

Edward Mountain MSP  
Convener, Net Zero, Energy and Transport Committee  
The Scottish Parliament

22 January 2026

Dear Convener

### **Committee Scrutiny of the Scottish Government's Climate Change Plan**

Thank you for arranging the committee visit to the North East on Monday where you were able to hear a diverse range of opinions on the government's draft Climate Change Plan.

I have been asked to forward the committee evidence from community reuse organisations across the area. The attached report highlights risks to the government's ambitions on Net Zero, circular economy and social justice and outlines actions that MSPs can champion through the process of scrutinising the draft Climate Change Plan 2026-2040.

#### **1. Scotland's reuse sector is at breaking point**

Community reuse organisations report that the current reuse and recycling system is no longer fit for purpose. Rising disposal costs, collapsing reuse markets (especially in textiles), and inconsistent regulation between Scotland and the rest of the UK are placing many community organisations at risk of closure (some within months). We face:

- Loss of vital community based social support (social gifting to the most in need) during a period of rising hardship
- Higher waste management costs for local authorities
- Increased landfill and fly tipping

#### **2. Regulatory barriers are undermining Scotland's climate ambitions**

Differences between Scotland and the rest of the UK in how "waste" is defined and regulated create unequal operating conditions. SEPA is only widening the gap through its application of Scottish regulations. Scottish charities are often treated as waste handling businesses even when goods are destined for reuse. This is adding avoidable costs and administrative complexity when the charities sector is already facing significant additional cost burdens simple to keep the lights on and the doors open. Modernising the definition of waste and aligning practice across the UK would remove barriers, stimulate reuse, and support Net Zero objectives. We need:

- Modernisation of Scotland's definition of waste to recognise reusable goods as resources
- Alignment of applicable environmental regulations and enforcement across the UK
- Clear, consistent, and proportionate national guidance for reuse operators

### **3. Local Authorities need statutory reuse duties and stable, long-term funding**

Local authorities can only prioritise statutory obligations under current budget pressures. Because reuse is not a statutory requirement, efforts vary significantly across Scotland, limiting overall progress. Mandatory reuse targets, paired with removing regulatory barriers, and proportionate funding and infrastructure support, would unlock significant emissions reductions and waste diversion.

### **4. Infrastructure constraints are limiting circular economy growth**

Household Waste Recycling Centres were never designed for modern reuse operations.

Meanwhile, repair and upcycling projects struggle to access affordable premises, restricting their ability to scale and meet growing public demand. The sector is in urgent need of:

- Longterm capital investment to support Scottish Government ambitions on its Net Zero targets
- Guaranteed rate relief for Third Sector environmental and social benefit organisations
- Allocated reuse space at recycling centres with financial support for the necessary infrastructure
- Financial support, skills training, and workforce development within the Third Sector

### **5. Reuse delivers essential social value as well as climate impact**

Community reuse organisations provide affordable or free essential items including but not limited to beds, mattresses, furniture, warm clothing, and children's bikes, preventing crisis escalation for families under pressure. These supports improve wellbeing, reduce financial stress, and prevent knock-on costs to health, housing, and social services. Losing this support would have immediate human impacts and long-term public costs.

Without the reducing ability to provide this service, rather than being reused and delivering tangible social value, more of these goods will arrive at landfill sites and reduce the likelihood of Net Zero targets being met.

### **6. Reuse as a driver of public service reform and community wealth building**

The report makes clear that community reuse organisations already operate as frontline public value partners. Their work:

- Reduces demand on overstretched waste, social care, housing, and crisis intervention services
- Keeps economic value circulating locally by creating jobs, volunteering opportunities, and training pathways

- Strengthens local resilience through affordable access to goods and community led solutions
- Prevents private market capture by ensuring social enterprises remain viable, community rooted anchors

Embedding reuse within public service reform agendas, and aligning it with Scotland's community wealth building principles, would shift resources upstream towards prevention rather than urgent response, retain economic and social value within localities, and ensure communities directly benefit from the transition to a circular, low carbon economy that enables the achievement of Scotland's Net Zero ambitions.

Community reuse organisations are essential climate, social, and economic infrastructure who support a multitude of local and national government agendas. Without urgent, coordinated intervention at Scottish Government level, their capacity to deliver will continue to erode at significant financial and social cost to the fabric of Scotland.

The choice is clear: invest now to increase environmental and social benefits, and achieve Net Zero ambitions, or pay more later when reuse is tied up in too much red tape, and is too costly for community organisations to support, meaning they will be lost to Scotland entirely.

