

## 60 organisations supporting a digital option for DRS

Mary Creagh  
Minister for Nature  
Department for Environment, Food and Rural Affairs  
2 Marsham Street  
London, SW1P 4DF

25 November 2024

Dear Minister,

### **Why the UK's Deposit Return Scheme needs to include space for digital innovation.**

The waste and resources sector needs to undergo transformation if we're going to see a real step change in recycling and fully deliver the ambition to move to a circular economy. The introduction of a DRS is extremely welcome, but it must be delivered in a way that maintains public confidence and secures business buy-in.

As stakeholders in the consumer sector, we understand the importance of a circular economy and are encouraged by the Government's commitment to this. A DRS will be a key part of the UK's circular ambitions, and we think there is real scope to deliver a world-class scheme that sets the UK apart from the rest of the world. Through innovation and digital integration, the Government can implement a blended DRS that works for both businesses and consumers.

**We are therefore calling upon the Government to set the UK's deposit return scheme up for success by allowing and encouraging digital innovation within the regulations. This can be done, quite simply, by reviewing DRS legislation and removing "return-to-retail" prescriptions, framing plans in an open way and offering stakeholders flexibility within the framework.**

Current DRS proposals want to see a fully "return-to-retail" model, whereby consumers will be required to store their in scope containers at home and then collect their deposits via reverse vending machines (RVMs) in a retail setting.

By setting up the scheme with the flexibility to include a digital option **alongside** the return-to-retail standard, consumers could be allowed to continue to use kerb-side recycling and claim their deposits electronically from home, which would ease the burden on retailers.

We recognise that introducing a DRS to the UK is going to be complicated and we are keen to work with you to find solutions, as the plan for "return-to-retail" only scheme would put unnecessary pressure upon retailers – including a requirement for significant time and capital investment that will be required to install, manage, and maintain RVMs in a retail setting.

Retailers will need to install large RVMs onto their premises or risk losing the footfall that would be generated by the machines. RVMs are capital intensive units, and once the machines are procured, installed and built into operating plans they will be paid down as depreciating assets on retailer balance sheets for at least ten years. Retailers will be held responsible for paying out deposits and be burdened with operational disruption. There is also significant concern that ultimately RVMs will become 'stranded assets', leaving stores out of pocket and in a difficult position.

We would love to start a conversation on what could be done to provide retailers with greater transparency. We hope to be able to work with you to improve environmental outcomes. We live in a digital age and consumers expect convenience, it is vital that the Government delivers a flexible DRS that benefits both business and the wider community.

Reverse vending machines were the right solution in the 1980's, but now we have the technology available to implement an approach which will benefit rather than damage the high street.

Yours sincerely,



**Alice Rackley**  
CEO of Polytag  
*and 60 leaders from the consumer sector, listed below*



## 60 organisations supporting a digital option for DRS

<b>Will Ghali</b> CEO, Ecosurety	<b>Andrew Weston</b> Head of Public Affairs, Co-Op	<b>Laura Fernandez</b> Ocado
<b>Andy Hawker</b> Customer Service and Logistics Director Laithwaites	<b>Jean Henin</b> CEO, Pellenc ST	<b>Paul Sanderson</b> The Recycling Association
<b>Nick McKuhen</b> Smith Bateson	<b>Louise Rønne</b> Head of Sustainability, Bower	<b>Ben Elkington</b> Innovation Director – Food Packaging, Klockner Pentaplast
<b>Kevin Vyse</b> ProAmpac RAP	<b>James Lee</b> Chairman, Cromwell Polythene	<b>Lino Marini</b> MSM Polymers
<b>Rachel Sheldon</b> Greiner	<b>John Godfrey</b> Suez	<b>Laurent Sigler</b> Zoppas Industries
<b>Charles Maxwell</b> Director, Thames Distiller	<b>Jamie Weall</b> Aston Manor Cider	<b>Andrew Beamish</b> Owner, Mallard Point
<b>Alex Webster</b> Genie Drinks	<b>Graeme Baldwin</b> Co-founder, Red Fin Cider	<b>Duncan Midwood</b> DDRS Alliance and Circularity Solutions
<b>Richard Penberthy</b> RWT Waste Service Manager The Royal Wolverhampton NHS Trust	<b>John Read</b> Managing Director, Clean Up Britain	<b>Sophie Walker</b> Dsposal
<b>Sam Reeve</b> CEO, Resource Futures	<b>Michelle Mellor</b> Ustwo	<b>John Gilmour</b> Commercial Manager Wyllie Recycling
<b>Sam Favager</b> Manager, Product Management Digimarc Corporation	<b>Richard Lockwood</b> Business Development Director Trovr	<b>Harry Bloom and Vick Solanki</b> Horizon App
<b>Catherine Valperga</b> Gowan Home	<b>Iván González</b> CEO, Recycl3R	<b>Anastasios Bellos</b> Antopack
<b>Leslie Prichard</b> Director, Culverstons	<b>Mike MacKay</b> Managing Director Despray Environmental	<b>Gaspard Duthilleul</b> COO, Greyparrot
<b>Jane Hall</b> Director, Green Edge Applications	<b>Natalia Anninos</b> Time Partners Limited	<b>Scott Markham</b> Rokit Health
<b>Conor Walsh</b> Secretary, Recycle NI	<b>Tim Bedford</b> DataLase	<b>Nick Rumble</b> Auditel
<b>Carol Hall</b> Development Bank of Wales	<b>Konstantine Pappas</b> Director, Inova	<b>Bobby Manesh</b> Lead Research Engineer, AMRC
<b>David Putts</b> One Step Financial	<b>Amul Pandya</b> Grantly Partners	<b>Francis Mulcahy</b> Capital Markets
<b>Brendan Cosgrove</b> Blakehill Holdings Limited	<b>Paul Foulkes-Arellano</b> Circuthon Consulting	<b>Mike Evans</b> Chairman, EBS
<b>Giancarlo Marini</b> Commercial Director, CRDS	<b>Ian Aitken</b> Business Development Manager Xact Control	<b>Manni Sidu</b> Moduro
<b>Valerie van den Brink</b> Knop Ventures	<b>Craig Melson</b> , Tech UK Associate Director – Climate, Environment and Sustainability	<b>Ian Schofield</b> IHS Solutions Ltd
<b>Rachel Ashley</b> Women Angels of Wales	<b>Phil Archer</b> Markup Systems Ltd	<b>Jordi Berguinzo</b> Candam