



ACS Submission: Deposit Return and Reward Schemes

ACS (the Association of Convenience Stores) welcomes the opportunity to respond to Defra’s call for evidence on voluntary and economic incentives to reduce littering of drinks containers and promote recycling. ACS represents 33,500 convenience stores across the UK, our members include the Co-Op, One Stop, Nisa Local, Costcutter and thousands of independent retailers. More information about ACS can be found in Annex A.

ACS has serious concerns about the introduction of a deposit return scheme in England and the impact that it would have on retailers. First, we have reservations whether a DRS is the right solution to try to increase recycling and reduce litter rates or whether other options should be considered as part of a more holistic approach to promote the circular economy, for example, increasing consumer awareness or investing more in existing kerbside collections or on-the-go recycling infrastructure. Second, we have concerns about the impact on retailers especially related to containers being returned to a shop for recycling, either manually at the shop counter or through an automated Reverse Vending Machine (RVM) in-store. Following extensive consultation with members, we do not believe retailers taking bottles back over the shop counter manually is practical or workable.

Please see below for a non-exhaustive list of the potential costs that a retailer would face, based on whether they accept containers manually or through an automated machine, if a deposit return scheme were to be introduced in England. For more information about the impact and cost of a deposit return scheme on convenience retailers, please see question 23.

Manual Returns of Packaging

Cost	Detail¹
<u>Space Lost In-Store</u>	Up to 2m ² in back of house and 1m ² at counter
<u>Lost Staff Hours</u>	3,997,479 hours in the sector each year, equivalent to 114.4 hours per store The Appendix to the Final Report for Zero Waste Scotland assumes that each DRS transaction would take an additional 45 seconds for a staff member to manually process. They also assume that the average number of containers returned in each transaction is 15.

¹ These calculations use the following assumptions: [Surfers Against Sewage reference that there is 38.5 million plastic bottles and 59 million cans being consumed every day in the UK](#). This is equivalent to 14,052,500,000 plastic containers and 21,535,000,000 cans every year. In total 35,587,500,000. The assumed return rate is 90% which = 32,028,750,000. Zero Waste Scotland in their 2015 feasibility study commissioned by Eunomia assume that convenience stores would receive 15% of total containers in the scheme (4804312500 containers), with 70% of convenience retailers in the UK participating in DRS (34,942.6 – rounded to 34943). Assuming each convenience store experiences the same number of returns this equates to 137,493 containers being processed in each store every year or 2,644 a week, or 377.7 (rounded to 378) every day.

	<p>With each convenience store accepting 378 containers every day, this is equivalent to 25.2 transactions. Therefore, staff will take 18.9 minutes each day to process DRS, equivalent to 2.2 hours/132.3 minutes each week.</p>
<u>Storing Costs</u>	<p><u>Storing Plastic and Aluminium Containers</u> £17,043,797 for the sector each year, equivalent to £487.76 per store.</p> <p>The Appendix to the Final Report for Zero Waste Scotland on deposit return schemes suggests that retailers would need to purchase bags to store plastic drinks containers and aluminium cans returned to store. These cost 67p each and can contain up to 150 plastic containers or 250 aluminium cans.</p> <p>Assuming each store receives the same number of returned containers (1044 plastic containers and 1600 cans each week), each retailer would be required to purchase 14 bags, which would cost £9.38 every week, equivalent to £487.76 every year.</p> <p><u>Storing Glass Containers</u> £349,430 to the convenience sector</p> <p>There is no estimate for how many glass containers would be returned to stores if a deposit return scheme were to be introduced in England.</p> <p>The Appendix to the Final Report for Zero Waste Scotland in 2015 suggests that retailers would need to purchase containers to store glass returned to store. They estimate that a container would cost £10 and would be able to store 40 containers. Even assuming that retailers would only require one container this would cost the convenience sector £349,430.</p>

Reverse Vending Machines

Cost	Detail²
Space Lost In-Store	<p>£268,676,727 to £1,343,383,635 worth of sales space would be lost in the sector every year if convenience stores placed RVMs in their stores. This is equivalent to £7,689 to £38,445 per store.</p> <p>The figure depends on the size of the reverse vending machine. For the purposes of this submission, we estimate RVMs taking 1m² up to 5m² as set out in Zero Waste Scotland's DRS feasibility study in 2015.</p> <p>IGD 2017 Report suggests that total value of sales in the convenience sector is £38bn. When divided by the total square</p>

² The calculations use the following assumptions from Zero Waste Scotland's feasibility study that 40% of convenience stores would have RVMs in England (16,579).

	footage of all convenience stores according to IGD (estimated at 53,200,000 sq. ft.). This calculates the worth of the space based on m ² which is £7,689.
Lost Staff Hours	<p>3,815,776m hours in the sector each year, equivalent to 109.2 hours per store.</p> <p>The Appendix to the Final Report for Zero Waste Scotland's feasibility study for a DRS in Scotland suggests that the German deposit system estimated that the time required for staff to process receipts from stores with RVMs was 0.3 hours per day – equivalent to 18 minutes or equivalent to 2.1 hours (126 minutes) each week³. We have used this example as a conservative estimate for lost staff hours to running RVMs in-store.</p>
Cost of Machine	<p><u>Leasing</u> £31,035,888 cost to the convenience sector each year (over a five-year leasing contract). Equivalent to each store paying £36 a week, equivalent to £1,872 a year</p> <p>While one machine would cost £7,000 + VAT upfront, leasing the machine over a 5-year lease would be £36 per week⁴.</p> <p><u>Purchasing</u> £497,370,000 cost to the convenience sector.</p> <p>Following conversations with TOMRA, Zero Waste Scotland estimated in 2015 that the upfront cost of a RVM would cost £30,000.</p>

ACS commissioned research comprising of six focus groups across the UK to look at the views of both retailers and consumers on DRS to inform our understanding of the impact of DRS (a summary of the focus groups findings can be found in Annex B)⁵. There was a strong consensus from retailers that a DRS would place additional burdens and pressures on retailers. In particular, they raised concerns about the lack of space in-store to process returns, increases in staff costs, in-store delays, and staff handling dirty containers.

In addition to the retailer focus groups, we asked 1,210 independent retailers in the ACS Voice of Local Shops survey whether they would have the space to accommodate DRS in their store. The results of the survey reiterated retailers' concerns that lack of space-instore to process returns is a significant concern. 71% of retailers responded that they either did not have the space to process bottle returns in-store or would have to make significant changes to their stores to facilitate a deposit return scheme⁶. We have posed additional questions in our next round of VOLS (currently in the field) which look at how retailers recycle different types of materials and how they currently store waste in their store. We will share the results of the questions with Defra officials and to the Voluntary and Economic Incentives Working Group in late November.

³ [Eunomia: A Scottish Deposit Refund System, Appendix to the Final Report for Zero Waste Scotland \(2015\)](#) - TOMRA (2001), Zentrale Organization Einweg Pfand Deutschland: Business Model Development Guide

⁴ [Reverse Vending Machine Corporation: Cost of a Deposit Return Reverse Vending Machine](#)

⁵ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁶ ACS Voice of Local Shops survey May 2017

ACS' research also looked at how consumer behaviour may change if a DRS is introduced. The focus groups suggested that while consumers were sympathetic to the principles of DRS, they believed there were other solutions that would be more effective to increase their level of recycling. In particular, consumers had concerns that a deposit return scheme would place additional costs on consumers, make recycling more complex, and may impact on individuals who cannot return their empty containers, for example, car-less households⁷.

To support the work of the consumer focus groups, we commissioned consumer polling of 2,000 UK adults to understand their current recycling habits and what interventions would encourage them to recycle more. The polling⁸ suggests that that 70% of consumers preferred to have kerbside household recycling collections rather than a DRS for bottles and cans. Consumers also responded that they were likely to recycle more if more packaging was recyclable (37%), packaging was more clearly labelled as recyclable (35%) and recycling household collections took a greater range of recycled goods (29%). A summary of the results from consumer polling can be found in Annex B.

As well as considering the impact that a DRS will have on retailers and on consumer behaviour, the Working Group must also consider what the impact will be on existing kerbside household recycling collections and address the following questions; specifically, how would kerbside collections sit alongside a DRS? Would DRS only target on-the-go waste or would it take the valuable plastic drinks waste stream away from local authorities? Would this mean household recycling collections may be less frequent or be collected on different days? What would this mean for consumer confusion? What would the full net cost or benefit to local authorities? The Local Government Association have previously stated in their written evidence that "if councils are to be involved in these schemes then they must be fully compensated for their involvement."⁹

The experience of other countries which operate a DRS should also be taken into account as part of the Voluntary and Economic Incentives Working Group's consideration of DRS. Many of the countries which have a deposit return scheme for single-use containers already had the infrastructure in place for refillables containers and have not invested as much into kerbside infrastructure as the UK. We would urge the Working Group to particularly look into the price of handling fees that are paid to retailers

There is no uniform rate for setting handling fees, and can be confusing as they vary depending on both the material accepted and whether it was return through manual take back, reverse vending machines (without compaction) and reverse vending machines with compaction. Specifically, we have heard from retailers in Sweden and the Netherlands that handling fees often do not cover the cost of accepting packaging in stores.

We would also encourage the Working Group to consider how a deposit return scheme would work without retailer participation. Schemes in Australia have worked where retailers are not involved in the running or take back of the scheme. South Australia, reached 80% return rates through beverage refund schemes¹⁰. As part of their consideration of DRS, we encourage the Working Group to assess whether more strategic locations, for example, a community reverse vending machine at a parade of shops, recycling centres, or public parks

⁷ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁸ Populus DRS Consumer Polling 2017

⁹ [Local Government Association Written Evidence House of Commons Environmental Audit Committee Inquiry on Plastic Bottles and Coffee Cup Waste](#)

¹⁰ [Reloop: Deposit Systems for One Way Beverage Containers Global Overview](#)

would be more appropriate that requiring retailers to take back containers. A DRS which does not involve retailers or on a voluntary basis would mitigate the impact it would have on small shops and provide more convenient and practice solutions for customers looking to redeem their products on-the-go.