Yours faithfully

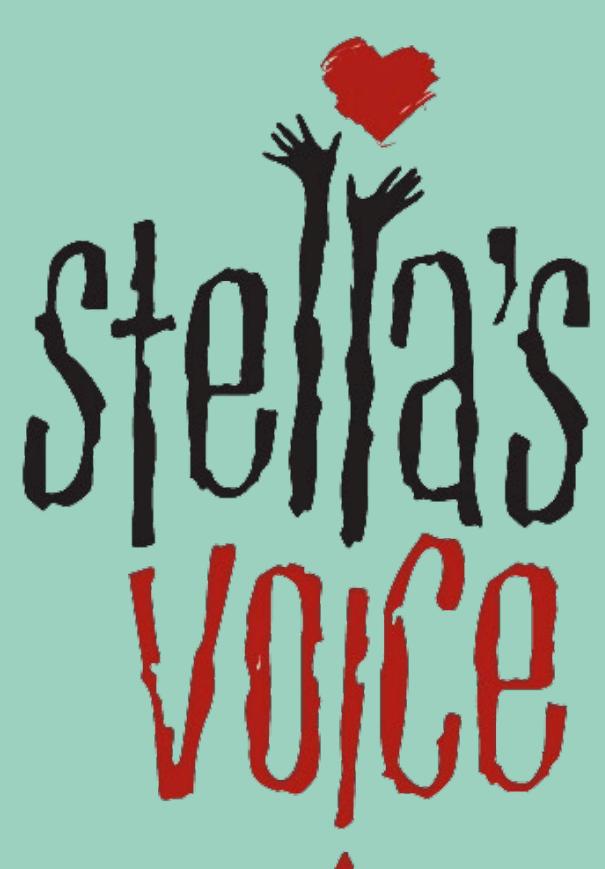
Dan Shaw, Chief Executive

AVA

# Community Reuse in Scotland's Climate Future Report

Evidence and Recommendations from Community Reuse  
Organisations

January 2026



The James  
**Hutton**  
Institute



**Instant  
Neighbour**  
OVER FOUR DECADES OF  
SUPPORTING LOCAL

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# Executive Summary

Community reuse organisations play a vital and often overlooked role in delivering Scotland's climate, circular economy and social justice objectives. They reduce waste and carbon emissions, support people in poverty, provide employability pathways, and deliver services to communities. Without these community-led interventions, the items they process would become waste and fall to the public sector to deal with. Losing most opportunities for reuse and see recycling reduced.

An online stakeholder workshop, Community Power in Scotland's Climate Future, held on 8 January 2026, brought together community reuse organisations, local authorities, practitioners, researchers and sector bodies. There was strong consensus that Scotland's current waste and reuse system is under severe strain and no longer fit for purpose.

Participants were clear that this is not a temporary downturn, but a structural shift driven by rising costs, falling commodity values (particularly textiles), complex and inconsistent regulation, and a lack of coherent national leadership. Without urgent government intervention, reuse capacity will continue to shrink, leading to increased landfill, fly-tipping, higher public costs and greater social hardship.

This report summarises the evidence shared, highlights priority issues, and sets out practical actions the Scottish Government and local authorities can take to stabilise and strengthen community reuse as essential climate and social infrastructure.

**'Without urgent government intervention, reuse capacity will continue to shrink, leading to increased landfill, fly-tipping, higher public costs and greater social hardship'**

# 1 Context & Purpose

Scotland's Climate Change Plan sets ambitious goals for emissions reduction and delivery of a Just Transition. It is clear that these ambitions cannot be met without the Third Sector, particularly community reuse and repair organisations.

The reuse and repair sector is **critical** for reducing waste, cutting emissions, and supporting communities through periods of economic hardship; however, without urgent intervention, many charities and community groups face being unable to continue this work due to rising costs, saturated markets and regulatory inconsistencies.

