

What is pEPR?

Pubs and bars have a long history of creating a sense of community and the modern industry is no exception. But it's not just about pints and warm hospitality – while today's premises offer a wider choice of products and services than ever, landlords also need to keep abreast of current legislation.

Many BII members will have seen stories in the press about the impact of Extended Producer Responsibility for Packaging (pEPR), legislation which shifts the full cost of packaging collection, sorting and recycling away from the taxpayer and onto the 'producer', specifically brands and importers. Media stories are not always clear or accurate so, with the new system in place, it is important to know what pEPR is, and what it is not.

Firstly, rest assured that unless you are producing packaged goods under your own brand or directly importing pubs and bars are not directly liable for any pEPR costs. The principal aim of pEPR is to make producers financially responsible for their packaging. Beyond this, the second goal is to introduce a financial incentive to encourage the design of more environmentally-friendly packaging.

Under pEPR, producers of products intended for use in the household, or that could be used in the household, or that are sold through a third party such as a wholesaler, are required to pay fees that cover the full costs of collecting, recycling, and disposing of their packaging once it reaches the end of its lifecycle.

This fee is then funnelled to pay for local authority services, communications campaigns and the upgrade and operation of recycling facilities.

The costs associated with commercial packaging that cannot be consumed within the household will remain at current levels (and be subject to commercial collections), where fees are only used to support the recycling of collected material up to the recycling targets.

So that these costs can be calculated accurately, producers must report twice a year on the volume of different materials that they place on the market. Local authority systems are also analysed to assess the cost of managing different materials. With this information, PackUK, which administers the system, can work out how much waste packaging is in the system and what it costs to deal with it. It then sets the appropriate fees.

Glass beverages bottles, including those used for beer and wine, are subject to full charges under the pEPR scheme. The notable exception is drinks packaging made of PET plastic and metal, which will instead, from 2027, fall under the remit of England's deposit return scheme.

PackUK, which administers the pEPR system, has released a Recyclability Assessment Methodology (RAM) – an official list of recyclable and non-recyclable materials. From 2026, this will be used as the basis for eco-modulation, which will see non-recyclable packaging charged at a higher rate than recyclable alternatives.

While most pubs and bars do not face any charges under pEPR, the hospitality sector is concerned that plans to classify any product that could be sold and consumed in homes as household waste – regardless of where it is sold – could lead to 'double-charging', where the bottle containing beer or wine attracts the full 'household' fee to cover collection, even if it consumed in a pub and put into their commercial waste service. In this scenario, packaging producers (brand owners) would be liable for pEPR fees while, at the same time, pubs continue to pay for commercial waste collections.

The greatest potential risk affecting innkeepers directly, however, is the possibility that pEPR charges will be passed down the supply chain and added to their bills. At this stage, this is uncertain, but worth being aware of. What we can be sure of is that, as brands start to reduce the volume of packaging used, and move away from non-recyclable materials, pEPR fees will fall concurrently.