We would welcome further engagement with Defra and their Voluntary and Economic Incentives Working Group as they consider the feasibility of a deposit return scheme in England. We would like to provide a constructive view on whether a deposit return scheme is the right solution to increase recycling rates and reduce litter and what a deposit return scheme would look like, including what measures would be taken the mitigate the impact on retailers.

For more information on this submission please contact Julie Byers, ACS Public Affairs Manager by emailing Julie.Byers@acs.org.uk or calling 01252 515001.

Please see below for ACS' response to the relevant questions.

1. What is your name?

ACS (the Association of Convenience Stores)

2. What is your email address?

Julie.Byers@acs.org.uk

3. Which best describes you? (Tick all boxes that apply)

Business representative organisation/trade body/

4. What specific involvement do you or your organisation have with drinks containers?

ACS is a trade association representing local shops across the UK. Members include the Co-Op, One Stop, Spar, Nisa and thousands of independent retailers.

The 49,918 convenience stores across the UK sell a wide range of products, many of which are beverage containers¹¹. On average, alcohol represents 14.3% of convenience store sales, while soft drink sales represent 5.3% and milk represents 3.6%. In total 23.8% of convenience retailers' sales could be within the scope of a deposit return scheme¹². This is already a considerable number of products that could be affected, and depending on the store this percentage could be much larger.

5. Please provide any further information about your organisation or business activities that you think might help us put your answers in context.

Convenience stores are typically smaller than 280 sq m and offer a wide range of products rather than being a specialist in one particular product category. The vast majority of shops

¹¹ ACS Local Shop Report 2017

¹² ACS Local Shop Report 2017

in the convenience sector are owned and operated by small businesses, with symbol group and unaffiliated independent retailers making up 74% of the convenience sector¹³.

The different types of convenience store ownership will have implications for the operation of deposit return schemes, in particular how waste is collected from stores. Larger multiple retailers would own, or directly contract with, the logistics operation servicing their stores. Independent retailers are supplied by third party wholesalers who will have their own business decisions on the return of packaging to a central point for recycling or disposal with a specialist waste provider.

In most cases, vehicles supplying a convenience stores will service a number of outlets on each round of deliveries. We have provided more detail about the different backhauling systems in the sector below in response to question 8.

For more information about the convenience sector, please see Annex A or look at ACS Local Shop Report 2017. If you have any questions about the sector, please contact Julie.Byers@acs.org.uk or call 01252 515001.

6. Would you like your response to be confidential?

No

7. How many drinks containers are placed onto the UK market each year?

Drinks containers sold in the convenience sector will be made up of alcoholic drinks, soft drinks, and milk. As specified above, this represents 23.8% of sales in the convenience sector, equivalent to £9bn of sales each year¹⁴.

8. What percentage (%) of these drinks containers are collected (overall) via kerbside municipal waste, or commercial or industrial collection arrangements?

The complexities of the convenience sector mean that there are already logistical issues in convenience retailers' backhauling and waste disposal systems. Following consultation with retailers, the vast majority do not currently backhaul beverage container waste. Those who do backhaul only accept packaging waste including shrink wrap and cardboard and aim to cut down on their carbon footprint by backhauling packaging when they are making deliveries to a store. Retailers will have waste contracts in place with either their local authority or a specialist waste contractor to pick up their general waste and mixed recycling waste.

Retailers and wholesalers will also have to consider the impact of a deposit return scheme on the hygiene of the container backhauling process as containers collected would be of unknown cleanliness. It's likely that retailers would need to adapt their vehicles to ensure the hygiene of their vehicle remains at a high standard. In addition, for a convenience retailer, the potential to have a mix of stores on a delivery/collection route with and without bottle crushing/compaction would add a further level of complexity in dealing with the returned bottles.

¹³ ACS Local Shop Report 2017

¹⁴ ACS Local Shop Report 2017

Zero Waste Scotland's study into the feasibility of a deposit return scheme in Scotland suggests that backhauling containers be undertaken using "existing retailer logistics." Many independent retailers will not have access to existing 'logistics' in respect of backhauling services. 38%¹⁵ of the sector are unaffiliated independent retailers who would have no (or very limited) access to backhauling services and as such would need to pay for returns to be collected from their store or transport the returned containers themselves.

We are currently awaiting the results of a question in our Voice of Local Shops survey which looks at how independent retailers current recycle different types of waste, for example, through local authority collection, backhauling or returning to wholesaler. We will circulate the results of the question in late November to Defra officials and the Voluntary and Economic Incentives Working Group.

15. Would you support the carry on 'as normal' approach? If so, what elements of continuing 'as normal' make you think this is the best approach?

We acknowledge that action needs to be taken to increase recycling rates and reduce litter. We encourage the Working Group to look at the problems regarding glass, plastic, and aluminium drinks container recycling and litter and whether more holistic interventions could be taken between industry and government, for example, increasing consumer awareness, investing more to improving kerbside collections or on-the-go recycling infrastructure.

As part of this work, ACS will explore what we can further deliver as part of the litter strategy. We welcomed the government's litter strategy earlier this year and remain committed to working with Defra on its implementation. We want to make a positive contribution to the delivery of the litter strategy and will look to have further discussions with government and other stakeholders about what additional interventions could look like what more can industry do to tackle on-the-go waste. For example:

- Investment in bin infrastructure – encourage retailers to provide bins outside their store and work with local authorities to look at possibility of funding bins in litter hot spots.
- In-store promotion of recycling products – this could be standalone or part of a national campaign to increase on-the-go recycling. For example, it could include Point of Sale materials, or displays at drinks fridges stating: 'everything in this fridge is recyclable' and which bin it is recycled into.
- Develop guidance for retailers on preventing litter – guidance would be aimed at retailers on the law around littering and retailers' obligations to prevent littering outside their store. The guidance would aim to standards, share best practice, develop partnership working and support retailers engaging and mobilising communities to tackle litter in their area. We would also produce materials for retailers to communicate litter issues to their customers.

Another avenue that should be further explored is what further investment and improvements can be made to existing kerbside recycling to promote consistency and

¹⁵ ACS Local Shop Report 2017

increase recycling rates. Polling carried out by Populus¹⁶ suggests that consumers would more recycle if:

- more packaging was recyclable (37%)
- packaging was more clearly labelled as recyclable (35%)
- collections from their home took a greater range of recycled goods (29%)
- all types of recyclable materials could be placed in one bin (28%).

In comparison, only 9% of consumers in Populus' polling, responded they would recycle more if a deposit return scheme was introduced¹⁷.

It is evident that a deposit return scheme would be expensive to introduce. The Defra review of packaging deposit return schemes in 2008 suggests that "it is not disputed that a deposit scheme would increase recycling, but alternative schemes could achieve the same or better results at a lower cost."¹⁸ They suggest that in the case of Germany, the deposit return scheme cost around three times as much per container as household-based collection systems. Given that a deposit return scheme will be costly and looking to only increase plastic bottle capture rates from 74% to 90%¹⁹, we encourage the Working Group to look at more proportionate, cost effective solutions to increase recycling rates.

16. What aspects do you value in the current approach that you would not want to lose?

A deposit scheme could divert a certain amount of high value recycling out of the local authority collection system, which could have an impact on the economics of kerbside collections.²⁰ Populus polling of over 2,000 consumers found that 70% of respondents said that they would rather have their plastic bottles and cans continue to be collected through kerbside collections than through a deposit return scheme²¹. A deposit return scheme should not be introduced at the expense of household recycling collections.

Section 4 – Evidence on well-designed and well-run deposit and reward and return schemes

17. What impacts might a deposit or reward and return scheme have on:

Littering rates?

We understand the logic on how a deposit return scheme could potentially tackle litter by placing a value of packaging to incentivise an individual to return the container who might have otherwise littered. However, consumers purchase products based on convenience, which is particularly the case for on-the-go products. We believe it may be too simplistic to assume that a deposit return scheme would significantly reduce littering as it does not account for consumers who may decide not to claim back the deposit.

Recycling rates?

¹⁶ Populus DRS Consumer Polling 2017

¹⁷ Populus DRS Consumer Polling 2017

¹⁸ Defra: Review of Packaging Deposits System for the UK 2008

¹⁹ Valpak estimated that the current recycling rate for plastic drinks bottles when separated out is 74%. [90% return rate is cited in announcement of consultation into deposit return schemes](#)

²⁰ Eunomia: A Clean Sweep, Rethinking the way we tackle litter

²¹ Populus DRS Consumer Polling 2017

Introducing a deposit return scheme on plastic drinks bottles may have a knock-on impact on other materials collected through household kerbside collections.

Local Authority household collections and associated costs (and revenues)?

Street sweeping and park cleaning costs (and revenues)?

The introduction of a deposit return will impact local authorities' kerbside recycling collections, but it is difficult to determine to what extent as each local authority has a different system or how they process recycling. What we do know is that local authorities who have already heavily invested in plastic recycling infrastructure will be the most impacted by DRS, while local authorities who have invested less in these services will have the most to gain²².

A recent report by Eunomia suggests that local authorities in England could save £35million from the introduction of DRS²³. These savings are from having fewer containers to collect and sort from kerbside collection, and reduced levels littering and landfill charges. Eunomia suggest that these savings could mean collection routes need to be re-configured²⁴. Could this mean different collection routes, less frequent collections, and collections on different days? If so, savings to local authorities could actually cause further customer confusion about their kerbside recycling collections.