The purpose of this report is to:

- Provide evidence from frontline organisations delivering reuse and repair
- Identify structural barriers limiting impact
- Highlight priority areas requiring urgent action
- Offer practical, deliverable recommendations

**'reuse and repair sector is critical for reducing waste'**



# Priority Actions for the Scottish Government

The evidence presented in this report aligns with the Scottish Government's Draft Circular Economy Strategy, which sets out a national direction to transition from a linear "take, make, dispose" model toward a circular system where materials remain in use for as long as possible. The Strategy emphasises increasing reuse, repair and recycling across priority sectors, strengthening supply-chain resilience, and embedding circular practices across communities, businesses and public services. The challenges highlighted by community reuse organisations, including saturated recycling markets, infrastructure constraints, and inconsistent regulation, mirror the systemic barriers identified at national level. Strengthening reuse and repair capacity within communities directly supports the Strategy's aim to maximise the value of materials, reduce carbon emissions, and build a fairer, more resource efficient economy.

In addition, the Scottish Government's Climate Change Plan 2026–2040 emphasises that reducing emissions depends on both technological and behavioral shifts, with Circular Economy actions playing a central role in meeting Scotland's carbon budgets. The plan highlights the need for systemic collaboration across sectors, recognising that local communities, public services and Third Sector organisations all play essential roles in accelerating progress toward NetZero. The risks raised in this report, particularly shrinking reuse capacity, increasing waste pressures, and reduced access to affordable goods, illustrate the importance of sustained investment and policy support if Scotland is to meet its emissions reduction milestones.

Taken together, the Draft Circular Economy Strategy and the Climate Change Plan reinforce the national importance of reuse, repair and redistribution as core climate and social infrastructure. The findings from our sector indicate that without longterm support, Scotland risks losing essential community level services at the very time when national plans rely on scaling them up.

Ensuring financial stability, regulatory consistency, and adequate local infrastructure would not only protect environmental outcomes but also deliver the social justice, wellbeing and economic resilience outcomes that both of these policy frameworks aim to achieve.

The Third Sector needs our government to take the following actions.

## Provide Long-Term Support for Reuse and Repair Infrastructure

Long-term funding is required to stabilise reuse and repair infrastructure. This should move beyond short-term, competitive grants and recognise reuse as an essential component of climate and social infrastructure.

### **Key actions include:**

- Long-term funding for reuse and repair facilities
- Guaranteed 100% rate relief for charities delivering environmental and social benefits
- Ring-fenced support for social enterprises to prevent market capture by private monopolies
- Removal of the employer's national insurance contribution
- Changes to the definition of waste
- Removal of waste charges for charities delivering environmental and/or social benefits

## Embed Reuse in Local Authority Duties

Introduce mandatory reuse targets for local authorities, supported by appropriate funding and infrastructure.

Require councils to work with communities to co-design systems for bulky waste streams, and explore shared responsibilities and collaboration across local authority areas based on expertise, resources and skills.

## Reform Regulation and Create a Level Playing Field

Align environmental regulation and enforcement across the UK to ensure fair competition and reduce unintended disadvantages for Scottish operators.

### **Participants also called for:**

- Reclassifying waste as a resource where appropriate
- Clear, consistent guidance to reduce uncertainty and administrative burden

## Shift Culture and Build Long-Term Demand

Participants stressed the importance of cultural change to support reuse. This includes:

- National campaigns to promote reuse and clear donation standards
- Embedding Circular Economy principles in schools and community programmes

## Invest in Infrastructure and Skills

Address physical and skills gaps by:

- Ensuring recycling centres have space for reuse containers
- Providing funding and premises for repair and upcycling projects
- Supporting workforce development within the reuse and repair sector



# Role of Community Reuse in Scotland's Climate Future

The Third Sector and community reuse sector form a core part of Scotland's climate infrastructure in relation to waste and resource use. Alongside local authorities, regulators and private operators, community reuse organisations are a crucial part of the ecosystem that enables material reuse and diversion from landfill.

Participants were clear that reuse and repair are not peripheral activities: they are essential to:

- Diverting materials from landfill and incineration, reducing emissions associated with waste and new production
- Supporting delivery of Scotland's Circular Economy ambitions
- Reducing pressure on overstretched traditional waste disposal systems

At the same time, the Community Reuse Sector meets significant and growing social need. Organisations provide low-cost or free household goods and furniture to people and families who are struggling, including everyday but expensive items such as beds, mattresses, tables, chairs and warm clothing.

The impact of this support extends beyond the item itself. Having a bed and mattress enables a decent night's sleep; having a table and chairs provides a space for children to do homework or for families to eat together. These outcomes are fundamental to dignity, wellbeing and stability.

Without the Third Sector and Community Reuse organisations many of these social needs will go unmet. However, the sector in Scotland is currently struggling to survive.

