Cross-Party Group on the Circular Economy

2nd November 2022 – 6pm

via Zoom

Present

MSPs

- Maurice Golden MSP
- Monica Lennon MSP
- Maggie Chapman MSP

Invited Guests

- Anthony Burns ACS Clothing Ltd
- Barbara Morton Sustainable Procurement
- Chris Hellawell Edinburgh Tool Library
- Michael Cook Circular Communities Scotland

Non-MSP Group Members and Guests

Dr Adam Read - Suez

Andrew Wilson – Supply Chain School

Angus Murdoch

Beryl Leatherland

Bruce Reekie

Catherine Gemmell – MCS UK

Catherine Gunby - Fidra

Clare Campbell - Prickly Thistle

Clare Cavers – Fidra

Daniel Stunnel – Eunomia

Daphne Vlastari - BASF

Elliot Welch

Ian Matheson – Blysthwood Care

Dr Ifeyinwa Kanu – IntelliDigest

James Martin - WSP

James Trolland

John Ferguson – Binn Eco Park

Jon Molyneux – Fareshare

Karen Freel – Perspectiva

Katy Dimmock

Kym Kestell - British Heart Foundation

Lewis Ryder-Jones – Oxfam

Lorna Walker – SEPA

Louise McGregor - ZWS

Mary Beth Graham – Fashion Revolution

Mary Dickinson - Office of Katy Clark MSP

Mary Michel - Ostero

Matthew Crichton - Friends of the Earth Scotland

Michelle Scott - Enva

Natyantara Sudha – ZWS

Nicki Souter - Resource Management Association Scotland

Pamela Walker - Aberdeen City Council

Dr Phoebe Cochrane - ScotLINK

Reeni Kennedy-Boyle – Fyne Futures

Reuben Duffy - Office of Monica Lennon MSP

Ros Studd - Repair What You Wear

Sam Moir - ZWS

Dr Sarah Letsinger - Resources Future

Dr Sophie Brett - Keep Scotland Beautiful

Steven Kiakowski – Verdant Group

Suzanne Forup - Cycling UK

Tamara Cincik - Fashion Roundtable

Toni Freitas – University of Edinburgh

Yvette Jelfs

Apologies

- Brian Whittle MSP
- Fleur Ruckley WSP
- Jenni Minto MSP
- Lucy Stanfield-Jenner University of Edinburgh
- Mark Ruskell MSP
- Paul Morris Clackmannanshire Council
- Sarah Boyack MSP
- Stephen Freeland Scottish Environmental Services Association

Agenda Item 1: Welcome

- Maurice Golden MSP opened the meeting and welcomed attendees, including MSPs, and noted the meeting would begin with the group's Annual General Meeting.
- Apologies were taken as noted above.
- The minutes of the previous meeting were proposed by Maurice Golden MSP and seconded by Phoebe Cochrane.

Agenda Item 2: AGM

The convener summarised the group's activity over the previous year.

Election of office bearers proceeded as follows:

Maurice Golden MSP - Convener Gillian Martin MSP - Vice Convener Monica Lennon MSP - Vice Convener Mark Ruskell MSP - Vice Convener

All office bearer positions were proposed and seconded by Phoebe Cochrane, Seconded by Michael and Michael Cook. There being only one candidate for each position the above named individuals were duly appointed.

Secretariat

It was proposed that Scottish Environment LINK, Fidra, Keep Scotland Beautiful and the Marine Conservation Society continue to act as a joint secretariat. Proposed Maurice Golden MSP and seconded by Maggie Chapman MSP.

New Members of the CPG

The following new members were adopted:

- Anthony Burns ACS Clothing Ltd
- Chirs Hellawell Edinburgh Tool Library
- John Ferguson Binn Eco Park
- Kim Kestell British Heart Foundation
- Nicki Souter Resource Management Association Scotland
- Reeni Kennedy-Boyle Fyne Futures
- Toni Freitas University of Edinburgh

In addition, it was agreed that Sam Moir would investigate membership for Zero Waste Scotland.

Agenda Item 3: Speaker Presentations on Reuse and Repair

Anthony Burns, ACS Clothing Ltd https://acsclothing.co.uk/

What is ACS Clothing doing to increase re-use of clothes?