ACS' consumer focus groups identified that DRS could cause unnecessary complications for their household recycling services. They noted that it may actually reduce the volume of recycled goods, if kerbside schemes reduced their collections or the recycled materials that they pick up. One consumer said that DRS *"sounds good on paper, but in terms of practicalities, I'm not sure it would ever work."*, another said *"But not all products are going to have a deposit on them. When you have plastic shrink wrap, that's not a bottle, so that would still have to go in the recycling at home."*²⁵

20. Have you any knowledge or direct experience that would give an indication of the set-up costs or the subsequent administrative and operational costs of a deposit or reward and return scheme?

It is important to note that a number of European countries which have a deposit return scheme in place for one-way plastic bottles previously had similar DRS for refillable plastic or glass bottles. This means that consumers were already accustomed to returning refillable bottles before, therefore in many of the countries with DRS, the decision to introduce a DRS on one-way containers was more an evolution of the scheme rather than a revolutionary policy to increase recycling. This makes it difficult to make direct comparisons between the success of EU deposit return schemes and a new scheme in the UK. For an overview on DRS' operating Europe, please see Annex C.

Joining Fees

In other countries, including Finland and Germany, where a deposit return scheme is in operation, retailers are required to pay joining fees or entrance fees. A retailer participating in DRS in Germany is required to pay an annual registration fee. If the retailer processes less than 15 million containers they are charged a joining fee equivalent to £950, whereas

²² Eunomia: Impacts of a Deposit Refund System for One-way Beverage Packaging on Local Authority Waste Services

²³ Eunomia: Impacts of a Deposit Refund System for One-way Beverage Packaging on Local Authority Waste Services

²⁴ Eunomia: Impacts of a Deposit Refund System for One-way Beverage Packaging on Local Authority Waste Services

²⁵ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

retailers processing 15-80 million containers are charged £6,730, and retailers processing more than 80 million containers a year are charged £14,250.²⁶ If England was to replicate a joining fee, like in Germany, the convenience sector would pay over £39million²⁷. This would be a considerable cost to retailers, especially small retailers. The Zero Waste Scotland feasibility study makes reference that retailers would be required to pay a joining fee if a DRS was introduced in Scotland but does not make reference to the cost of the joining fee. This is another potential cost that would be placed on retailers if DRS were to be introduced.

Handling Fees

Handling fees are provided to the retailer from the DRS central body to compensate them for each bottle that they collect and return. For an overview of handling fees across Europe²⁸, please see Annex C.

Annex C demonstrates that there is no standardised approach to setting retailer handling fees and can vary considerably from country to country. For instance, in Sweden, retailers receive no handling fees for accepting metal container manually, whereas in Finland, retailers are compensated €0.027 (equivalent to 18% of deposit value) for each metal container they accept manually. Similarly, in Denmark, retailers accepting glass containers through reverse vending machines are compensated €0.0095 (equivalent to 2.37% of deposit value) while retailers in Estonia are compensated by €0.0310 (equivalent to 23.4% of deposit value) for each glass container they accept through RVM with compaction²⁹. Therefore, handling fees should be determined based on UK circumstance and not on handling fees set in other countries.

Each country's handling fees not only different because of the amount, but also how they are allocated, for instance, by the type of material or how retailers accept containers (manual, RVM with compaction, RVM without compaction). The majority of deposit return schemes across the EU (as set out in Annex C) offer higher handling fees to retailers who take back containers through reverse vending solutions than accepting containers manually. We believe that retailers' handling fees should be proportionate to the burden placed on them.

We have heard anecdotally from retailers in the Netherlands and Sweden that while DRS may work operationally, retailers complain about the low amount that they are provided in handling fees³⁰. In the Netherlands, retailers have even called for container collection points to be relocated from stores because of the cost of processing DRS significantly outweighs the handling fee paid to them³¹.

Therefore, the Working Group should consider how handling fees would be agreed if a deposit return scheme were to be introduced. Would handling fees be agreed commercially or through legislation? How would handling fees change over time, for example, reviewed each year or with rises with inflation? In Sweden, there has been little change to handling fees since their introduction³². We also have concerns that handling fees may deteriorate over time, similar to other commission rate services operating in convenience stores.

²⁶ Defra: Review of Packaging Deposits System for the UK 2008

²⁷ Calculations are based on the Germany joining fee of £950, and multiplied by the number of convenience stores in England

²⁸ [Reloop: Deposit Systems for One Way Beverage Containers Global Overview](#)

²⁹ [Reloop: Deposit Systems for One Way Beverage Containers Global Overview](#)

³⁰ [Reloop: Deposit Systems for One Way Beverage Containers Global Overview](#)

³¹ Discussions with Netherland retailer - phone call date and time

³² Conversations with Swedish retail trade association

In UK the handling fees have to be based on impact on retailers not on value of recycling. Manual handling of returns will be more burdensome on retailers and it is likely that the smallest retailers would opt for this approach given the high costs of RVM. Handling fees need to reflect the burden placed on the retailer for managing the returns process and must increase to reflect changes in the cost labour and store operations

IT Issues

Some European DRS's highlight high return rates of eligible bottles to shops, reverse vending machines, or recycling centres, however, this does not necessarily portray a true reflection of the scheme's operation or impact. For example, in Denmark, where there has been a deposit return scheme on one-way containers since 2002, retailers experienced operational disruptions and poor customer experience due to IT problems and reverse vending system failures³³.

21. What evidence exists on the best funding and management mechanisms of well-designed and well run deposit or reward and return schemes?

The Working Group should consider that a deposit return scheme in England does not necessarily need to obligate retailers to take back containers. For example, in Norway and Sweden, retailers are not legally required to take back containers, but have opt-in systems³⁴, while still reaching return rates exceeding 88%³⁵. However, engrained consumer behaviour since the introduction of DRS means that it is considered the norm for a retailer to offer take back services for containers.

In South Australia, deposit refund schemes do not even involve retailers, while achieving 80% return rates^{36,37}. Most beverage containers sold in South Australia can be returned to collection depots for a refund, which are typically recycling centres³⁸.

22. What evidence is there on the responsiveness of consumers in returning containers, in relation to the level of any up-front deposit? How do such incentives impact on wider littering and recycling?

We do not have any data on the responsiveness of consumers in returning containers in relation to the level of an up-front deposit. We urge the working group to commission new research in this area specific to the UK market.

23. What measures or regulations might be needed to minimise the potential for adverse effects of any deposit or reward and return scheme on:

Small business, such as retail outlets

If the government decides to introduce a deposit return scheme they must ensure that it mitigates the impact on small shops.

From consultation with ACS member we know that accepting containers back manually, over the counter, would not be practical or workable. In a manual system, a staff member would

³³ European Economic Area - Joint Parliament Committee Draft Report on European Refunding Scheme for Drinks Containers

³⁴ Conversations with Swedish retail Trade Association

³⁵ [ReLoop: Deposit Systems for One-Way Beverage Containers: Global Overview](#)

³⁶ Conversations with Australasian Association of Convenience Stores on Thursday 9th November 2017 4pm

³⁷ [ReLoop: Deposit Systems for One-Way Beverage Containers: Global Overview](#)

³⁸ [South Australia EPA – Collection Depots](#)

have to check that the bottle is in the scheme, scan it (if they have an EPOS system), store it by till, clean and process the bottles and store in a secure container either at back of house or outside then ensure that they have backhauling systems in place. While an automated system would mitigate the impact on some of the concerns we have raised, it would still place financial burdens on retailers and there are still issues due to limitations in space in small stores. Therefore, both present their own challenges.

The Reloop Report suggest that the majority of European schemes (including Sweden, Norway, Estonia, Finland and Norway) are automated. Generally, 95% of collection points are automated and around 5% manual³⁹.

Research commissioned by Zero Waste Scotland and carried out by Eunomia suggested that an estimated 15% of container returns would be taken back to the convenience stores. Polling carried out by Populus suggests that 35% of consumers would return their containers to a convenience store⁴⁰.

If Defra is to introduce a deposit return scheme in England, they should consider if all outlets who sell beverage containers to accept returns. For example, would all supermarkets, convenience stores, pharmacies, cafes, pubs, clubs, community centres be required to take back containers and refund deposits? We would encourage Defra to conduct an assessment to whether more strategic locations would be more suitable. For example, a community reverse vending solution at a parade of shops, a reverse vending machine in a food court of a shopping centre, or a reverse vending machine in a park. This will not only reduce burdens on shops, but also provide more convenience and practical solutions for consumers wanting to return their containers on-the-go.

Manual

Space is always at a premium in convenience stores. Convenience stores by their very nature are small format businesses, they are generally defined as being under 280 square metres. Of the 49,918 convenience stores across Great Britain, 85% are under 186 square metres, and 50% are under 93 square metres⁴¹. Independent retailers are even smaller with 94% under 186 square metres and 61% under 93 square metres⁴². From the retailer focus groups there was considerable concern about where and how they would collect and store bottles and packaging; *“We are fighting for every space inch of space. If someone comes in with a black bag of plastic bottles, where are you going to keep this stuff?” Retailer, Scotland⁴³.*

According to the Zero Waste Scotland commissioned feasibility study conducted in 2015, any DRS in Scotland would require significant involvement from the convenience sector. The feasibility study estimates that of the total number of containers returned, 15% would be returned to convenience stores⁴⁴. Based on figures from Surfers Against Sewage and Recycle Now estimated the number of plastic containers and aluminium cans used each day, this would mean, on average, just over 137,493 containers (excluding glass) would be returned to each convenience store every year across the UK, which works out that a single retailer would be processing an estimated 2,644 containers each week and potentially 378

³⁹ [Reloop: Deposit Systems for One-Way Beverage Containers: Global Overview](#)

⁴⁰ Populus DRS Consumer Polling 2017

⁴¹ ACS Local Shop Report 2017

⁴² ACS Local Shop Report 2017

⁴³ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁴⁴ [Zero Waste Scotland: Deposit Return System Feasibility Study](#)

each day⁴⁵. While this is an estimation it is a considerable amount of returns for the convenience sector to process, especially when you consider the size of the stores (below 280 square metres) and the space available behind the till and in store if a retailer is accepting returns manually.

