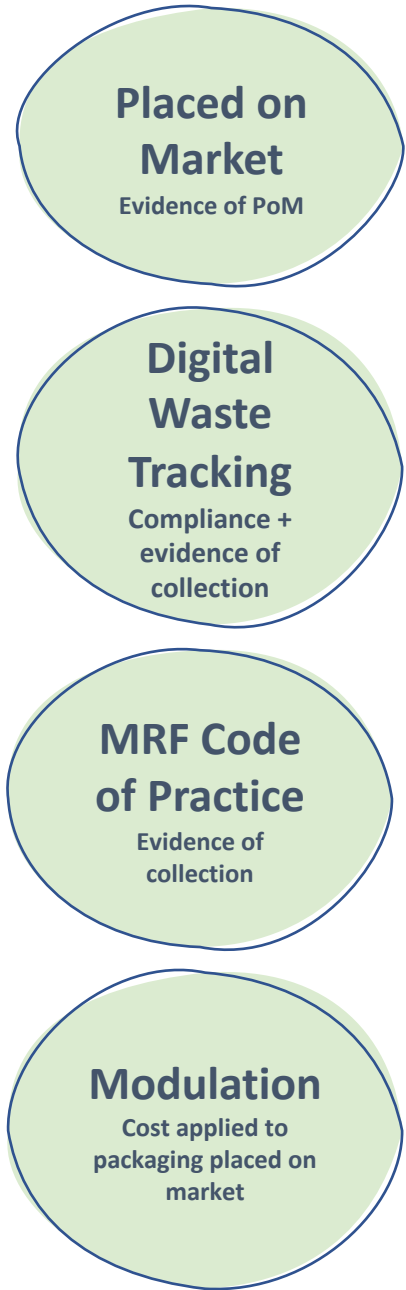
The recycling data for Welsh local authorities was published by WasteDataFlow/Natural Resource Wales in November 2020.

Recycling performance data for local authorities in Northern Ireland was published by the Department of Agriculture, Environment and Rural Affairs (DAERA) on 26.11.2020.

Data for local authority dry recycling performance were taken as reported by each authority and where appropriate include contributions to household generated dry recycling from metals recovered from Incinerator Bottom Ash (IBAm), Waste Disposal Authority managed HWRC dry recycling and Waste Disposal Authority managed MBT dry recycling. In a two Tier Authority, if there is a variance between the sum of dry recycling reported by collection Authorities and the disposal authority, the variance is proportionally distributed to the collection authority based on their individual tonnes managed.



System Influences or foundations (example)

