



Broxtowe Borough Council Estimated 2025/26 pEPR payment – provisional notice of assessment November 2024

Your estimated total pEPR payment for Financial Year 2025 to 2026 is

£950,000

This value is an estimate. It has been rounded to the nearest £1000 and is **subject to change**¹. Whilst your pEPR payment resulting from the collection of producer fees may still change, to provide certainty to authorities, the UK government is guaranteeing that **in 25/26 you will receive at least the amount displayed above**. Further details on how a government top up will work, and on how any revisions to scheme administrator payment figures will be treated under the government’s guarantee, will be provided in due course.

We trust that this guaranteed funding will enable you to drive the changes needed to deliver an efficient service. The detailed methodology below explains how costs are calculated to give an understanding of the funding process going forward.

More information on why only estimated payments can be provided at this time can be found in the opening paragraphs of the accompanying guidance.

A further notice of assessment will be provided once the draft Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations are in force.

Your payment will be issued to you by bank transfer in the following instalments:

Year 1 estimated quarterly payment schedule

Payment period payment relates to	Payment date	Estimated amount
1 April 2025 to 30 September 2025 (Quarter 1 & 2)	November	£475,000
1 October to 31 December 2025 (Quarter 3)	January	£237,500
1 January to 31 March 2026 (Quarter 4)	March	£237,500
	Total amount	£950,000

¹The model used to generate these values is still subject to an ongoing Quality Assurance process. The mean absolute percentage difference in a unitary authority’s payments between model version 3 and 4 (the version used to generate these values) was 11.4%. We cannot provide a single figure that captures all possible variation due to improvements and quality assurance, but future developments to the model are generally expected to have smaller impact than historic changes. This information has been provided to help illustrate how future estimates could change.

What your payment covers

As a Waste Collection Authority (WCA), your payment covers estimated net efficient costs associated with collection of household packaging waste from kerbside and communal collections, and waste brought to bring sites only. Your payment may also cover the cost of handling, sorting and sale of dry recyclate where appropriate.

As per the draft regulations, waste management costs associated with the following are excluded from pEPR payments in year 1:

- A. Drinks containers made of any material other than glass (as per the draft regulations, waste management costs associated with the following are excluded from pEPR payments in year 1: drinks containers made from polyethylene terephthalate (PET), steel, or aluminium between 150ml – 3l in size. This exclusion is until 2028. All drinks containers will be in scope from 2028 if a Deposit Return Scheme (DRS) is not in place by that time.
- B. Binned waste and littered packaging waste
- C. Business waste
- D. Packaging collected within food and garden waste services

Your payment will only cover the estimated cost of managing the in-scope (household) packaging element of the waste stream, subject to paragraphs A-D. Packaging is categorised depending on the material from which it is made into aluminium, fibre-based composite, glass, paper and card, plastic, steel, wood, and other materials.

More information and definitions for these terms can be found in the accompanying guidance.

How your payment is calculated

A model (the Local Authority Packaging Cost and Performance model or LAPCAP) developed by Defra on behalf of the four nations has been used to determine the estimated net efficient costs incurred by every local authority (LA) in the UK for the management of household packaging waste.

In line with the draft Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations and where relevant to your authority, LAPCAP consider the following factors in determining your estimated net efficient costs:

1. The frequency, pattern and type of collections of household packaging waste undertaken within your LA
2. The population density in your relevant area
3. The type and accessibility of dwellings in your relevant area
4. The levels of deprivation in your relevant area
5. Government policies and the regulatory requirements affecting waste management to which your authority is subject

The below sections summarise the calculation the model has performed to determine your estimated payment. More information on this methodology can be found in the accompanying guidance.

Please note that any small discrepancies in calculations shown below are due to rounding – calculations in LAPCAP are done to more decimal places than shown in the tables.

Section 1 – Your local authority’s net efficient waste management costs

Collection costs

The following sets out your estimated collection costs for collection of recyclate and residual waste from kerbside, bring sites and HWRCs.

Estimated Collection Costs			
Service	£/t	Tonnes of packaging	£/t x Tonnes
Recyclate kerbside collection cost	£159.95	3,897.11	£623,357.17
Residual waste kerbside collection cost	£86.01	3,569.26	£306,985.70
Bring Sites	£64.72	306.64	£19,844.49
HWRC	NA	NA	NA
Service	£/household	Households	£/household x households
HWRC (Overheads)	NA	48,361	NA
TOTAL AMOUNT			£950,187.35

Tonnage data from Waste Data Flow and composition data from the WRAP 2017 waste composition study, Zero Waste Scotland 2023 waste composition study and WRAP Welsh 2023 composition study has been used to determine packaging tonnages collected by each service². Where composition data is not sufficiently granular, additional sources have been used including data submitted by producers into the Report Packaging Data (RPD) online portal system for the calendar year 2023, and government commissioned work on the proportion of given packaging categories that are in scope of the Deposit Returns Scheme (DRS). More information can be found in the accompanying guidance.