In-Store Delays and Lost Staff Hours

For beverage containers to be accepted manually, retail staff would need to be able to recognise deposit labels, inspect the packaging to ensure it is still intact, and refund the value of the deposit. This would require a great deal of time from staff in store and delays at the till point.

Once collected by staff, the containers would have to be sorted, bulked and sent for reprocessing – again this would impose time pressures on employees. We conservatively estimate that based on the 45 seconds⁴⁶ of staff time required for each transaction, that each store could lose over two hours in lost productivity each week due to the introduction of deposit return schemes⁴⁷, however this is likely to be much higher. While this is difficult to quantify, one retailer in the focus groups noted: *“If you come in the front door with a can, it’s got to go somewhere where its being recycled, so now a member of staff – at 12p a minute – has got to walk out the back and walk back again. That’s 5 minutes, or 60p we’re paying to get a 5, 10 or 20p refund on a can – it doesn’t make sense. And most of this stuff is already recycled in private anyway.”* Therefore, while retailers will not have to invest in a large amount of capital for a RVS, they will be financially burdened by having to employ more staff or increase staff hours to process returns⁴⁸.

Transaction time is considerably important to the convenience store business model. One of the top drivers for customers to visit a convenience store is the fast speed of service/short queues⁴⁹. In the consumer focus groups, people imagine it would be likely that there would be queues of people at local shops to return empties would be a familiar sight; *“Imagine if everyone went down to the local Spar with all the stuff they bought from Tesco, they’re not going to be able to handle it are they?”*⁵⁰ The average consumer spends 4.2 minutes in a convenience store. With many consumers visiting for 1 – 3 minutes (42%), and 7% of consumers visit a convenience store for less than a minute⁵¹. Therefore, any additional time at the till will have a considerable impact on retailers as well as the customer’s experience.

One retailer in the focus groups warned about the ramifications of a DRS on queue times. They said: *“You’ve got someone wanting £5 on a Paypoint, 20 king-size, a bottle of Buckfast, and, oh, ‘here’s a bag of empty milk bottles’. You have to sort them, scan them. You could not do it. It’s ludicrous. There’s three of four people standing in a queue, they’ll walk away. Speed of service is key thing and you would lose your customers.”*⁵² Zero Waste

⁴⁵ [Surfers Against Sewage reference that there is 38.5 million plastic bottles and 59 million cans being consumed every day in the UK](#). This is equivalent to 14,052,500,000 plastic containers and 21,535,000,000 cans every year. In total 35,587,500,000. The assumed return rate is 90% which = 32,028,750,000. Zero Waste Scotland in their 2015 feasibility study commissioned by Eumonia assume that convenience stores would receive 15% of total containers in the scheme (4804312500 containers), with 70% of convenience retailers participating in DRS (34,942.6 – rounded to 34943). Assuming each convenience store experiences the same number of returns this equates to 137,493 containers being processed in each store every year or 2,644 a week, or 377.7 (rounded to 338) every day.

⁴⁶ Eumonia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

⁴⁷ 378 containers / average number of containers per transaction (15) = 25.2 trips every day to return bottles. 45 seconds per transaction x 25.2 = 2.2 hours.

⁴⁸ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁴⁹ ACS Local Shop Report 2017

⁵⁰ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁵¹ Him! CTP Data 2017

⁵² Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

Scotland estimate that the time it would take for a cashier to manually process and accept an average of 15 containers and store them is an estimated 45 seconds⁵³, while the average shopper queues for 43.8 seconds in a convenience store⁵⁴. Staff processing container returns would double the length of queue in a convenience store.

Online

The Working Group must also consider what impact would deposit return scheme would have on online retailers? Drinks sold from online retailers would also include a deposit, therefore would online retailers be required to take back containers? Would grocery home delivery services be required to take back containers? And how would that work? There must be a return system in place for online retailers, otherwise DRS would result in traditional bricks and mortar retailers being responsible for taking back packaging from online retailer sales.

EPoS

DRS could also present technical issues for convenience retailers. In Denmark, retailers experienced operational disruptions through IT problems. If DRS were to be introduced in the UK, retailers processing returns manually could be required to have an IT system in place in their store to process the return in order to update the centralised DRS system. If this is the case it could place considerable burdens on the convenience sector as nearly half (40%) of independent retailers do not have an EPoS system in their store⁵⁵. In order to comply with DRS, retailers would have to ensure that they have EPoS system in place in their store, but also upgrade their EPoS software to be able to administer returns. This would present additional costs on the retailer.

Container Storage

The Zero Waste Scotland feasibility study suggests that retailers handling returns manually will have to use containment bags to store empty containers. This presents an additional cost to retailers. The study factors that one bag will store up to 150 plastic containers and 250 aluminium cans, which means that one convenience store will require up to 14 bags a week⁵⁶. Each bag costs 67p, which when scaled up, the cost of a supply of containment bags for the convenience sector in the United Kingdom works out to be over £17million, equivalent to £488 per store each year⁵⁷.

The feasibility report suggests that if a RVS is not installed in-store, then bottles should be stored in a bag by the cashier. This is an impractical solution because space behind the till area is very limited and needs to be clear of clutter so that staff can serve customers swiftly. Retailers in the focus group were concerned that they do not have the space in relation to storing and processing bottles in store. Retailers said: *"I don't have room in any of my stores. It's filled with stock or cardboard to go back. There isn't the room"*⁵⁸. Further consultation

⁵³ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

⁵⁴ Him! CTP Data 2017

⁵⁵ ACS Voice of Local Shops Survey

⁵⁶ Based on the total container returns per store every day (as specified earlier in the submission at 378) divided by volume that each bag can contain £9.38 a week - £487.86 every year. This is then scaled up to the estimated 70% of convenience stores that would be participating in the scheme (70% convenience stores in the UK = 34943)

⁵⁷ Cost of bag (in Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland) multiplied by average number of bags store required each week scaled up to the sector (41,447 stores in England)

⁵⁸ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

with retailers has suggested that there would not be enough room at the till point to store a container bag unless it was a trip hazard.

Automated System (Reverse Vending Solutions)

While an automated system would mitigate a number of concerns that small shops would face if a deposit return scheme were to be introduced in England, it presents its own challenges including cost of purchasing and running machines and space to put machines in-store. While there are a number of RVS models available for the take back of containers, for the purposes of this submission we have used two estimates⁵⁹.

Space

Many convenience stores are unlikely to have access to outside space to place RVS – retailers in our focus groups identified that for those who place it outside it could be vulnerable to criminal damage⁶⁰ - meaning they have no choice but to sacrifice sales space in-store. Reverse Vending Solutions (RVS) are estimated to take up one metres² to five metres² in store. Giving up this much space in-store will result in significant costs for retailers and loss of important sales space for other products and services. Sales space per metre squared in a convenience store is estimated at £7,689⁶¹. To accommodate a RVS, each convenience store could lose from £7,689 to £38,445 every year in lost sales.

Retailers in our focus groups were also concerned that the space for a RVS would not only take the place of profitable retail lines leading to reduction in business, but would also mean there would be fewer products available to those who rely on local shops. One retailer noted that: *“if they are the size of a regular vending machine, that’s takes the place of quite a few shelves of product that I could sell, that I won’t be able to sell that, and I won’t be able to provide for my customers.”*⁶²

Financial Cost

Reverse Vending Solutions also present an additional financial cost to retailers, with up-front costs ranging from £7,000 + VAT to £30,000. This is a considerable investment for a small convenience retailer. Zero Waste Scotland’s study suggests that 40% of convenience stores would require one reverse vending machine⁶³. Assuming the 40% estimate would apply to the rest of the England, a nationwide scheme could potentially cost convenience stores between £116million⁶⁴ to £497 million⁶⁵ to purchase a RVS to put in their stores.

⁵⁹ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland) 2015 cited that a RVS could cost around £30,000 with £2,000 installation costs and take up around 5m² of sales space in-store. [Reverse Vending Corporation suggest that one machine would cost £7,000 + VAT](#). Leasing over a 5 year lease would be £36 per week (£9,360) + VAT with £5.40 monthly energy costs. This machine would take up around 1m² in-store.

⁶⁰ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁶¹ Estimate based on IGD Data. £7,689 is how much a m² of space is worth in a convenience store. Based on 38bn sales figure / 53,200,000 sq. ft. (total footage of all convenience stores according to IGD). We then converted the square footage figure into m².

⁶² Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁶³ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

⁶⁴ According to Zero Waste Scotland’s feasibility study conducted by Eunomia in 2015, they assume that 40% of convenience stores would be required to host a RVS. Assuming 40% of convenience stores in the England (16,579 according to the ACS Local Shop Report) multiplied by £7,000 and £30,000

⁶⁵ According to Zero Waste Scotland’s feasibility study conducted by Eunomia in 2015, they assume that 40% of convenience stores would be required to host a RVS. Assuming 40% of convenience stores in the England (16,579 according to the ACS Local Shop Report) multiplied by £7,000 and £30,000

There also may be options for retailers to lease reverse vending machines rather than being presented with one upfront cost, which will be preferable to independent retailers. Valpak have suggested that while one machine would cost £7,000 + VAT upfront, leasing the machine over a 5-year lease would be £36 per week⁶⁶. However, for convenience stores, operating low margin business, putting up £1,872 a year to lease a RVM still presents a significant financial cost.

Breakdowns

All the points above also assume that reverse vending machines are working effectively. Retailers have experienced machine hardware failures in the past (for example, ATMs, bill payment services, coffee machines, and photo booths). Currently, there is no clear plan how a retailer would need to respond if a machine broke down in their store, even though consumers would hold the retailer responsible for the breakdown. Therefore, contingencies must be considered.