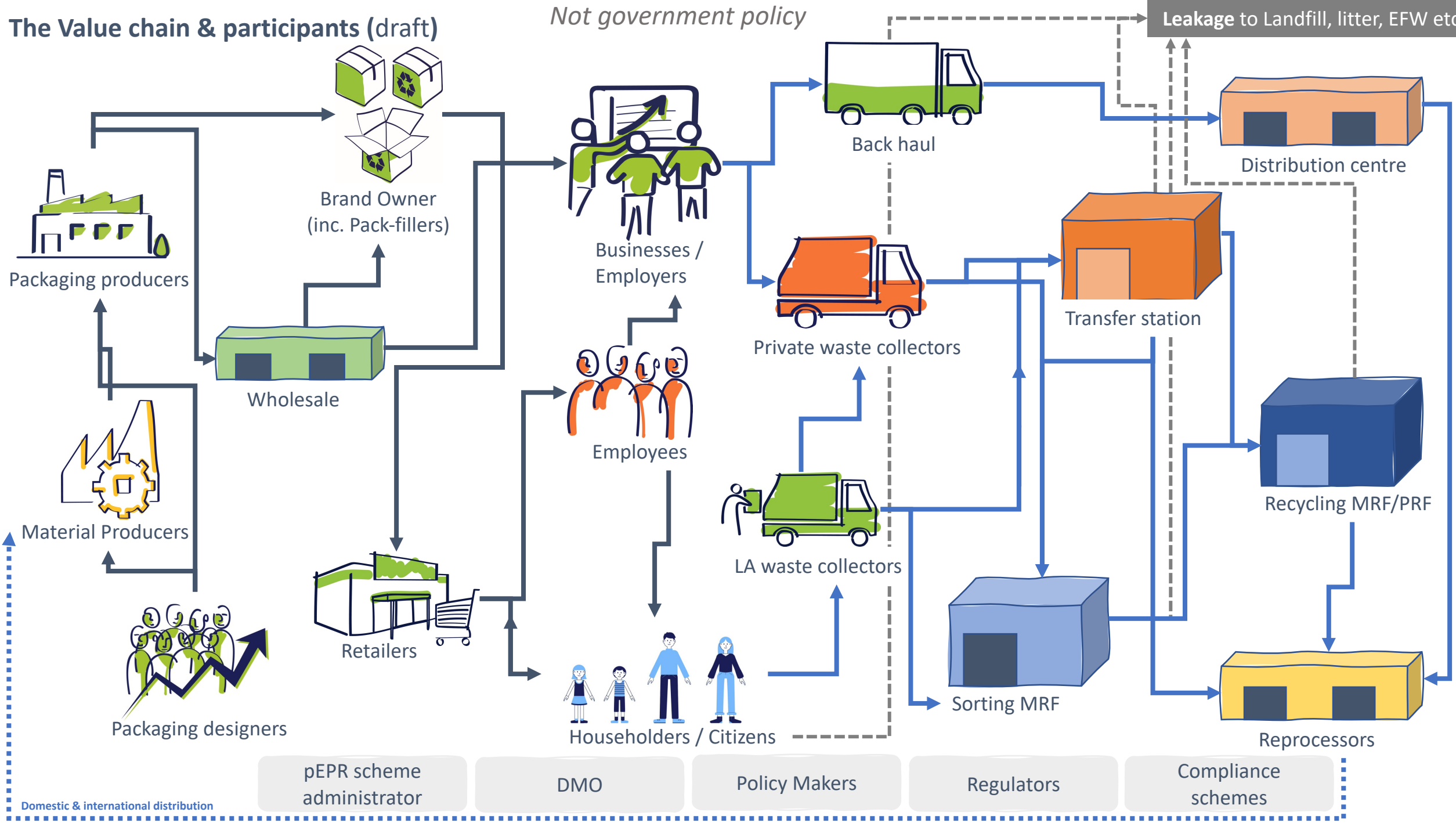


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The Value chain & participants (draft)

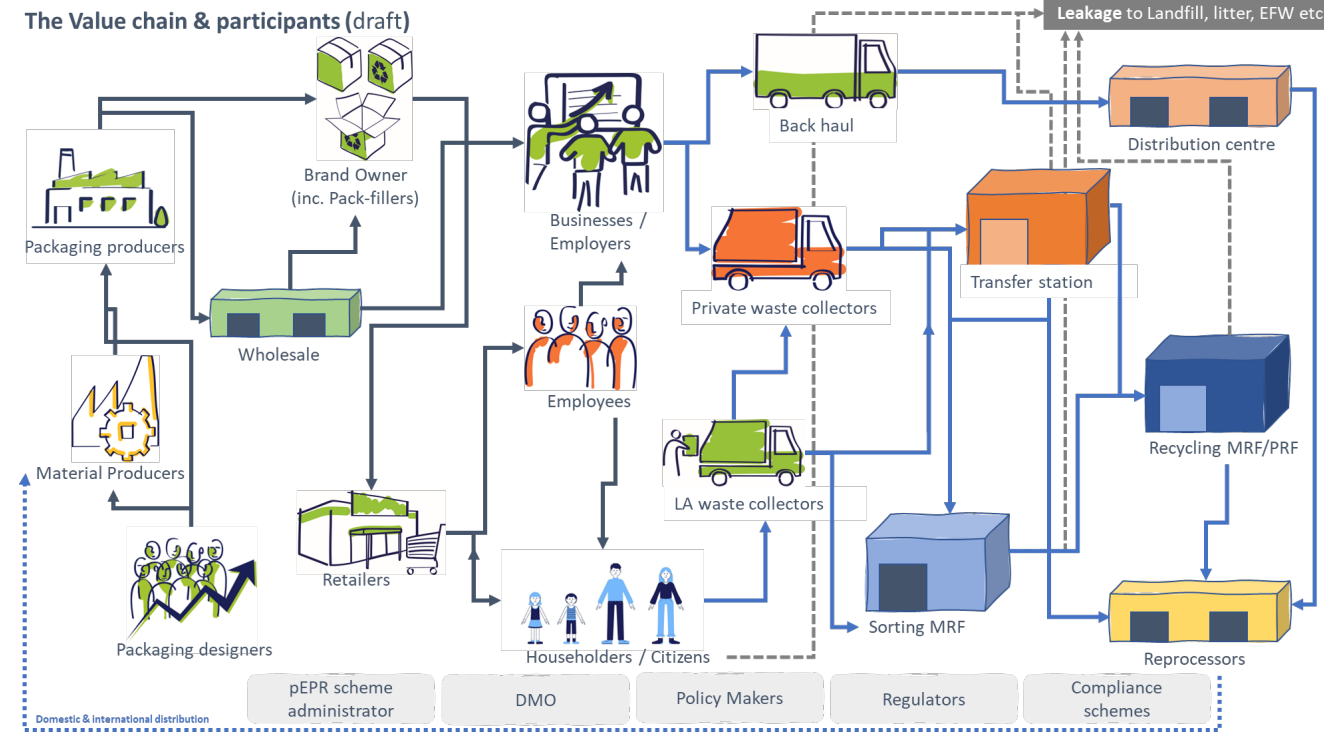
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Dependencies (non exhaustive examples)

