

The Environmental Permitting Regulations 2016 (England and Wales) Schedule 9, Part 2 – Material Facilities

Lead department	Department for Environment, Food and Rural Affairs
Summary of measure	Regulations on how Material Recycling Facilities (MFs) of a certain size must sample, test and report the quality of input and output recycling streams they receive and process.
Submission type	Post-implementation review – 20 June 2022
Implementation date	2015
Department recommendation	Amend
RPC reference	RPC-DEFRA-5201(1)
Opinion type	Formal
Date of issue	12 July 2022

RPC opinion

Rating¹	RPC opinion
Fit for purpose	The PIR is proportionate and clearly sets out the methodology to monitor and evaluate the measure. The findings, including any shortcomings, are presented using a range of data sources and provides a basis for the Department's recommendations. Although this could be strengthened by including firmer commitments to consider and amend the regulations so that it meets its intended policy objectives.

¹ The RPC opinion rating is based on whether the evidence in the PIR is sufficiently robust to support the departmental recommendation, as set out in the [better regulation framework](#). The RPC rating will be fit for purpose or not fit for purpose.

RPC summary

Category	Quality²	RPC comments
Recommendation	Green	The evidence base is proportionate and sufficient to support the Department's recommendation to consider amending the regulations. However, the PIR would benefit from a firmer commitment to do so.
Monitoring and implementation	Satisfactory	The PIR clearly sets out the methodology for monitoring the measure, including data sources from a desk-based review and twenty stakeholder interviews from across the value chain.
Evaluation	Satisfactory	The findings are transparently presented against the intended policy objectives. The PIR notes the original assumptions and unintended outcomes. Further detail should be provided to demonstrate the actual costs to business, any benefits and international learnings or comparisons.

² The RPC quality ratings are used to indicate the quality and robustness of the evidence used to support different analytical areas. Please find the definitions of the RPC quality ratings [here](#).

Summary of proposal

Part 2 of Schedule 9 of the Environmental Permitting (England and Wales) Regulations 2016 for Material Facilities regulates how MFs of a certain size must sample, test, and report the quality of input and output recycling streams they receive and process.

To assess the extent to which the policy objectives have been achieved, the PIR outlines the following objectives:

- To correct market failure of either no or poor data on the quality of material going to and leaving MFs through the collection of consistent and robust data and transparency reporting.
- Allow the market to use the data to improve the quality of the material collected and produced and increase the amount of recycling.
- To allow the Government to make an assessment on the quality of co-mingled dry materials collected for recycling as required by the Waste Framework Directive and Waste Shipments Regulation.

Recommendation

The PIR states that the Department will consider amending the regulations based on the evidence from the desk-based review and stakeholder interviews. The PIR provides sufficient evidence to support this. However, the PIR would benefit from discussing firmer commitments to amend the regulations based on the recommendations presented in the document and how these may improve how the regulations meet their intended objectives.

The RPC encourages the Department to submit impact assessments for scrutiny on any amendments to the regulations in due course.

Monitoring and implementation

The PIR outlines the methodology in which the measure was monitored and is proportionate. This was done by a desk-based review of published data and reports alongside twenty stakeholder interviews from across the value chain. This is supplemented by information from the regulator, the Environment Agency. The PIR also provides data on the number and composition of MFs reporting under the regulations.

Evaluation

The findings that document the evidence on the extent to which the objectives have been achieved are summarised in Table 1. The table clearly highlights the successes and shortcomings of the measures, including issues around the definition for target material and the data not showing improvement in the quality of output material. Further information on the impacts or unintended consequences of the measure are also clearly detailed.

The PIR states the assumptions originally used in the 2014 impact assessment (IA) and notes that the one-off, annual and regulatory costs incurred by businesses were close in scale with the estimates made in the IA. Whilst the PIR acknowledges the overestimation of the number of MFs the IA intended to be scope of the measure, the PIR should provide more detail on the actual costs faced by businesses and explain any differences to the assumptions. Further, the PIR could explain its discussion on the anticipated vs actual benefits, even these are not quantifiable.

The PIR could benefit from an inclusion of any international learnings or comparisons that could help to improve the status quo in the UK.

Regulatory Policy Committee

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