Consumers and their behaviour (e.g. on product prices, on proper use of kerbside recycling)

Views on Recycling

ACS commissioned research which looks at consumer attitudes of recycling and DRS. In the consumer focus groups, it was cited that while recycling is highly regarded, and the majority of consumers in the groups actively use their at-home recycling facilities, not all recycle regularly. Where at-home recycling is not straightforward the focus groups suggest people will not bother to recycle: *"We have different colours [of recycling bins] but I don't really know what they are for. I don't have a clue; my rubbish just goes in the bin and that's it."* Younger Female, Scotland⁶⁷

Consumers particularly noted that they are left frustrated by the volume of material that is not recyclable at all, that there was confusion and lack awareness of what can be recycled and the frequency of kerbside collections in their local area, as well as concerns about the insufficient size of their recycling bins or boxes; *"We're not allowed glass, we're not allowed shredded paper in recycling, they don't like drinks cartons – orange juice cartons. So the glass I just put in the household."* Older Female, England⁶⁸.

Consumers indicate that they like their household recycling services and would like to see it extended and improved. Populus consumer polling found that consumers would recycle more if more packaging was recyclable (37%), packaging was more clearly labelled as recyclable (35%), and collections from their home took a greater range of recycled goods (29%)⁶⁹.

Displacement of Sales

The most likely scenario is that the implementation of a deposit scheme will drive many customers to stockpile their returns to collect deposits in one trip. This will inevitably lead to customers returning large volumes of containers in bulk to stores, causing disruption. A consumer is far more likely to drive to store to return their containers so they do not have to

⁶⁶ [Reverse Vending Machine Corporation: Cost of a Deposit Return Reverse Vending Machine](#)

⁶⁷ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁶⁸ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁶⁹ Populus DRS Consumer Polling 2017

carry the bottles back by walking. This was also assumed in our consumer focus groups. One consumer in our focus group in Scotland said *“I don’t have a car, I’m not going to be taking glass bottles out with me out on to the bus. I don’t think I’d bother.”*⁷⁰

We fear that a DRS could displace sales from smaller format stores to larger format stores. 56% of convenience store customers travel on foot or by public transport to visit their local shop⁷¹. Larger format stores can accommodate customers as they typically have more parking available. However, consumers bulk returning bottles could result in more people driving to their convenience store, negating the environmental benefits of the DRS. In all likelihood, a shopping pattern would be established where customers buy their goods from the stores where they return their containers. This is made apparent in the Populus polling of consumers which suggests that 51% of consumers would return their empty container to a supermarket, while 35% said they would return their empty container to a convenience store, and 29% responded that they would return their empty container to a recycling centre⁷².

Customer Confusion

There is customer confusion about what can and cannot be recyclable through kerbside collections⁷³. A BBC Freedom of Information request⁷⁴ found that 3% of recyclable waste was rejected by local authorities, with some local authorities experiencing a rate of 14.99%. As such, we have concerns that customer confusion would only be exacerbated if a DRS were to be introduced.

In response to reports of customer confusion on kerbside recycling collections, the Local Government Association noted that “the problem is there is widespread confusion over what can and cannot be recycled. If just one non-recyclable item is included with recyclable items, the whole bin is effectively contaminated. Councils then have to re-sort it, which is time consuming and very expensive”, adding that “there is no-one-size-fits-all solution to waste collection”⁷⁵.

In our focus groups, consumers also identified the potential complexity of a deposit return system. They raised concerns about the ability to know what could or could not be recycled in the system. One consumer in England said *“How many product lines are there out there that have to be washed, cleaned and returned? 500? 400? 300? It might be that we can just deal with a few of them, and that makes it doable, ok, but once we get into the enormity of the different types of materials, you starting to get a bottleneck problems, and how could anywhere – like the village shop – cope with 25, 100, 500 different types of products”* Older Male, England⁷⁶.

If there were to be customer confusion in a DRS, this would significantly impact retailers. For example, it would be extremely likely that a customer would attempt to return a bottle or can that was not part of DRS. Not only would this lead to in-store delays increase queue times while the retailer determined if it was part of the scheme, but if the retailer had to reject the claim for a deposit return, this could be a trigger for verbal abuse or violence from the customer. ACS’ Crime Report 2017 found that the top triggers for violence and verbal abuse

⁷⁰ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁷¹ ACS Local Shop Report 2017

⁷² Populus DRS Consumer Polling 2017

⁷³ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁷⁴ [BBC News: Rejected recyclable waste up 84% in England since 2011, data shows](#)

⁷⁵ [BBC News: Rejected recyclable waste up 84% in England since 2011, data shows](#)

⁷⁶ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

are when staff and their staff are going about their typical working day, enforcing the law, for example, retailers when enforcing age-restricted sales through age-verification schemes such as 'Challenge 25'⁷⁷.

Fraud and enforcement

Some system of labelling containers that would carry the deposit would be required if a DRS were to be introduced. Regardless of which labelling system would be implemented, retailers would incur additional training burdens to understand which labels are authentic. Any labelling system would require a counterfeit-proof ink. These are expensive and the cost would be passed onto consumers.

Moreover, it is currently unclear who would be liable for the money lost through fraudulent returns. We are wary that retailers will be under pressure to provide a quick and prompt service to customers, which could lead to some retailers losing out to deposit returns because bottles they have received may be fraudulent. We would seek clarity from any DRS in existence about where the responsibility lies for fraudulent returns

The Working Group should also consider how a deposit return scheme would work for cross border sales. Would containers be accepted in England from Scotland and Wales? Or would retailers have to refuse the refund? Would refusing containers mean another trigger point for violence and verbal abuse against staff? The South Australian container deposit scheme is only for containers sold in South Australia. To enforce this, an offence was created to deter consumers from making fraudulent returns, with a maximum penalty of \$30,000 to persons who seek refunds on beverage containers sold outside of South Australia. Collection point operators may request to any person claiming a refund to complete a written declaration stating the person has no reason to believe the containers were not purchased in South Australia and may refuse to accept containers if they believe the containers were not purchased in South Australia⁷⁸.

Health and safety

In addition, retaining bags of returned containers behind the till could represent a health and safety risk for staff both in terms of trip and hygiene hazards. The Workplace (Health, Safety and Welfare) Regulations 1992, Regulation 9 Cleanliness and Waste Materials stipulates that "so far as is reasonably practicable, waste materials should not be allowed to accumulate in a workplace except in suitable receptacles". According to the Zero Waste Scotland feasibility study, the average retailer will most likely store 4 containment bags at one time, which equates to 2 metres² being given up to store the bags⁷⁹. Retailers may also have to deal with damaged containers and broken glass, which presents additional hazards when processing returns.

Retailers in the focus groups also raised concerns that a DRS would not work alongside current health and safety regulations. The idea that the same physical space at point of sale would be used to serve food-to-go and accept unhygienic returns was unfathomable by retailers. One retailer said: *"There's no way they're coming in my store. ... I don't need to be in the situation where I could be sued by a customer, I could have Health and Safety after*

⁷⁷ ACS Crime Report 2017

⁷⁸ [South Australia EPA FAQs](#)

⁷⁹ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

*me, I could have the EHO round after me, simply because I'm accepting a tin of beans that hasn't been cleaned out properly.*⁸⁰

We also believe that retailers may experience hygiene issues when they retain returned containers for a considerable period. Retention of used packaging for such a long period is likely to attract pests and be a general hygiene risk for retailers and their staff. This could impact their Food Hygiene Rating, which has not been considered in other impact assessments or studies. The Food Hygiene Rating Scheme helps consumers choose where to eat or shop for food by giving them information about the hygiene standards in food businesses. An Environmental Health Officer will inspect a food business and score it according to its food hygiene compliance. One of the checks that an officer will undertake will be the condition and structure of the buildings which will include the cleanliness, layout, lighting, ventilation and other facilities of the premises⁸¹.

26. If a well-designed and well run deposit system were to be introduced how do you think this intervention should be introduced in England to optimise its effectiveness and cost / benefit (e.g. direct regulation, co-regulation, voluntary agreement, etc.)?

a. Who would the key players be in implementing the intervention? What governance arrangements would need to be in place?

The Working Group may be considering whether a small shops exemption would mitigate the impact of DRS on small shops. We have concerns that if a small shop exemption were to be introduced that they would lose footfall to larger stores who are obligated to participate in the take back of containers under DRS. Populus consumer polling suggests that 35% of consumers⁸² would take their bottles back to a convenience store, therefore this is a lot of footfall to lose if they were exempt from a scheme.

Where small shop exemptions exist in other countries, including Croatia, Estonia, Germany and Lithuania, there is no standardised exemption, it is determined by the scheme in each country. In Croatia, retailers smaller than 200m² are exempt, while in Estonia, only retailers in urban areas under 20m² are exempt from taking back containers. Retailers between 20-200² can apply for an exemption but this is decided by the local authority⁸³. The convenience market is very different in the UK compared to other countries in Europe. Therefore, the UK Government cannot simply replicate an exemption from another DRS, they must consult with industry to determine if and what size a small shop exemption should be set at. As part of consultation with industry, the government should analyse the grocery retail market and the size of stores that sell beverage containers.

The Working Group should consider that a deposit return scheme in England does not necessarily need to obligate retailers to take back containers. However, if a deposit return scheme were to involve small shops, the government must mitigate the impact of DRS on those retailers. This could include incentives, such as financial incentives for reverse vending machines or business rates exemptions. We would also seek assurances that if a deposit return scheme were to be introduced, reverse vending machines would be exempt from the business rates list rating list. We do not want to see retailers being further burdened by increases in business rates by adhering to already burdensome legislation.

⁸⁰ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

⁸¹ [FSA: Frequently asked questions about the food hygiene rating scheme](#)

⁸² Populus DRS Consumer Polling 2017

⁸³ [Reloop: Deposit Systems for One Way Beverage Containers Global Overview](#)

b. Who would be responsible for the costs, management and collection aspects of the scheme to make it self-sustaining? If relevant, please list known examples in other countries where your suggested operational model is in use.

If the government decides to introduce a deposit return scheme, we would welcome further engagement to provide a constructive voice on what a deposit return scheme looks like, including who manages the scheme, to mitigate the impact on retailers.

c. What commercial arrangements would need to be in place to ensure the financial viability of the scheme, as well as ensuring value for money for the public?