- ACS aim to adopt a sustainable model through clothing rental e.g. kilts, jackets and trousers rented. Six million items throughput in total each year.
- Ladies' and baby clothing is also growing e.g. dress rentals have increased x30-x40.
- Noted that subscription clothing is popular in both the U.S.A. and Asia, but that the UK has a culture of ownership and thus the British market for subscription clothing is not so big.
- ACS are working with a variety of organisations, such as business and ecommerce, to repair and clean clothing.

- ACS has a diverse workforce with around ten per cent of its employees being disabled and this diversity is important to the company.
- ACS is also working with a wide range of fashion companies from Asda's George line to
 Harvey Nichols, and there has been real growth in resale, which ACS facilitate for a number
 of brands.

What are the opportunities and barriers?

- There is an opportunity to accelerate these business models, which are good for climate goals, training and jobs.
- There are barriers, too, such as the culture of ownership in the UK as opposed to subscription/rental of clothing. There is work to do in changing the mindset of both executives in the fashion industry and also consumers.

What can government do to help mainstream re-use?

- Add 1p on each new item of clothing with the revenue generated used fund efforts that accelerate change.
- Incentivise consumers to make sustainable choices by removing VAT e.g. in Sweden tailors and repairers don't pay VAT.
- Reduce large scale waste by shifting the focus from manufacturing high volumes of cheap clothing and focus on paying textile workers better wages alongside the publication of global statistics on pay for textile workers.

Comments & Questions

Maurice Golden MSP spoke about his informative visit to ACS Clothing Ltd and encouraged those present to visit and find out more about the company. Maurice also mentioned how he had written to the UK Government to raise the issue of VAT mentioned in Anthony's presentation, further commented on options for reduced non-domestic rates for businesses involved in reuse and repair and pointed out the prevalence of green washing in the fashion industry.

Michael Cook, Circular Communities Scotland https://www.circularcommunities.scot/

The role of social enterprises in re-use

- Circular Communities Scotland (CCS) is a membership organisation funded by Zero Waste Scotland.
- They are working on three new projects: a share and repair network, a bike reuse project and a reuse consortium project.
- Members are active across re-use; working in common on care for the planet and supporting local communities.
- This is important because forty-five per cent of reuse tonnage is diverted from landfill.
- Membership of CCS grown by thirty eight per cent during the last year and staff levels have risen by five per cent. Examples of the membership include:
 - Green Hive (Nairn) which supports litter picks with marine plastics transformed into products for sale.

- Border Bikes which provides lots of benefits to communities, such as highstreet regeneration through 'keeping it local' and encouraging a range of positive behaviours.
- Shrubcoop, which is used a lot by students to reuse and repair across a range of items, such as bikes, food, etc.
- Reuse Consortium which mainstreams re-use in public procurement and has fifteen members supplying local authorities.

Barriers

- There has been too much focus on the bottom of the waste hierarchy, and CCS would like to see repair and reuse at the top of agenda. There must be the same effort put into increasing reuse as has gone into recycling, and there should be reuse hubs at all recycling centres (currently there are just three).
- Behaviour change must be mainstreamed, and there is a need to reach the majority with communication on how reuse can benefit the planet and individuals.
- The Circular Economy Bill should include the waste hierarchy. That would be easy and convenient for the general public, increase awareness and access to re-use infrastructure. The question to ask is what is the kerbside equivalent of re-use?
- To make re-use convenient, it needs the sort of investment recycling has had.

What should SG do to mainstream re-use?

CCS have developed a <u>Policy Paper for Scotland's Circular Economy</u> with ten 'asks' for the Circular Economy Bill:

- 1. National Reuse Targets
- 2. Clear responsibilities for the circular economy
- 3. Statutory requirements for reuse facilities
- 4. Investing in local authority recycling centres
- 5. Reuse and repair credits
- 6. Embrace right to repair
- 7. Extended Producer Responsibility
- 8. Ban unnecessary product destruction
- 9. Circular public procurement
- 10. Phase out single use products

Comments & Questions

Maurice Golden MSP notes that he had previously submitted written questions in Parliament on options for carbon rather than weight based waste analysis and reporting.