# 4

# Key Challenges Identified

The system is under strain, with multiple cross-cutting barriers limiting the ability to increase reuse and manage waste in a way that reduces emissions.

## Market Saturation and Loss of Recycling Outlets

A major risk identified was the reduction in markets and outlets for recycling materials that cannot be reused due to poor quality or damage. Community Reuse organisations are increasingly managing large volumes of goods that cannot be resold or donated but also cannot be easily or affordably sent for recycling. Markets for recycling are saturated both domestically and internationally.

Where recycling routes do exist, the cost of accessing them is rising rapidly, placing organisations at risk of being overwhelmed by materials that have nowhere to go. Participants raised a critical question for government: what support is currently in place to develop and sustain outlets for recycling materials in Scotland and the UK, particularly as overseas markets become less viable?

## Regulatory Differences and Competitive Disadvantage

Environmental regulation and its implementation differ between Scotland and England in ways that are increasingly problematic. While participants acknowledged that SEPA is fulfilling its regulatory role effectively, differences in definitions of waste and the point at which a product becomes waste mean that Scottish organisations are often required to obtain additional waste-handling licences to deal with goods for reuse.

This creates a competitive disadvantage for Scottish operators compared to those based in England, and adds cost, complexity and uncertainty to operations.

## Behavioral and Cultural Challenges

Increasing reuse is not **only** a technical challenge but a social, cultural and behavioural one. Overconsumption, low public awareness of waste challenges, and the inconvenience of managing bulky items such as furniture all limit progress.

Third Sector organisations and volunteers have built strong public goodwill over many years, particularly around donation to charity shops; however, organisations are increasingly faced with having to turn people away due to quality issues, lack of space or regulatory constraints.

Behaviour change initiatives, employability programmes and apprenticeships can help address these challenges, but require staff time and physical space, both of which come at a cost.

## Space and Infrastructure Constraints

Space was repeatedly identified as a critical constraint. Household Waste Recycling Centres (HWRCs) were originally designed to manage waste and garden waste but now handle more than 20 recycling streams. Creating space for reuse within these sites is challenging and often expensive.

Repair and upcycling projects also require suitable premises, which are increasingly difficult to secure.

## Financial Pressure on Local Authorities

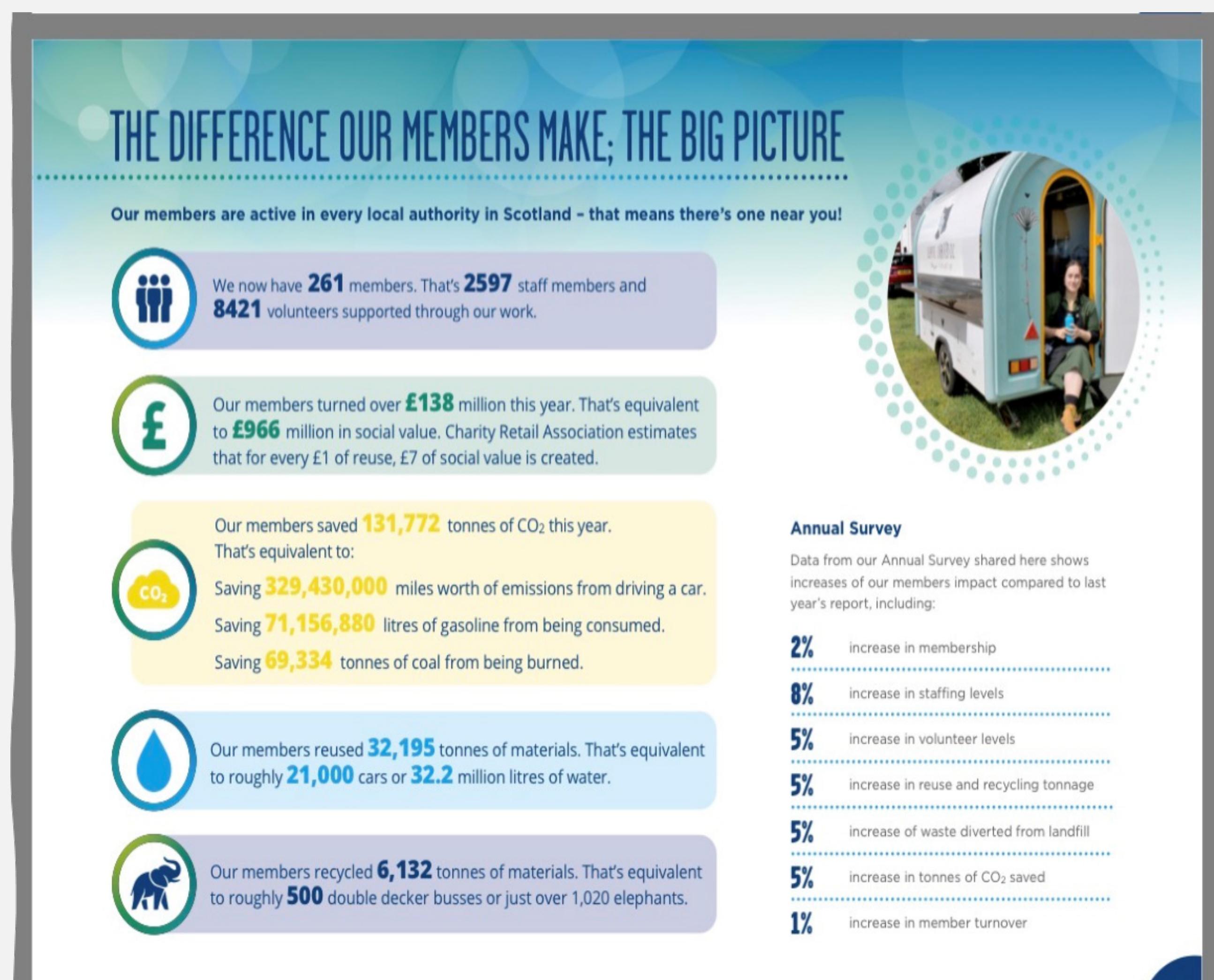
Local authorities are under severe financial pressure and are often only able to deliver statutory obligations. Participants noted that if reuse were a mandatory requirement, councils could prioritise it more effectively; however, financial constraints and other challenges would still need to be addressed.