1. Modulation – Placed on market – proportions of formats to be collected – configuration of collection trucks – sorting MRF configuration
2. Consistency of Collection (charter – blueprint) – what is collected and when – proportion of formats to be collected – configuration of collection trucks – sorting MRF configuration
3. Digital waste tracking – evidence of weight of materials collected – MRF code of practice – composition of waste collected – evidence of collected – efficient and effective – recycling performance – PRN/PERN numbers – Modulation fees
4. DRS introduction – format changes – what is collected at kerbside and when – configuration of collection trucks – sorting MRF configuration
5. Consistency of Collection (charter – blueprint) – what is collected and when – service offer changes to waste producers - proportion of formats to be collected – configuration of collection trucks – sorting MRF configuration
6. Consistency of Collection (charter – blueprint) – what is collected and when – proportion of formats actually collected – proportion of materials actually sorted – proportion of materials turned into secondary products at recycling MRF and/or Reprocessors – volume of PRN-PERN's issued – success/failure on targets – costs of PRN-PERNs – volume of reprocessed plastics available for the PPT.
7. Consistency of Collection (charter – blueprint) – Communications to waste producers – behaviour change and improvement – more target materials collected – evidence of collected – evidence of recycled – cost of PRN/PERN's – efficient and effective EPR system – targets
8.statutory TEEP impacts on the market
9. Behaviour of waste producers and organisations in the value chain

