

# The UK's new Deposit Return Scheme (DRS) effective from October 2027

09 April 2025  Rachel Lyne

As of 1 October 2027, the England and Northern Ireland will implement a transformative environmental policy known as the Deposit Return Scheme (DRS), where consumers will pay a refundable deposit for all single-use drinks containers.

Here's a comprehensive overview of what this will mean for consumers and businesses alike.

## Overview of the Deposit Return Scheme

The DRS will apply to all single-use drink containers made primarily from aluminium, steel, or polyethylene terephthalate (PET) plastic, with capacities ranging from 150 millilitres to 3 litres. These containers are commonly used once before disposal.

The scheme will also include containers with lids made from different materials, although containers not intended for single use or made from high-density polyethylene (HDPE), most commonly used in milk bottles, will be exempt.

There is also an exemption for medicine bottles and those used as flavour enhancers or sweeteners like syrups.

## Role of the Deposit Management Organisation

A crucial component of the DRS is the Deposit Management Organisation, the Government opened bids for the DRS in January, and we are expecting an announcement to confirm the winning bidder later this month.

This body will be responsible for setting the deposit amount, providing detailed guidance for businesses, and overseeing the overall management of the scheme. The enforcement of the DRS will be managed by the Environment Agency and Trading Standards in England, and the Northern Ireland Environment Agency in Northern Ireland.

## Responsibilities across the supply chain for producers, importers, wholesalers and retailers

Businesses involved in the production, import, wholesale, and retail of drinks in covered containers will need to adhere to new responsibilities of: charging the deposit to buyers, ensuring containers are registered and correctly labelled under the scheme, and reporting the volume of drinks placed on the market. Notably, the deposit will not be required when supplying unfilled containers.

There is also an exemption for 'low-volume products,' defined as product lines with fewer than 5,000 units per year. These products will not require producer fees, deposits, or scheme labelling, although registration with the Deposit Management Organisation and market placement reporting will still be necessary.

## Retailer and return point obligations

Retailers selling drinks covered by the DRS must not only charge and pay deposits but also host return points for empty containers. These can be either manual or automated through reverse vending machines. Smaller retailers in urban areas with less than 100m<sup>2</sup> of retail

space are exempt from hosting a return point, although they can opt to volunteer as one, as can other hospitality and leisure venues. There are also other exemptions available if your business is close to another return point or if it would be difficult to host a return point due to location, layout, size, design or construction of the premises.

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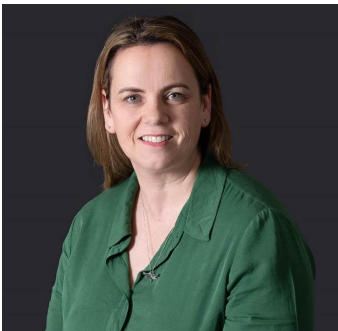
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