Cost per tonne figures for kerbside recyclate and residual collections have been determined by analysing reported cost data from a subset of LAs from across the UK to identify the common characteristics which most strongly influence collection costs. The model uses findings from this analysis and data on LA characteristics to group LAs which are predicted to have similar costs per tonne of waste collected. An average cost per tonne figure for each group is then calculated by using reported cost data we hold for some LAs in each group.

Cost per tonne figures for bring sites are determined by averaging the cost per tonne within each recycling group. This average, derived from Request for Information (RFI) data is then applied to the Local Authorities in that group. If no sample LA exist within that group, then the overall average of all the RFI costs is applied.

For recyclate kerbside collections only, the cost per tonne figure has been adjusted to reflect the influence of the volume of packaging waste on collection costs, recognising that this is commonly the limiting factor in collections.

²Zero Waste Scotland 2023 waste composition study has been used to determine packaging tonnages collected by each service for Scotland and the WRAP Welsh 2023 composition study has been used to determine packaging tonnages collected by each service for Wales.

We have used the following characteristics of your LA to assign you a group to determine your cost per tonne for kerbside recycle and residual collections.

Deprivation	0.22
Proportion Highly Rural	0.00
Proportion Rural	0.00
Proportion Urban	1.00
Residual Collection Frequency	fortnightly
Recycling Collection Frequency	fortnightly
Recycling Collection Scheme	two stream
Country	England
Proportion of Flats	0.12
Proportion of Residual Communal Collections	0.00
Residual Tonnes Collected per Household	0.50
Proportion of Recycling Communal Collections	0.00
Recycling Tonnes Collected per Household	0.17

WCA Disposal Costs (net of income)

The following table sets out your estimated disposal costs net of income by disposal method. If no tonnage or payment is indicated, payment for this activity has been made to your Waste Disposal Authority. Please see the guidance for further information as to how these decisions have been made.

Disposal Costs - £/t			
Disposal method	£/t	Packaging Tonnes	£/t x Tonnes
Recyclate - Comingled MRF	NA	NA	NA
Recyclate - Multistream MRF / direct to reprocessor	£-53.34	<0.01	£-0.25
Other	NA	NA	NA
TOTAL AMOUNT			£-0.25

Tonnage data from Waste Data Flow and waste composition data from the Waste and Resources Action Programme (WRAP) 2017 waste composition study, Zero Waste Scotland 2023 waste composition study and WRAP Cymru 2023 composition study has been used to determine tonnages going to each disposal method³. Where composition data is not sufficiently granular, additional sources have been used including data on packaging tonnages placed on market, and government commissioned work on the proportion of given packaging categories that are in scope of the Deposit Returns Scheme.

Numbers of households are from the 2021 ONS Census⁴.

Costs per tonne figures for the different disposal methods, including Materials Recovery Facilities (MRFs) have been determined by national average net gate fees from the UK Gate Fees report 2023-24 (WRAP) and other data sources held by Defra's Waste Infrastructure Delivery Programme and Welsh Government for each of these disposal methods. Gate fees include bulking, transfer, and haulage costs. For residual waste treatment and disposal, the gate fee is net of income.

³Zero Waste Scotland 2023 waste composition study has been used to determine packaging tonnages collected by each service for Scotland and the WRAP Welsh 2023 composition study has been used to determine packaging tonnages collected by each service for Wales

⁴Data for the numbers of households in each authority for Scotland is taken from The National Records of Scotland estimates from 2021. For the numbers of household in each authority for Northern Ireland, 2021 NISRA was used.

Section 2 – Payment summary

The below summarises the result of calculations outlined in previous sections and applies an adjustment to account for recycling credits you receive. Recycling credits will be paid to your WDA to enable them to reimburse you for these household packaging waste management costs. This determines your total estimated efficient cost for managing household packaging waste.

The financial value of the recycling credit adjustment has been calculated using the method set out in paragraph 3(6) of The Environmental Protection (Waste Recycling Payments) Regulations 2006 (using the default payment values set out in the Schedule to the regulation).

£/t	Packaging Tonnes	£/t x Tonnes
NA	NA	NA

Basic payment calculation

Total estimated efficient cost for managing household packaging waste: £950,187.11

Total Collection Cost	£950,187.35
Total Disposal Cost	£-0.25

Deduction for recycling credits (these will be paid to your WDA): NA

Total payment: £950,000

This value is an estimate only.

If you would like to provide feedback about this letter, please complete the form provided in the email this letter was attached to.

Further guidance on feedback, including adjustments we may be able to make before your Year 1 payment is made, is provided in the linked form.



Emma Bourne OBE
Director - Resources Waste
Department for Environment Food and Rural Affairs



David McPhee
Deputy Director - Circular Economy
Scottish Government



Rhodri Asby
Deputy Director - Circular Economy and Resource
Efficiency
Welsh Government



Shane Doris
Director - Environmental Resources Policy Division
Department for Agriculture and Rural Affairs,
Northern Ireland