Not government policy

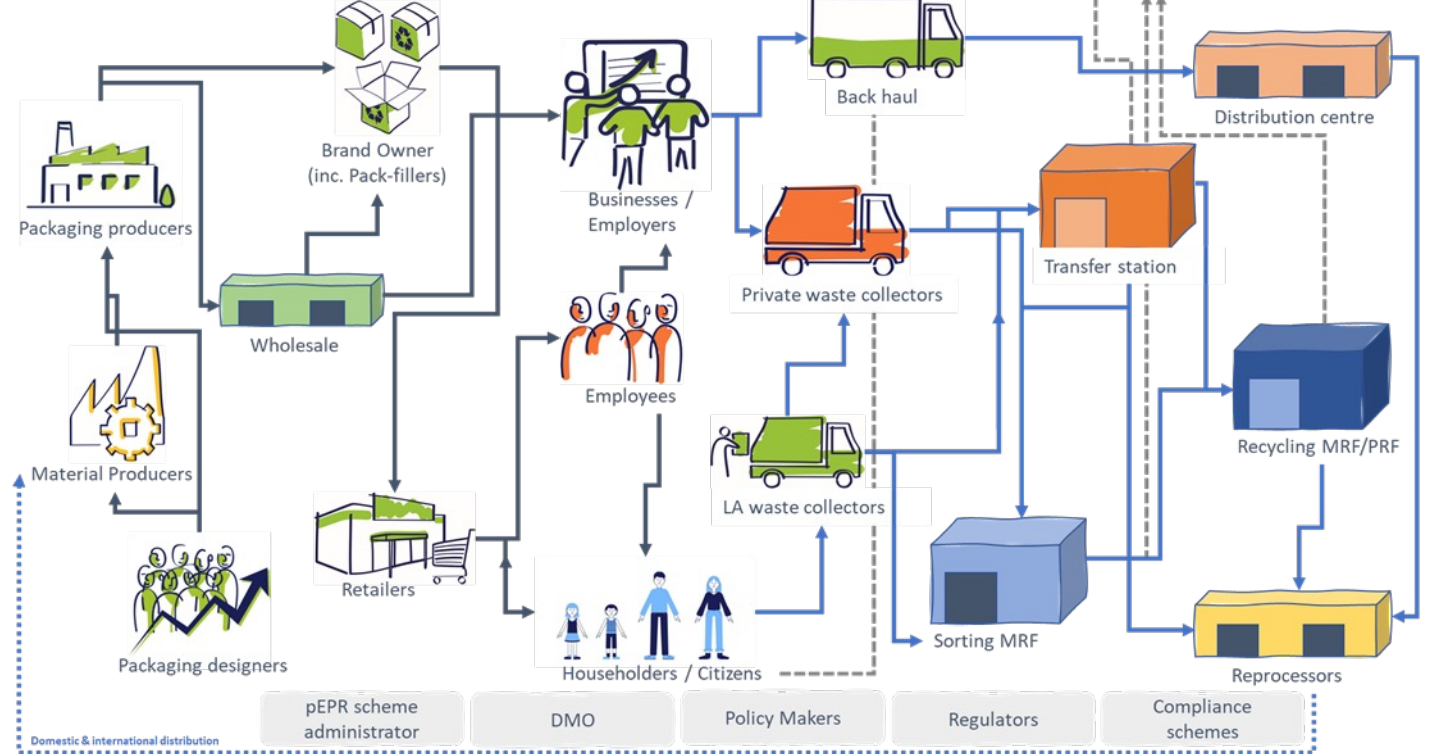


Inter Dependencies (non exhaustive examples)

1. Poor performance by waste producers reduced collected materials – less feedstock to recycling MRF's and reprocessors – less PRN-PERN's issued
2. Change in PoM by material and format – collection system design and performance – sorting MRF design and performance
3. Modulation design – PoM materials and formats – communications to waste producers – volume of materials collected
4. CoC (Charter-blueprint) – what is collected – when its collected – truck fleet configuration – Sorting MRF configuration
5. Success of DRS – volume of leaked DRS material in the kerbside – collection fleet efficiency – cost
6. DWT & MRF code of practice – evidence – feedback to system – change to system (if needed)
7. Lack of visibility on COC (BP-Charter) – delay in investment in collection fleet – delay in investment in sorting MRF's – delay in collection of target materials – delay in delivery of targets – Higher PRN-PERN prices (?)
8. Single use to refill....

