

Environment, Climate Change and Land Reform Committee

Draft Budget 2020-21

Written submission from Zero Waste Scotland

Introduction

Last year we submitted evidence on preventative spend giving a broad overview of our work, linked to the national outcomes. We believe most of this is still relevant and we have therefore focused our contribution on this occasion to things that have changed, or of specific interest to the questions the committee has posed this year.

Zero Waste Scotland exists to create a society where resources are valued and nothing is wasted. Our goal is to help Scotland realise the economic, environmental and social benefits of making best use of the world's limited natural resources. Zero Waste Scotland is funded by Scottish Government and the European Regional Development Fund to deliver circular economy, waste and energy efficiency activities.

We believe one of the benefits of our work is that in terms of policy synergies, we are able to deliver an effective and coordinated response to the climate crisis sitting at one of the key policy interfaces in tackling Scotland's carbon emissions, linking work on both energy and waste and materials policy in our ambition to build a circular economy for Scotland.

Where can spend by Zero Waste Scotland be considered preventative spend?

There is a powerful "spend-to-save" case for much of our activity. This can be manifested in two ways. We have programmes that create energy, waste, or material use savings for organisations in both the public and private sector, and these efficiencies should continue to pay back in the future. Scotland has also committed to a journey towards zero carbon by 2045. For example, we know that investment in design and build phases of construction and infrastructure projects will make the best use of resources now but also prevent remediation or inefficient deconstruction in the future. Our work on procurement, and the built environment more generally, can help inform smart investments in projects across all sectors including the public sector.

Resource efficiency savings lie at the heart of much of our business support activities. Energy, waste costs, and unnecessary inputs, such as food that goes to waste, are simply costs for businesses and organisations, and reducing or eliminating these is good for competitiveness, and frees money to be spent elsewhere. In 2017/18 (our most recent impact assessed year) we directly contributed to businesses and organisations saving 91,000 tonnes of carbon, and £19 million in financial savings over the lifetime of the interventions made¹. Our Circular Economy Business Support Service aims to take this to the next stage, by considering whether new ways of delivering products and services can help existing businesses realise the savings above, while supporting innovative suppliers to

¹ You can see all our recent impact assessments of the service here: www.zerowastescotland.org.uk/content/resource-efficient-scotland-advice-and-support-service-impact-assessments-2013-2018

facilitate this. Example projects include investigating refurbishment options for wind turbines, to reduce ownership costs (supported by our Circular Economy Investment Fund), and helping EGG lighting provide lighting as a service, where they maintain the most energy efficient technologies for their clients, while also managing any outdated equipment (supported by our Circular Economy Business Service). Our work with the resource management industry, specifically local authorities, has provided technical and financial assistance to help improve the quality and efficiency of waste and recycling services. The Household Recycling Charter, a joint initiative with government and local authorities, has seen investment in recycling collection services that will provide higher quality materials that will encourage investment in sorting and reprocessing industry.

Our work on the built environment covers a range of activity across energy, waste, and materials. Our construction programme considers material use and waste prevention across the whole life of both buildings and other infrastructure projects. This includes waste produced now, during construction, but can also influence the design of buildings, affecting their in-life energy use, and material requirements, and the waste likely to be generated at end of life (by designing now for deconstruction and reuse). The PORTAL project², delivered by Zero Waste Scotland in partnership with Scottish Enterprise and Construction Scotland Innovation centre, shows how investment in design and the pre-construction phase can significantly reduce the lifetime cost of the build, extend its useful lifespan and recover resources and value at the end of the building's life. This investment at the beginning has been shown to be cost effective over the useful lifespan of the building and we are working to build this into the commercial planning for construction projects. There is also potential to consider future change requirements for our building stock, and pre-adapt (e.g. natural cooling for hotter summers, precautions against flash flooding, easier retrofit of energy efficient technologies in future, etc). Meanwhile our energy funding focuses on low carbon heat technologies, and energy efficiency measures for existing building stock. Our built environment is key to meeting Scotland's 2045 target. Most of the buildings we have now will still be with us in 2045, and all the new ones we build today will still be with us in 2045. Taking steps to build these with resource and energy efficiency in mind will ensure Scotland has buildings in the future that are reducing costs and emissions than if we carried on as normal. Zero Waste Scotland will continue to scale up our activity in this area.

Procurement support is a key area where taking circular economy opportunities into account can save money either now or over the lifespan of an investment. The Scottish public sector spends £11 billion on goods and services each year, spend which can be harnessed to maximise economic and environmental benefit for the whole of Scotland. In building a circular economy, the demand "pull" of this spend could be critical in encouraging suppliers to innovate and supporting those that do. We have worked with a wide range of partners in this space, from central procurement agencies like Scotland Excel, to the NHS, and products as diverse as medical equipment, and playgrounds. We have identified the potential to focus on the built environment through procurement. We are identifying opportunities to upskill and enable the commissioners of building projects to make more circular choices, and supporting suppliers to meet innovative specifications.