If a deposit return scheme is to be introduced in England, the government must consider whether handling fees will be determined commercially or by legislation. We seek assurances that handling fees offered will not go down over time, and instead, be reviewed each year to take into account retailers' circumstances and changes to inflation. Questions must be addressed including: will handling fees be a commercial decision and negotiated by businesses? Will larger retailers receive a better 'commission' than smaller retailers due to negotiating power? Will handling fees rise with inflation?

We would also welcome clarity about how VAT would be collected and claimed back on the deposit.

27. What evidence, if any, is missing in order to understand the full impact on your business, sector or society?

We would welcome further assessments by the government to look at the impact on small shops and consider whether retailers even need to be involved in the scheme at all.

ABOUT ACS

The Association of Convenience Stores lobbies on behalf of around 50,000 convenience stores across mainland UK on public policy issues that affect their businesses. ACS' membership is comprised of a diverse group of retailers, from small independent family businesses running a single store to large multiple convenience retailers running thousands of stores.

Convenience stores trade in a wide variety of locations, meeting the needs of customers from all backgrounds. These locations range from city centres and high streets, suburban areas such as estates and secondary parades, rural villages and isolated areas, as well as on petrol forecourts and at travel points such as airports and train stations.



WHO WE REPRESENT

INDEPENDENT RETAILERS



ACS represents 22,397 independent retailers, polling them quarterly to hear their views and experiences which are used to feed in to Government policy discussions.

These stores are not affiliated to any group, and are often family businesses with low staff and property costs. Independent forecourt operators are included in this category.

SYMBOL GROUPS AND FRANCHISES



ACS represents 14,659 retailers affiliated with symbol groups. Symbol groups like SPAR, Nisa, Costcutter, Londis, Premier and others provide independent retailers with stock agreements, wholesale deliveries, logistical support and marketing benefits.

Symbol group forecourt operators and franchise providers like One Stop are also included in this category.

MULTIPLE AND CO-OPERATIVE BUSINESSES



ACS represents 12,862 stores that are owned by multiple and co-operative retailers. These businesses include the Co-Operative, regional co-operative societies, McColl's, Conviviality Retail and others.

Unlike symbol group stores, these stores are owned and run centrally by the business. Forecourt multiples and commission operated stores are included in this category.

THE CONVENIENCE SECTOR



In 2017, the total value of sales in the convenience sector was £38bn.

The average spend in a typical convenience store transaction is £6.28.



There are 49,918 convenience stores in mainland UK. 74% of stores are operated by independent retailers, either unaffiliated or as part of a symbol group.



The convenience sector provides flexible employment for around 370,000 people.

24% of independent/symbol stores employ family members only.



20% of shop owners work more than 70 hours per week, while 19% take no holiday throughout the year.

72% of business owners are first time investors in the sector.



Convenience stores and Post Offices poll as the two services that have the most positive impact on their local area according to consumers and local councillors.

79% of independent/symbol retailers have engaged in some form of community activity over the last year.



Between August 2016 and May 2017, the convenience sector invested over £858m in stores.

The most popular form of investment in stores is refrigeration.

OUR RESEARCH

ACS polls the views and experiences of the convenience sector regularly to provide up-to-date, robust information on the pressures being faced by retailers of all sizes and ownership types. Our research includes the following regular surveys:

ACS VOICE OF LOCAL SHOPS SURVEY

Regular quarterly survey of over 1200 retailers, split evenly between independent retailers, symbol group retailers and forecourt retailers. The survey consists of tracker questions and a number of questions that differ each time to help inform ACS' policy work.

ACS INVESTMENT TRACKER

Regular quarterly survey of over 1200 independent and symbol retailers which is combined with responses from multiple businesses representing over 3,000 stores.

ACS LOCAL SHOP REPORT

Annual survey of over 2400 independent, symbol and forecourt retailers combined with responses from multiple businesses representing 6,291 stores. The Local Shop Report also draws on data from HIM, IGD, Nielsen and William Reed.

BESPOKE POLLING ON POLICY ISSUES

ACS conducts bespoke polling of its members on a range of policy issues, from crime and responsible retailing to low pay and taxation. This polling is conducted with retailers from all areas of the convenience sector.

ANNEX B

Impact of Deposit Return Schemes on Retailers

Space is at a Premium

- Space is at a premium in convenience stores. Convenience stores are small format businesses, they are generally defined as being under 280 square metres.
- 71% of retailers either do not have space in their stores for a deposit return scheme or would have to make changes to their stores to make space
- There are 49,918 convenience stores across Great Britain, 85% are under 186 square metres, and 50% are under 93 square metres⁸⁴.
- Independent convenience stores are even smaller; 94% are under 186 square metres¹ and 61% under 93 square metres⁸⁵.
- Retailers have considerable concerns about where and how they would collect and store bottles and packaging: *“We are fighting for every space inch of space. If someone comes in with a black bag of plastic bottles, where are you going to keep this stuff?” Retailer, Scotland*
- Reverse Vending Solutions (RVS) are estimated to take up five metres² in store. Giving up this much space in-store will result in significant costs for retailers and loss of important sales space for other products and services.

Increasing pressure on staff and increasing queuing times in stores

- 35% of consumers said they would return their recycled packaging to stores resulting in a high volume of packaging to be processed at local shops⁸⁶.
- Store staff processing container returns would double the length of queue in a convenience store. The time it would take for a cashier to manually process and accept an average of 15 containers and store them is an estimated 45 seconds⁸⁷, while the average shopper queues for 43.8 seconds in a convenience store.
- Increasing service time in store would damage trade as one of the top drivers for customers to visit a convenience store is the speed of service/short queues⁸⁸.
- The average consumer spends 4.2 minutes in a convenience store. With the majority of consumers visiting for 1 – 3 minutes (42%)⁸⁹.

Cost to Retail Sector

- A deposit return scheme would place additional financial costs on retailers due to: lost trade from in-store delays; additional staff and staff hours to process returns; installation of RVS; lost retail floor space to accommodate Reverse Vending Solutions (RVS); and backhauling containers.
- It would cost retailers an estimated £30,000 to purchase a Reverse Vending Solution and an additional £2,000 for installation⁹⁰.
- Studies suggest that 40% of convenience stores would require one reverse vending machine to process returns⁹¹. Based on these figures, a UK wide scheme could potentially cost the convenience sector over £638million just to install RVS in their stores⁹².

Hygiene and Health and Safety Issues

- Local shops are concerned about hygiene and health and safety issues associated with collecting used packaging in stores as it could damage food hygiene ratings.

⁸⁴ ACS Local Shop Report 2017

⁸⁵ ACS Local Shop Report 2017

⁸⁶ Jericho Chambers 2017

⁸⁷ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

⁸⁸ ACS Local Shop 2017

⁸⁹ Him! CTP Data 2017

⁹⁰ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland) – TOMRA Communications

⁹¹ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

⁹² Cost of RVS x 40% number of convenience stores in the UK who would have RVS (19,967)

ACS Research Methodology

ACS commissioned three independently chaired focus groups with convenience retailers in England, Scotland and Wales between 20 and 22 March 2017.

Audience	Age	Gender	SEG	Location type	Location
Convenience store manager/ owners				Urban	Glasgow
Convenience store manager/ owners				Market town (Rural)	Diss
Convenience store manager/ owners/ workers				Deprived	Bridgend

Across the groups, the convenience sector was represented by individual store managers (and in some cases their staff) including those who operate single or small groups of stores and those who look after the interest of larger store groups. In the focus groups retailers were asked to discuss the impact that a deposit return scheme would have on their business and operational challenges they would have to contend with. Following the focus group ACS conducted polling of 1,210 retailers in its Voice of Local Shops survey about whether they had the capacity to process a deposit return scheme in their store.

Lack of Space

Of the 49,918 convenience stores across Great Britain, 85% are under 186 square metres, and 50% are under 93 square metres⁹³. Independent convenience stores are even smaller; 94% are under 186 square metres¹ and 61% under 93 square metres⁹⁴.

Convenience stores are small format businesses, they are generally defined as being under 280 square metres. Retailers have considerable concerns about where and how they would collect and store bottles and packaging:

"We are fighting for every space inch of space. If someone comes in with a black bag of plastic bottles, where are you going to keep this stuff?"

"I don't have room in any of my stores. It's filled with stock or cardboard to go back. There isn't the room."

Retailers are also concerned about the space that a RVS would take up, would not only take the place of profitable retail lines leading to reduction in business, but would also mean there would be fewer products available to those who rely on local shops. One retailer noted that:

"if they are the size of a regular vending machine, that's takes the place of quite a few shelves of product that I could sell, that I won't be able to sell that, and I won't be able to provide for my customers."

Impact on Customer Service

Retailers suggest that accepting and processing bottles at the till would increase service times, put more pressure on staff and require them to invest in more staff. Transaction time is considerably important to the convenience store business model. One of the top drivers for customers to visit a convenience store is the fast speed of service/short queues⁹⁵.

⁹³ ACS Local Shop Report 2017

⁹⁴ ACS Local Shop Report 2017

⁹⁵ ACS Local Shop 2017

The time it would take for a cashier to manually process and accept an average of 15 containers and store them is an estimated 45 seconds⁹⁶, while the average shopper queues for 43.8 seconds in a convenience store. Store staff processing container returns would double the length of queue in a convenience store.

The average consumer spends 4.2 minutes in a convenience store. With the majority of consumers visiting for 1 – 3 minutes (42%), and 7% of consumers visit a convenience store for less than a minute⁹⁷. Any additional time at the till will have a considerable impact on retailers as well as customers' experience.

“You’ve got someone wanting £5 on a Paypoint, 20 king-size, a bottle of Buckfast, and, oh, ‘here’s a bag of empty milk bottles’. You have to sort them, scan them. You could not do it. It’s ludicrous. There’s three of four people standing in a queue, they’ll walk away. Speed of service is key thing and you would lose your customers.”

