

## **Department for Environment, Food and Rural Affairs (DEFRA)**

### **Proposal to ban the sale and supply of plastic drink stirrers in England**

**RPC rating: fit for purpose**

The Regulatory Policy Committee (RPC) reviews, and comments on, impact assessments supporting regulatory proposals. Regulatory measures with an equivalent annual net direct cost to business (EANDCB) below £5 million do not require RPC scrutiny under the framework rules for the 2017-19 Parliament (the rules for the present Parliament have not yet been agreed). The RPC welcomes the decision by the Department to voluntarily submit this IA to the RPC for scrutiny even though its EANDCB is expected to be below the £5m threshold.

#### **Description of proposal**

Plastic drink stirrers are typically discarded to general waste or littered once used to mix drinks in a single container or to help sugar dissolve in hot drinks. Therefore, the Department intends to implement a ban with no exemptions or time delay, this will ensure they meet policy objectives and is the most effective option to reduce the social and environmental costs associated with drink stirrers.

#### **Impacts of proposal**

The Department explains that resulting from voluntary action, the usage of plastic drinks stirrers is likely to be very low by 2025/26. The net cost to business per year as a result of this ban will be £0.01m, the vast majority of which arise from business implementation and familiarisation costs. The Department estimates that alternatively made stirrers, such as wood, will result in less litter in the environment, and that the proposed ban will reduce coastal clean-up costs by £7,552. Clean beaches are highly valued by the public, thus a reduction in plastic stirrer litter would give a £98,299 benefit in well-being.

The banning of plastic drink stirrers will help protect the environment for future generations, improve quality of the environment and reduce harm to human health

and wildlife. This includes unmonetised benefits from reduction in fisheries damage from plastic ingestion and entanglement.

The Department has classified the measure as a non-qualifying regulatory provision as it falls below the de minimis threshold. It is however linked to measures relating to the ban of plastic stemmed-cotton buds and plastic straws via the same legislation and the Department has submitted the IAs in order to have a complete assessment by the RPC. The RPC welcomes this approach.

### **Quality of submission**

The Department has provided a detailed, clear and well monetised assessment of the costs and benefits to business and the environment. The Department has consulted on this measure and continues to engage with stakeholders while developing the regulation. Further, whilst it is not required, the Department has provided a sufficient small and micro business assessment (SaMBA). While small and micro businesses are not exempt from the policy, impacts on them are expected to be very small as costs do not fall on them disproportionately.

The RPC notes that the impact the policy will have on trade and investment has not been considered and recommends that a statement is provided.

The RPC considers the analysis presented to be fit for purpose and is content with the Department's assessment that for purposes of the Business Impact Target (BIT) the measure is a non-qualifying regulatory measure under the de minimis exclusion.

Overall, the quality of analysis presented in the IA is high; there are, however, a number of areas which, if addressed, could further improve the IA.

### **Areas for Improvement**

The RPC has identified the following areas that could be improved:

- 1. Rationale** – The IA would benefit from further evidence to support and strengthen the rationale, in particular concerning the following points:
  - a. The IA states that while the overall demand for stirrers remains unchanged, the current trend is that plastic stirrers are being used less

due to voluntary action by businesses and their use will reach “very low” levels by 2025/26. The IA however, states that there is a rationale for government to intervene to ban these items ahead of this time to address the negative environmental effects these items have on the environment. The RPC believes that further discussion through evidence and analysis could further support a rationale for government intervention and regulation, given the apparent success of businesses’ voluntary actions to date reducing use of plastic stirrers. In doing so, the RPC suggests such a statement would benefit from including reference to the objective of obtaining the maximum reduction in pollution for the minimum cost to business and society.

- b. The IA explains that plastic stirrers are thought to make up 0.1% of the plastic pollution in the marine environment. Combined with related measures on plastic straws and cotton buds, only 5.7% of plastic pollution in the marine environment is being addressed. The Department may wish to consider providing more of a rationale for the focus on plastic stirrers given the other plastic pollution (94.3%) in the marine environment.

- 2. Familiarisation and implementation costs** – Given that familiarisation and implementation costs represent the vast majority of the costs associated with the measure, the IA could be improved by greater detail on what these costs involve e.g. the costs of training staff to be aware of the new regulatory changes.
- 3. Price base year** – The RPC note that the Department has used 2020 as the base year for the present value of impacts and while it has used 2019 as the overall price base year, it has used 2017 as the price base year for the analysis. The Department should explain the inconsistent use of the base years.
- 4. Proxy for quantity of stirrers** – The Department has used a proportion of disposable coffee cups as a proxy for the number of stirrers used. The IA would be improved by stronger justification for the use of this proxy.
- 5. End of life** - It is assumed that the proportion of stirrers that are incinerated versus sent to landfill will remain the same following a change in material. The IA would be improved by evidence supporting this assumption.
- 6. Coastal clean-up costs** – The Department states that a very small proportion of plastic stirrers end up on beaches. Given that there is a negligible marginal

cost per item picked up on a beach clean-up and higher fixed costs, the IA could be improved by justification for the assumption that there would be a reduction in clean-up costs equivalent to the proportion of litter that plastic stirrers contribute. Further, not all plastic waste that is found on UK beaches originates in England. The IA would be improved from consideration of the proportion of plastic waste originates in other neighbouring countries or internationally.

- 7. Fuel cost** – The RPC recognises the limitations and uncertainties in calculating the change in fuel costs to business from the regulation. For the Department to reasonably quantify this, it should provide evidence to support the assumption that the average distance plastic stirrers are transported in the UK is 100km.

### Departmental assessment

Classification	Non-qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	£0.01 million
Business net present value	-£0.12 million
Overall net present value	-£0.33 million

### RPC assessment

Classification	Under the framework rules for the 2017- 19 Parliament: non-qualifying regulatory provision ( <i>de minimis</i> )  To be determined once the framework rules for the current Parliament are set <sup>1</sup> .
Small and micro business assessment	Not required but sufficient

### Regulatory Policy Committee

---

<sup>1</sup> The Government is yet to set the better regulation framework for the current Parliament. This includes the setting of a business impact target, its scope and metric, and the appointment of an independent verification body. The RPC is, therefore, unable to confirm the BIT classification, or validate the estimated business impact figures, for any regulatory proposal at present.