Chris Hellawell, Edinburgh Tool Library https://edinburghtoollibrary.org.uk/

The role of tool libraries in mainstreaming re-use

• Edinburgh Tool Library is a library of tools e.g that are loaned out e.g. household and gardening equipment. By loaning out seldom used tools it thus helps reduce the need to

- manufacture new ones e.g. a cordless drill that might otherwise only used for thirteen minutes over its lifetime, but has been borrowed 216 times.
- This is important because ninety eight per cent of the carbon footprint of the tool is related to the pre-use phase. Thus, loaning tools saves carbon, material and money.
- The library also helps people repair tools as well as reuse them.
- The library is helping to improve knowledge of the circular economy and produces carbon receipts.
- Over a third of its members (thirty five per cent) pay a concessionary rate (unemployed, students, OAPs, etc.).
- Everyone involved has a better opportunity to engage in a hobby. The cost reduction making
 it more accessible with the library noting the importance of democratising their assets.
 Other examples include instruments, catering equipment, gardening equipment etc. In turn,
 this helps to improve social cohesion and reduce loneliness.

Opportunities and barriers

- There is the potential for large carbons savings. Over half the UK (fifty two per cent) took part in DIY last year, which means there is the potential for carbon savings of around 1mt CO2e if there were enough sharing libraries. Not to mention significant monetary savings.
- There is also the potential for greater localisation and shared ownership of goods in island and rural communities.
- There is the potential for sharing libraries to become keystones within their locality, including third sector organisations. For example, making IT equipment more resource efficient and driving the need for higher quality equipment and driving manufacturers to design and create more repairable goods.
- There is an opportunity for manufacturers to tap into a large data set with significant cross-sectoral benefits, such as cost savings.
- The space and time requirements coupled with the likelihood of being volunteer led organisations represent barriers. Engagement could be increased by tapping into existing book libraries.
- Resources are key during the start-up phase with both finance and support elements require.
- The library model pushes against the linear economy, and thus requires better awareness of the benefits of the waste hierarchy and of moving away from purchasing goods. Large chain businesses in both Scotland and France are exploring loan tools though.

What should the Scottish Government do to help mainstream re-use through increased sharing and borrowing?

- Provide core funding. Volunteers also spend a lot of time chasing funding opportunities. Provide opportunities to incorporate sharing libraries in new builds e.g. one cupboard for a block, etc. Thus, reducing the need for each house to use up space storing tools.
- Explore labelling options to include a small sticker or similar information to remind consumers to donate tools rather than depositing in landfill. Alongside which, an effort to share information about tool libraries, etc.
- Research required to better understand the situation.
- Learn from best practice internationally e.g. community boxes in Sweden and storage containers in Vancouver.

Barbara Morton, Sustainable Procurement https://sustainableprocurement.eu.com/aboutus.html

Procurement policy as it relates to the Circular Economy

Three Statements – Agree or Disagree?

Statement One: "Circular products and services will never become mainstream unless demand rises". "The public sector can lead the way in driving that demand backed by policies supporting the national switch to circular products and services." (ZWS Circle Economy report)

Agreed with this statement, and highlighted work done in this area, such as Zero Waste Scotland's publication on Repair, Reuse and Remanufacturing (ZWS) and their ProCirc video project.

Statement Two: "Procurement defines how we demand products and services." (ZWS Circle Economy report)

- Disagreed with this statement.
- The public sector spend in Scotland is over £13.3 billion per annum, which represents a huge opportunity.
- Much can be done during the preparatory stage of procurement where the biggest impact
 can be made. Senior leaders and budget holders are key to the process rather than those
 involved in procurement itself.
- A call-to-action letter on supply chain emissions was issued to ministers on 18th March 2021.

Statement Three: "There needs to be a more robust approach to the role that procurement plays, ensuring that it is the norm **for public spending** to align with CE principles." "This may require **changes to procurement legislation**." (ScotLINK response to the Circular Economy Bill Consultation)

- Finance (public sector spending) is key.
- Short-termism (spend it or lose it!) is a problem.
- Silo-budgeting (it's not my budget), the spend on maintenance, etc. that is of initial good is, a step down the line, also a problem.
- Specifiers perceptions (why should I take the risk?) are an essential part of the whole process.

Opportunities for and constraints to reuse in procurement

- There is an opportunity in joined up resource allocation based on whole life costing i.e. initial purchase price, energy and maintenance cost and waste management costs are lower.
- There is a need for capability building for decision makers.

Taking account of climate and circular economy considerations in procurement

- Sustainable procurement duty the Procurement Reform (Scotland) Act 2014 refers to climate change legislation.
- SPPN3 June 2022 Complying with public bodies statutory climate change obligations By working with markets, public bodies can stimulate the development of circular economy and low emission supply chains and solutions

- Streamlining reporting & prioritising using the SP Tools:www.Sustainableprocurementtools.scot
- Procurement's role is to connect and coordinate finance & budget holders, specifiers & end users and market and suppliers.