Financial Cost to Retailers

Retailers are very concerned about the amount they will have to invest in additional staff time and reverse vending machines if a deposit return scheme were to be introduced. DRS would also place other costs on retailers, including: lost trade from in-store delays, lost retail floor space and backhauling containers.

Reverse Vending Solutions also present significant financial cost to retailers. It would cost retailers an estimated £30,000 to purchase a Reverse Vending Solution and an additional £2,000 for installation⁹⁸. This is a considerable investment for a small convenience retailer. Studies suggest that 40% of convenience stores would require one reverse vending machine to process returns⁹⁹. This could potentially cost the convenience sector over £638million just to install RVS in their stores¹⁰⁰.

Retailers will also be financially burdened by having to employ more staff or increase staff hours to process returns manually. For beverage containers to be accepted manually, retail staff would need to be able to recognise deposit labels, inspect the packaging to ensure it is still intact, and refund the value of the deposit. This would require a great deal of time from staff in store. Once collected by staff, the containers would have to be sorted, bulked and sent for reprocessing – again this would place pressures on small stores' employees.

“If you come in the front door with a can, it’s got to go somewhere where its being recycled, so now a member of staff – at 12p a minute – as got to walk out the back and walk back again. That’s 5 minutes, or 60p we’re paying to get a 5, 10 or 20p refund on a can – it doesn’t make sense. And most of this stuff is already recycled in private anyway.”

Hygiene and Health & Safety Issues

Retailers in the focus groups also raised concerns that a DRS would not work alongside current health and safety regulations. The idea that the same physical space at point of sale would be used to serve food-to-go and accept soiled packaging was thought to be unpragmatic by retailers.

“There’s no way they’re coming in my store. ... I don’t need to be in the situation where I could be sued by a customer, I could have Health and Safety after me, I could have the EHO round after me, simply because I’m accepting a tin of beans that hasn’t been cleaned out properly.”

The Workplace (Health, Safety and Welfare) Regulations 1992, Regulation 9 Cleanliness and Waste Materials stipulates that “so far as is reasonably practicable, waste materials should not be allowed to accumulate in a workplace except in suitable receptacles”. Staff would need to be provided with protective clothing and gloves in order to process the packaging returned to stores.

⁹⁶ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

⁹⁷ Him! CTP Data 2017

⁹⁸ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland) - TOMRA Communications

⁹⁹ Eunomia: A Scottish Deposit Refund System (Appendix to the Final Report for Zero Waste Scotland)

¹⁰⁰ Cost of RVS x 40% number of convenience stores in the UK who would have RVS (19,967)

Impact of Deposit Return Schemes on Consumers

To support policy makers' understanding of the impact of a deposit return scheme (DRS) on consumers ACS (the Association of Convenience Stores) commissioned Jericho Chambers¹⁰¹ to run three focus groups of consumers across the UK to discuss their views on DRS:

Audience	Age	Gender	SEG	Location type	Location
Consumers	18-34	F	C1C2	Urban	Glasgow
Consumers	55+	M/ F	BC1	Market town (rural)	Diss
Consumers	34-54	M	C2DE	Deprived	Bridgend

Following the focus groups, ACS commissioned Populus to complete polling of 2,034 UK adults to find out their views on DRS and what policy interventions would encourage them to recycle more. The polling took place between 24 and 26 March 2017.

The key findings from the research were:

Consumers were sympathetic to the principles of DRS but ultimately favour household collections

- Given the choice between kerbside recycling collections and deposit return schemes - 70% of consumers favoured their existing household collection, compared to 21% that favoured a new deposit return scheme.

The difficulty of returning empties for those without cars, the housebound, or less mobile

- A higher proportion of those with long term disabilities (73%) or those aged over 65 years old (76%) supported household collections instead of a deposit return scheme.¹⁰²

There are alternative solutions to tackling recycling

- Consumers suggest they would recycle more if more packaging was recyclable (37%), packaging was more clearly labelled (35%) and their household recycling collection took a wider range of products (29%).
- Only 9% thought a deposit return scheme would make them recycle more.

The associated costs that would be borne by all, and would most effect those already struggling

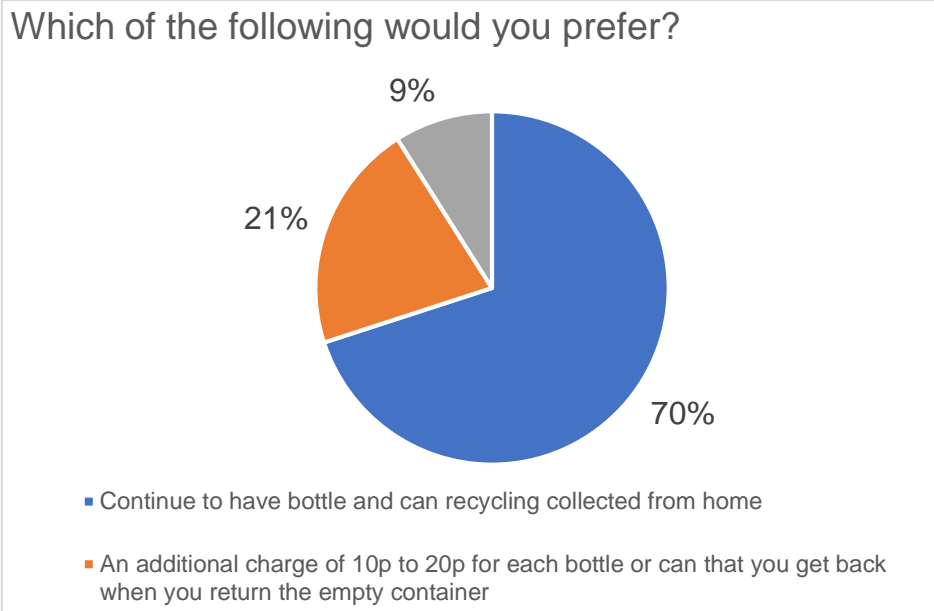
- The complexity of any scheme and its impact on retailers and consumers
- The current effectiveness of at-home schemes

Household Recycling is Favoured Over DRS

Given the choice 70% of consumers favour their existing household collections, compared to 21% that favour a new Deposit Return Scheme.

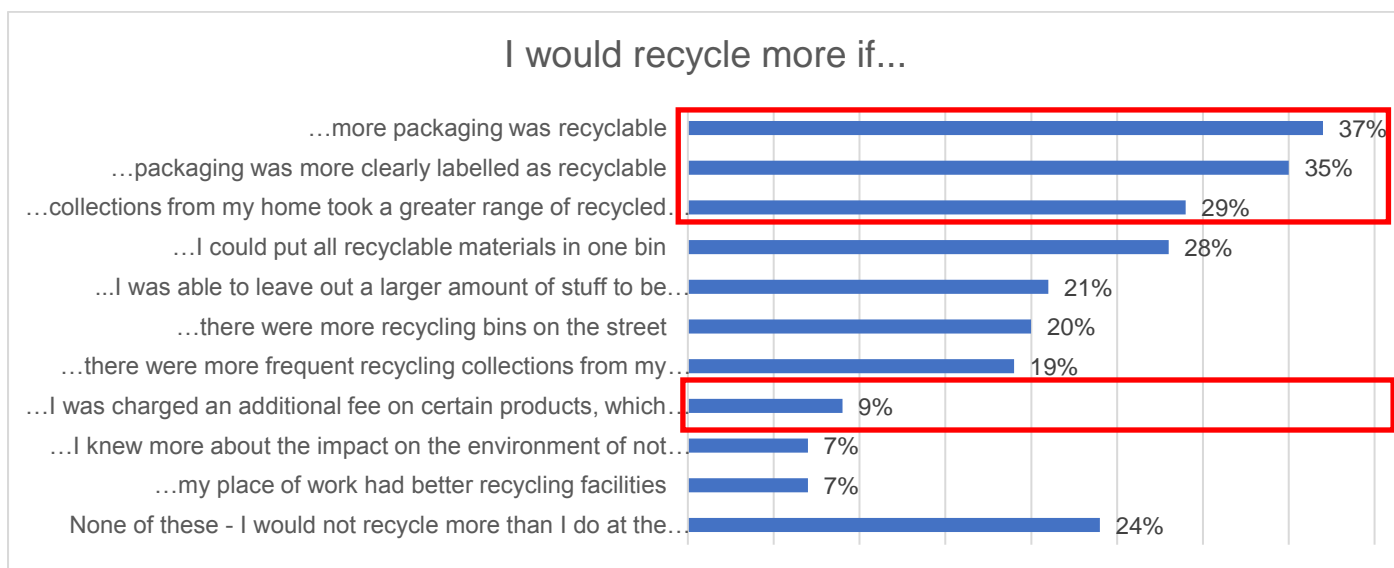
¹⁰¹ Jericho Chambers completed the focus group between 20 and 22 March 2017

¹⁰² Populus Online Consumer polling March 2017



Alternative Solutions to Tackling Recycling

Consumers suggest they would recycle more if more packaging was recyclable (37%), packaging was more clearly labelled (35%) and their household recycling collection took a wider range of products (29%). Only 9% thought a Deposit Return Scheme would make them recycle more.



Impact on Household Recycling Collections

While consumers were sympathetic to the principles of DRS, they believed that there were other solutions that would be more effective to increase the level of recycling, and had concerns that a deposit return scheme would place additional costs on consumers, and make recycling more complex¹⁰³.

“If you’re sticking prices up on everything, it’s like a tax, and not everyone can afford that tax.” Dad, Wales

“It’s an awful idea, it’s going to put so much money on the cost of something, and that’s money we are not going to get back as prices are going to have to go up by 5p or 10p for the retailer to handle it.” Dad, Wales

¹⁰³ Jericho Chambers 2017

Consumers in the focus groups noted that DRS may actually reduce the volume of recycled goods, if kerbside schemes were no longer in use or had reduced collections. Given the choice between the introduction of a deposit return scheme compared with their existing household recycling, 70% of consumers support their existing household recycling.