# 5 Human Impact: Why Reuse Matters

A consistent message throughout the workshop was the need to keep people at the centre of the Circular Economy. Reuse is not only about tonnages diverted from landfill, but about:

- Families having beds to sleep on, sofas to sit on, dining tables to eat at or do homework
- People receiving warm clothing, bedding, footwear
- A bike for a child to get to school with or play with friends
- Reduced debt, stress and crisis escalation
- Preserving dignity during periods of hardship

Participants stressed the importance of combining quantitative data with lived experience to influence decision-makers.



Circular Communities Scotland published their members impact report in 2025, these figures will be reduced hugely and quickly without swift action.

# 6

# What Support Do Existing Organisations Need?

Participants provided detailed, practical insight highlighting where policy intent is currently disconnected from delivery reality. Repair cafés and small community projects highlighted the fragility of their operating model. Participants noted that without low or subsidised rates, the costs of room hire, PAT testing and insurance quickly become prohibitive, undermining volunteer-led repair activity.

Participants described a significant shift during COVID towards online retail, which helped build public confidence in reuse; however, organisations emphasised a desire to be income-generating rather than permanently reliant on grant funding. Narrow and highly restricted funding streams limit flexibility, while rising costs (including employment costs) are not reflected in funding levels.

Participants also noted that the Public, Private and Third Sectors should all be working together in one whole system.

# 7 Suggested Next Steps

Participants proposed the following immediate actions:

- Use this evidence to brief MSPs and candidates ahead of the Scottish elections
- Develop a concise policy ask focused on reuse, textiles and funding
- Convene a sector-wide position through Circular Communities Scotland
- Pilot new funding and contracting models with willing local authorities
- Strengthen public communications on the value of reuse and how communities can support it

# Conclusion

Third Sector and Community Reuse Organisations are already delivering towards Scotland's climate, social justice and wellbeing objectives; however, without urgent, coordinated intervention, this capacity will continue to erode. This risk is not years away, this is months away if there is no intervention.

The Scottish Government has a critical opportunity to stabilise and strengthen reuse as essential infrastructure, delivering environmental impact, reducing public costs and improving lives across Scotland.

This report offers practical, evidence-based actions to support that ambition. without proper financial support, reuse will not happen: either support charities in these activities now, or the activities will stop as the charities cannot continue with these activities unsupported. If that happens then it will all fall to Local Authorities and the costs will be significantly higher and the social impact will be lost.

**Pay now and see social impact continue.**

**Pay later, pay much more and lose all social impact.**

# Acknowledgments

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## Reference:

<https://www.circularcommunities.scot/2025-impact-report/>

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