Agenda Item 4: Roundtable Discussion

Reeni Kennedy Boyle noted that the barriers outlined by a local councillor in Argyll & Bute were exactly those around silo budgeting. Questioned why there were not more community car clubs and enquired about possible issues with the insurance industry but noted the likes of the NHS used pooled cars with insurance. Noted there were too many barriers for small charities and communities to set up these clubs, but that the pools fleets of vehicles owned by these public bodies could become a key shared resource for communities.

Barbara Morton said that buying functionality poses challenges for finance managers and raises the question of who owns the asset. She said the answer lies in finance and that, often, the issue is more that custom and practice that needs to change and not the rules.

Maurice Golden raised the issue of the National Investment Bank investing in circular economy initiatives.

Anthony Burns posed a question in the chat on uniforms and the public sector. He explained that cleaning items using ozone provides a very high standard, but that it was very challenging to arrange to clean PPE in terms of the processes and logistics. Further commented that ACS Clothing Ltd had been approached by SEPA to clean their work wear.

Daniel Stunell, speaking about Transition Stirling, discussed the funding model designed for the start-up phase but not for continuity of the enterprise or innovation and that there should also be a better return for investors. He asked how easy it was to access funding to sustain projects.

Michael Cook spoke about more money for innovation, but also value in funding tried and tested options. He then asked where the funding would come from for organisations, such as Transition Stirling and the Edinburgh Tool Library. He pointed out that carbon calculations leading to carbon benefits, etc. of these items could also better help pursue longer-term funding.

Chris Hellawell spoke about building habits with people becoming better at sharing and his members learning and using more year on year; creating a cumulative effect. He recognised though that behaviour change doesn't take place within a twelve-month period. He noted the powerful part of sharing is the impact that it has on people and their increased engagement in local communities, and that it aalso enables other groups to grow and change too e.g. schools and LGBT groups. In turn, helping to facilitate additional sharing and learning. e.g. woodwork workshops, etc.

Dr Ifenyinwa Kanu pointed out that how financing is reported matters a lot, and asked how businesses can grow if they become asset locked. For example, those in the food sector trying for zero waste but unable to survive due to high fuel costs and being asset locked. Dr Kanu called for support for businesses to re-purpose and drive circularity.

Ros Studd spoke about education around textile skills e.g. hand sewing and the role of education in driving changes in circular behaviours. She asked if libraries could be associated with schools to drive and enable transformation in behaviours and how this could empowers individuals and families to become more skilled e.g. through a sewing machine loan.

Angus Murdoch made the point that in procurement sometimes the long-term picture can get lost. He said decisions were often reactive, which meant that bigger picture ideas can often be overlooked.

Toni Freitas discussed the opportunity for the Scottish Government to centralise public procurement to become more circular. She pointed out that examples from other countries that might be helpful before highlighting that a new master's programme in the Circular Economy would be launching at the University of Edinburgh next year.

Anthony Burns spoke about the experience of young people during COP26; visiting to change their perspective and move away from fast fashion. He also spoke about the aim of developing the workforce, so that skilled workers come to jobs with knowledge.

Michael Cook addressed the issue of mainstreaming reuse and repair. He said that there was a need to make it hard and/or expensive to do the wrong thing but easy to do the right thing. He spoke of the social and environmental benefits and how reuse and repair must be made convenient and attractive with repair behaviours pushed and shared, and that it was important to communicate the benefits.

Chris Hellawell agreed that it was important to encourage sharing behaviours and urged swift action to ensure everyone can have a better quality of life. He listed a number of reasons supporting such action, such as tackling climate change, saving money, communicating with others and supporting hobbies. He recommended using existing infrastructure in this effort and to start with the essentials.

Maurice Golden MSP discussed the need for a COVID level response to climate change with significant action, and that a key part of this was centred on public spending decisions.

Barbara Morton spoke of using the question 'but why?' and the need to keep applying it to procurement and spending. Asking what goods being purchased are for and what the outcomes will be. Barbara also discussed the how of sharing things, the importance of being in a room with the people who own these sharing libraries and the tangible feeling of the hands on experience driving and pushing behaviour change.

Maurice Golden MSP noted that he would reach out to SEPA to attend group meetings on regular basis as well as reaching out to ZWS again.

Agenda Item 5: AOCB

It was agreed that the theme of the next meeting be Raw Material Consumption and Carbon, and that the next meeting will be held online early in the New Year.

It was suggested that the next meeting after that be an in-person meeting.