No Silver Bullet

Consumers indicated that they would recycle more if their household recycling services were extended and improved rather than the introduction of a deposit return scheme. Populus consumer polling found that consumers would recycle more if more packaging was recyclable (37%), packaging was more clearly labelled as recyclable (35%), and collections from their home took a greater range of recycled goods (29%)¹⁰⁴.

*“We have different colours [of recycling bins] but I don’t really know what they are for. I don’t have a clue; my rubbish just goes in the bin and that’s it.” Younger Female, Scotland*¹⁰⁵

Impact on Carless and Vulnerable Households

The most vulnerable in society support household kerbside recycling; people with long term disability (73%), carless households (70%) and people aged 65 and over (76%)

A higher proportion of those with long term disabilities (73%) or those aged over 65 years old (76%) supported household collections instead of a deposit return scheme.¹⁰⁶

“I don’t have a car, I’m not going to be taking glass bottles out with me out on to the bus. I don’t think I’d bother.” Younger Female, Scotland

“If you’ve got a garage then you’re fine, but if you live in a flat then you’re knackered.” Dad, Wales

“Where would you store this stuff? It’s tough enough as it is trying to keep your house tidy before you put it in the wheelie bin. Would I have to keep it in the car?” Younger Female, Scotland

Customer Confusion

Consumers in our focus groups identified the potential complexity of a deposit return system. They raised concerns about the ability to know what could or could not be recycled in the system. One consumer in England said:

*“How many product lines are there out there that have to be washed, cleaned and returned? 500? 400? 300? It might be that we can just deal with a few of them, and that makes it doable, ok, but once we get into the enormity of the different types of materials, you starting to get a bottleneck problems, and how could anywhere – like the village shop – cope with 25, 100, 500 different types of products” Older Male, England*¹⁰⁷.

There is customer confusion about what can and cannot be recyclable through kerbside collections¹⁰⁸. A BBC Freedom of Information request found that 3% of recyclable waste was rejected by local authorities, with some local authorities experiencing a rate of 14.99%¹⁰⁹. As such, we have concerns that customer confusion would only be exacerbated if a DRS were to be introduced.

¹⁰⁴ Populus DRS Consumer Polling

¹⁰⁵ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

¹⁰⁶ Populus Online Consumer polling March 2017

¹⁰⁷ Jericho Chambers: Deposit Return Scheme – views of retailers and consumers 2017

¹⁰⁸ [BBC News: Rejected recyclable waste up 84% in England since 2011, data shows](#)

¹⁰⁹ [BBC News: Rejected recyclable waste up 84% in England since 2011, data shows](#)

ANNEX C (Reloop: Deposit Systems for One-Way Beverage Containers: Global Overview)

	Deposit Value	Retailer Handling Fee	Retailer Handling Fee % to Deposit	Small Shop Exemption	Manual or Automated	Retailer Feedback on DRS
Croatia	0.5HRK (0.06€, USD \$0.07)	<ul style="list-style-type: none"> • 0.012 HRK (€0.02, USD \$0.02) for RVM accepted containers • 0.10 HRK (€0.01, USD\$0.01) for manually accepted containers 	<ul style="list-style-type: none"> • 33.3% for RVM handling fee • 10% for manually accepted containers 	Retailers smaller than 200m ²	Mostly Manual	TBC
Denmark	<ul style="list-style-type: none"> • Metal, glass, plastic <1l: 1DKK (€0.13, USD\$0.15) • Plastic 0.5l: 1.5 DKK (€0.2, USD\$0.22) • Metal, glass, plastic ≥ 1l: 3 DKK (€0.4, USD\$0.45) 	<p>Manual collection:</p> <ul style="list-style-type: none"> • Metal: 6.2 øre (€0.008, USD\$0.009) • Plastic < 1l: 6.7 øre (€0.009, USD\$0.0097) • Plastic > 1l: 10.4 øre (€0.014, USD\$0.015) • Glass: 14.8 øre (€0.019, USD\$0.0214) <p>RVM with compaction:</p> <ul style="list-style-type: none"> • Metal: 1.4 øre (€0.0019, USD\$0.0020) • Plastic < 1l: 1.8 øre (€0.0019, USD\$0.0026) • Plastic > 1l: 2.4 øre (€0.0032, USD\$0.0035) • Glass: 7.1 øre (€0.0095, USD\$0.0103) 	<p>Manual collection:</p> <ul style="list-style-type: none"> • Metal <1l – 6.15% • Metal >1l – 2% • Plastic <1l – 4.5% • Plastic >1l – 3.5% • Glass – 4.75% <p>RVM with compaction:</p> <ul style="list-style-type: none"> • Metal <1l – 1.46% • Metal >1l – 0.475% • Plastic <1L – 0.95% • Plastic >1L – 0.8% • Glass – 2.37% 	N/A	95% automated/5% manual	TBC
Estonia	€ 0.10 (USD\$0.11)	<ul style="list-style-type: none"> • Manual collection (PET/Can) €0.0105/packaging unit + VAT Manual collection (one-way glass) €0.0120/packaging unit + VAT • RVM without compaction (PET/Can) €0.0215/packaging unit + VAT • RVM with compaction (PET/Can) €0.0310/packaging unit + VAT RVM collection (one-way glass) €0.0234/packaging unit + VAT 	<p>Manual collection</p> <ul style="list-style-type: none"> • 10.5% • One-way glass – 12% <p>RVM without compaction</p> <ul style="list-style-type: none"> • 21.5% <p>RVM with compaction</p> <ul style="list-style-type: none"> • 31% • One-way glass - 23.4% 	Retailers between 20-200m ² in size can apply to get exemption, that is analyzed and decided by the local municipality. Urban vendors under 20m ² of sales area are not obligated to take back deposit containers.	94% automated/6% manual.	TBC
Finland	<ul style="list-style-type: none"> • Plastic < 0.5l: €0.10 (USD\$0.11) • Plastic 0.5l - 1l:€0.20 (USD\$0.22) • Plastic > 1l:€0.40 (USD\$0.45) • Metal: €0.15 (USD\$0.17) • Glass: €0.10 (USD\$0.11) 	<p>Manual collection or RVM without compaction:</p> <ul style="list-style-type: none"> • Metal/Plastic/Glass: €0.027 (USD\$0.030) <p>RVM with compaction:</p> <ul style="list-style-type: none"> • Metal/Plastic/Glass: €0.03 (USD\$0.033) 	<p>Manual collection</p> <ul style="list-style-type: none"> • Metal – 18% • Plastic – varies from 26.9% to 6.74% depending on size of container • Glass – 26.9% <p>RVM with compaction</p> <ul style="list-style-type: none"> • Metal – 20% • Plastic – varies from 30% to 7.5% depending on size of container • Glass - 10% 	N/A	95% automated/5% manual.	TBC
Germany	Metal, plastic, glass (0.1l – 3l): €0.25 (USD\$0.28)	No handling fee but retailer owns material	N/A	Retailers are only obliged to take back the material fractions they sell. Retailers < 200m ² are only obliged to take back the brands they sell.	80% automated/20% manual	TBC
Iceland	Metal, plastic, glass: 16 ISK (€0.11, USD\$0.12)	N/A	N/A	60 return facilities operated by central depots. No small business exemption as small businesses don't accept containers	Both	TBC

Lithuania	€0.10 (USD\$0.11)	<ul style="list-style-type: none"> • Manual: €0.028 • RVM without compaction: €0.015 • RVM with compaction: €0.028 	<ul style="list-style-type: none"> • Manual collection – 27.9% • RVM without compaction – 15% • RVM with compaction – 27.9% 	Retailers smaller than 300m2 are exempt from taking back containers	Both	
The Netherlands	€0.25 (USD\$0.28)	None	N/A	N/A	Collection system is 89% automated / 11% manual	<ul style="list-style-type: none"> • Handling fees do not cover the cost of taking back bottles and backhauling • Retailers have called on the government to offer location collections for plastic bottles, not at retailer sites • Significant costs attributed to backhauling and sorting through bottles in retailer distribution networks
Norway	<ul style="list-style-type: none"> • Plastic, metal ≤ 0.5l: 1 NOK (€0.13, USD\$0.12) • Plastic, metal > 0.5l: 2.5 NOK (€0.32, USD\$0.30) 	N/A	N/A	N/A	Collection system is 95% automated / 5% manual.	TBC
Sweden	<ul style="list-style-type: none"> • Metal: 1 SEK (€0.11, USD\$0.12) • Plastic < 1l: 1 SEK (€0.11, USD\$0.12) • Plastic > 1l: 2 SEK (€0.22, USD\$0.24) 	<p>Manual collection:</p> <ul style="list-style-type: none"> • Metal: 0 SEK (€0.00, USD\$0.00) • Plastic: 0.2 SEK (€0.023, USD\$0.02) <p>RVM without compaction:</p> <ul style="list-style-type: none"> • Metal, Plastic: 0.2 SEK (€0.023, USD\$0.02) <p>RVM with compaction:</p> <ul style="list-style-type: none"> • Metal: 0.15 SEK (€0.017, USD\$0.02) • Plastic 1l: 0.42 SEK (€0.048, USD\$0.049) 	<p>Manual collection</p> <ul style="list-style-type: none"> • Metal – 0% • Plastic – varies from 20.9% to 10.45% depending on size of container <p>RVM without compaction</p> <ul style="list-style-type: none"> • Metal – 20.9% • Plastic - varies from 20.9% to 10.45% depending on size of container <p>RVM with compaction</p> <ul style="list-style-type: none"> • Metal – 15.45% • Plastic - varies from 43.6% to 21.8% depending on size of container 		Collection system is 95% automated / 5% manual	TBC