² www.cs-ic.org/innovationcentre/innovation-support/online-resources/project-portal

The advent of the circular economy is likely to lead to evolving skill and business behaviour needs, posing a challenge for Scottish businesses. A key feature of building a circular economy will be investing in the skills and training to facilitate it. It is chief executives, accountants, and sales directors who will facilitate the switch to more sustainable products and services, just as much as engineers, environmental managers, and technicians. More circular operational approaches will require skills development in a number of key areas, such as: technology; innovation research and development; critical thinking in terms of design of and innovation in products; systems and services; business development and new business models; and the ability to commercialise repair, remanufacturing and maintenance services effectively. Zero Waste Scotland has been the catalyst for forging a skills and education partnership which is encouraging collaborations cross-sectorally with public, private and third sectors. The vision is to embed circular thinking into the existing business development, skills and education infrastructures, programmes and practice.

How does Zero Waste Scotland spend contribute to the national outcomes, specifically on health and the economy?

Building a circular economy will, of course, facilitate a significant economic transition. We know change is inevitable, and we believe additional advantages will accrue to Scotland if we can be a leader. Changes may involve making existing businesses more competitive (through efficiency savings), and safeguarding or creating jobs via the same means. We can also build new businesses and ways of working in Scotland. Service models and new technologies are more likely to require staff time and thus job creation in Scotland, perhaps of higher paid roles and more likely to be locally based, than off-the-shelf purchase of finished products produced overseas. Specific sector opportunities exist around the bio-economy, food and drink waste prevention, and manufacturing. The development of a Deposit Return Scheme for Scotland will require investment in improved collection systems and there is potential for community schemes receiving deposit on a voluntary basis, supporting social outcomes.

With 4/5th of Scotland's carbon footprint being derived from the production, consumption and waste of products and materials, the transition to a circular economy can have environmental impacts that span beyond Scotland's borders. By changing the way we produce and consume products and materials, relying less on raw materials and having models where materials are longer-lasting or can be reused, Scotland's demands on the earth's resources will reduce. Tackling climate change, and other environmental impacts linked to material consumption (land use and biodiversity impacts overseas, litter pollution in terrestrial and marine habitats) will contribute to the national outcomes for environment and economy.

Within Scotland, one area where we expect our work to have more direct impacts on health and well-being is around the agenda on litter pollution, where the negative impacts of a dirty environment on mental health have been widely discussed. A key feature of Scotland's deposit return scheme will be tackling high frequency, high volume littered items³.

³ A range of information about the scheme is here: www.zerowastescotland.org.uk/deposit-return<https://www.zerowastescotland.org.uk/deposit-return-scheme>

We believe that building a circular economy, and the social and community networks and workplace skills that underpin it, align closely with Scottish Government's interest in the wellbeing and climate justice agenda. A circular economy and zero waste society is one in which people will be safe, secure, and happy. We actively seek to ensure that these principles, enshrined in the full range of national outcomes, underpin how we deliver our work now, not just the destination we want to reach. This has been a priority for our ERDF funding streams, has underpinned research work ensuring policy proposals account for equalities concerns, and our community work with our Revolve accreditation, and Zero Waste Towns also embeds social value⁴.

Estimated costs of programmes

Our new corporate plan will be launched in September, and realigns our focus compared to our last Committee submission on this topic. Our work will be delivered against four strategic outcomes:

1. **Responsible Consumption** – helping people demand products and services in ways which respect the limits of our natural resources.
2. **Responsible Production** – helping businesses and organisations that supply products get the maximum life from the resources used to make them.
3. **Maximising Value from Waste and Energy** –making sure the environmental and economic value of wasted resources and energy are harnessed efficiently.
4. **Transforming Zero Waste Scotland** – making us the leading organisation in changing consumer and business behaviours towards products and resources.

Our operating plan for 2019/20 has the following financial breakdown against our strategic outcomes:

Project Expenditure	
1. Responsible Consumption	£ 4,937,127
2. Responsible Production	£ 7,139,100
3. Maximising Value from Waste and Energy	£ 3,224,426
4. Transforming ZWS	£ 280,000
Staff	£ 7,256,205
Corporate services, evaluation, communication & overheads	£ 2,328,000
Total	£ 25,164,858

⁴ A recent think piece by Zero Waste Scotland explored the ways in which our work contributes to wider social outcomes:

www.zerowastescotland.org.uk/sites/default/files/ZWS1370%20ZWS%20think%20piece%201%20https://www.zerowastescotland.org.uk/sites/default/files/ZWS1370%20ZWS%20think%20piece%201%20Lets%20be%20social%20v3.pdf