Not government policy

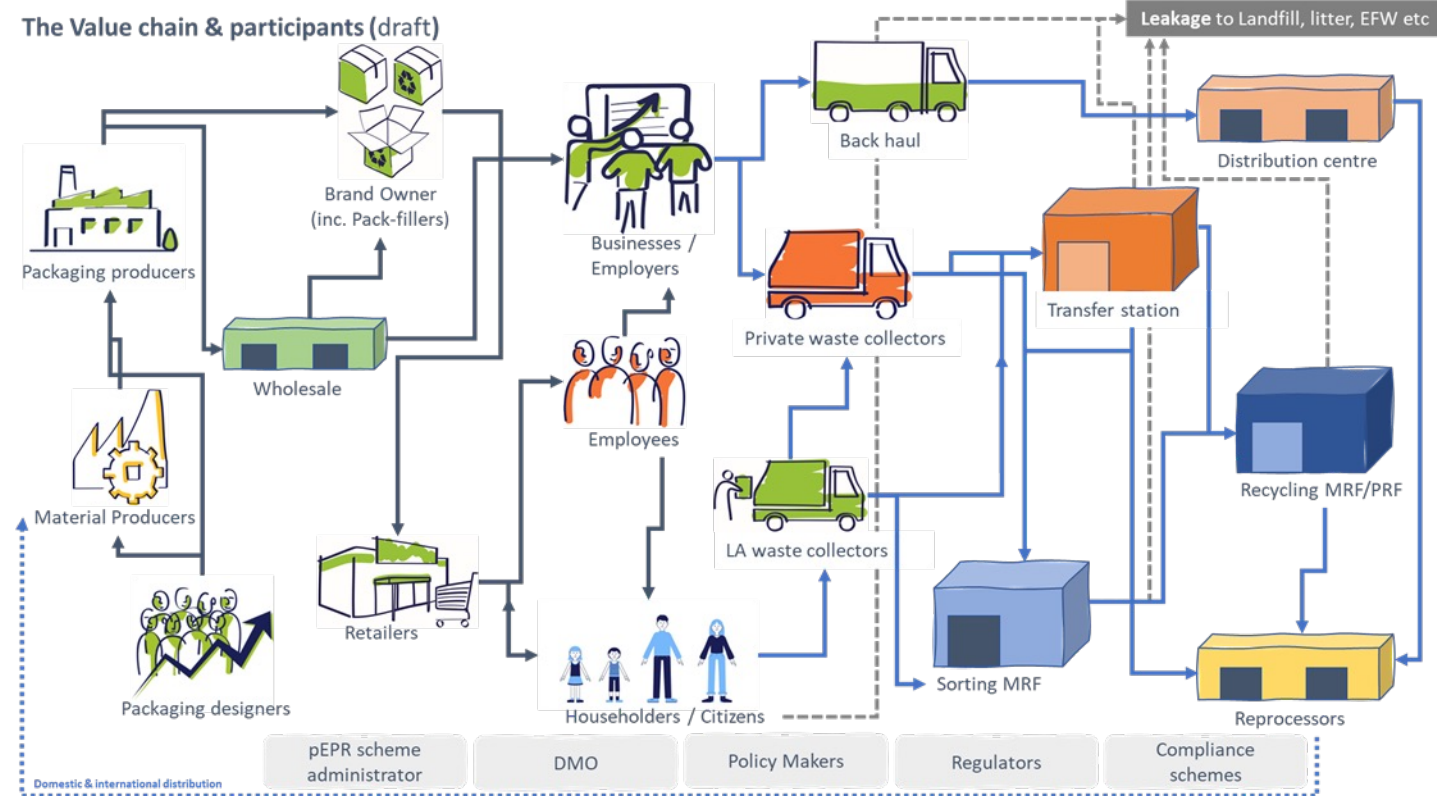
The Value chain & participants (draft)



Sequencing (non exhaustive examples)

1. Collection capacity before treatment capacity or treatment before collection
2. Pre modulation changes or post modulation changes
3. Post EPR pre DRS or Post EPR & DRS changes before collection and sorting decisions are implemented
4. Which sorting MRF's are changed and when, providing services to early and late adopters of new items and collections systems at the same time through a network of facilities.
5. Material and format change before modulation certainty or after
6. Packaging producer lag in production facility change to change in PoM to change in collection and sorting
7. Communications to waste producers before PoM changes, before and during or after.
8. Implementation of changes before scheme administrator in place or after
9. Speed and start of change between HH and HHL sources
10. Vehicle/Bin orders and supply periods to service timelines and targets
11. Communication to citizens and Businesses on changes and new systems etc – prior to service change
12.

Not government policy



Timing, review – feedback (examples only)

1. Go live EPR 2024, UK all
2. Go live mandatory food 2025 (England), Live already in Wales and Scotland
3. Go live DRS 2025 (England), 2023 (Scotland)
4. Appropriate Collection and sorting MRF changes need to be ready for EPR start (6 months to 36 months lead time)
5. Pre DRS start EPR changes need to have the ability to change services and capacities after DRS start.
6. Pre EPR changes need to have the ability to change services and capacities after EPR start.
7. Flexible plastic collections proposed to be starting in 2027 but may start from EPR start, sufficient sorting and reprocessing infrastructure access needed from 2024, all to be in place by 2027/28
8. Carton collection required from 2024 (?)
9.

This is in our hands...

Are we willing to deliver our transition plan

Thank you

Lynne Phillips
**Director of Programme
Delivery Environment**