

Extended Producer Responsibility (EPR)

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Extended Producer Responsibility (EPR) is a policy principle that makes **producers financially responsible for the waste created by the products and packaging they put on the market.**

In simple terms:

If you produce packaging, you pay for dealing with it when it becomes waste.

How It Works (UK Context)

Under the UK's reformed packaging EPR scheme (rolling out 2024-2026):

1. **Producers (manufacturers, importers, large retailers, brand owners)** must report the amount and type of packaging they place on the market.
2. They must then **pay fees** reflecting the full net cost of managing that packaging once discarded.
3. Those fees are redistributed to **local authorities** to cover the cost of collecting, sorting and recycling packaging waste.

This replaces the old PRN (Packaging Recovery Note) system, which only covered part of local authorities' costs.

Why It Matters for Councils Like EEBC

Before EPR reform, councils paid a large share of waste collection and recycling costs themselves, funded by council tax.

Under the new system:

- Central government collects packaging fees from producers.
- Councils receive funding to reflect their actual waste management costs.
- The aim is "full net cost recovery" for managing household packaging waste.

In EEBC's case, the funding settlement included a significantly higher-than-expected EPR allocation, which contributed to the improved budget position for 2026/27.

What Types of Packaging Are Covered?

Typically:

- Plastic bottles and containers
- Cardboard and paper packaging
- Glass bottles
- Aluminium and steel cans
- Flexible plastics (where recyclable)

The scheme also includes a "modulated fee" system — producers pay more for packaging that is hard to recycle and less for easily recyclable materials.

Policy Objectives

EPR is designed to:

- Shift waste costs from taxpayers to producers
- Incentivise recyclable packaging design
- Reduce overall packaging waste
- Increase recycling rates

Why It's Politically Sensitive

For councils:

- EPR funding can significantly improve short-term revenue positions.
- But allocations depend on central calculations and reporting accuracy.
- Future changes in formulae could affect funding stability.

For producers:

- It increases compliance and reporting costs.
- Fees are often passed on to consumers through pricing.