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Edward Mountain MSP  
Convener  
Net Zero, Energy and Transport Committee  
Scottish Parliament  
Edinburgh  
EH99 1SP

14 March 2024

Dear Edward

**SCOTTISH GOVERNMENT RESPONSE TO THE NET ZERO, ENERGY AND  
TRANSPORT COMMITTEE'S REPORT ON THE CIRCULAR ECONOMY (SCOTLAND)  
BILL AT STAGE 1**

I write in response to the Net Zero, Energy and Transport's Committee's Stage 1 Report on the Circular Economy (Scotland) Bill.

I would like to thank the Committee for its careful and detailed consideration of the Bill and I welcome the Committee's support for the general principles of the Bill.

Annex A responds to each of the main recommendations in the Report, using the section headings and paragraph numbers in the report.

I hope that my response is helpful in your further consideration of the Bill. I look forward to debating the Stage 1 report on 21 March 2024 and to continuing to work with the Committee on this important Bill at Stage 2. I am also copying this response to the Convener of the Finance and Public Administration Committee, Kenneth Gibson MSP.

Kind regards

**LORNA SLATER**

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## A Framework Bill

11. The Circular Economy (Scotland) Bill is, in large part, a framework Bill. In many key areas, it sets out broad principles but leaves some of the key details to be developed in future. We note the concerns some committees have expressed this session about the challenges to effective scrutiny that framework Bills can pose.

12. In the case of some provisions in the Bill, the Committee is content with this framework approach on the basis that subordinate legislation appears to be the best tool for the job. In other cases, the Scottish Government may have opted for this approach because it has yet to finalise a comprehensive approach to a particular policy through co-design with key stakeholders.

13. For some of us, this raises concerns that the Bill is being put forward as partly a stop-gap, in order to expedite the process once policy is finalised. For others, this is a pragmatic approach; to keep up the momentum towards a circular economy by creating the broad legal powers the Scottish Government will need, but allowing for policy to be further refined following consultation before detailed regulations are made. What we all agree on is on ensuring that, in the case of each new regulation-making power proposed in the Bill, Parliament has suitable opportunity to ensure regulations made under it are robust and fit for purpose.

14. The Minister for Green Skills, Circular Economy and Biodiversity's commitment to co-design with key stakeholders any future subordinate legislation proposed under the Bill is welcome. However, given that the Bill creates powers exercisable for the long term, the Committee seeks clarification from the Scottish Government as to how this commitment can be guaranteed and whether a suitable amendment to the Bill would help underwrite that commitment. In any case, pre-legislative engagement is no guarantee that the subordinate legislation finally laid before the Parliament will be sufficiently fit for purpose. Ordinary procedures for scrutiny of subordinate legislation would provide very limited opportunity to identify and correct any shortcomings.

15. Should the general principles of the Bill be agreed to, the remaining stages of the Bill provide an opportunity for some provisions in the Bill to be amended either to put more detail on its face or to strengthen the scrutiny process around important order-making powers. We make more specific recommendations in these areas in the rest of the report and ask the Scottish Government to give them careful consideration.

16. Framework Bills also pose a challenge in terms of assessing their likely financial impact, in terms of future regulations. The Finance and Public Administration Committee has taken the view that the Financial Memorandum for this Bill is not adequate, especially in terms of providing best estimate of financial costs and benefits to key stakeholders, such as business and local government. We think this could be usefully mitigated by the Scottish Government committing to providing the Parliament with robust costings when regulations are brought forward under key order-making powers and, again, ensuring that the Parliament has enough time to consider and take evidence on these.

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**17. We support the recommendation of the Finance and Public Administration Committee that the updates the Minister committed to provide to that Committee should be sent every six months and these should include "updated information on the expenditure incurred to date, any changes in forecast costs and any savings arising from the Bill and the subsequent Act (subject to the Bill being passed) and relevant secondary legislation, until all provisions are operational." The Net Zero, Energy and Transport Committee recommends these updates are also provided to this Committee and to future Committees with responsibility for waste and implementation of a circular economy.**

I welcome the committee's report and acknowledge the Committee's comments in relation to the framework nature of the Bill. Co-design, based on the principles of the Verity House agreement and the New Deal for Business, will be central to developing effective, efficient and proportionate policy.

I agree that for each regulation-making power the Parliament should have suitable opportunity to ensure that regulations are robust and fit for purpose and this will be ensured through the procedures set out in the Bill for scrutiny of secondary legislation. Where Scottish Ministers are intending to co-design any provisions, the Bill ensures that consultation is embedded in the process and my strong commitment to co-design is also set out in the draft Circular Economy and Waste Route Map. I will consider whether any suitable amendments can be made to the Bill at Stage 2 in this respect.

The Bill is also one part of a wider package of measures. The draft Circular Economy and Waste Route Map consultation sets out priority actions to deliver more sustainable use of our resources across the waste hierarchy and lays the foundations for how we will deliver our system-wide, comprehensive vision for Scotland's circular economy from now to 2030. The final Route Map will be published later this year.

I am happy to commit to updating both the NZET and FPAC Committee as we progress ongoing work with local authorities, businesses and other stakeholders when updated forecasts of costs and savings are available. I would suggest that appropriate timings would be as regulations are being developed. I am also happy to commit to providing the Parliament with robust costings when regulations are brought forward.

**18. The framework nature of the Bill also means the Committee cannot express an authoritative view as to whether regulations made under the Bill (if enacted) would be likely to trigger the market access principles within the UK Internal Market Act 2020, with a risk of undermining their effectiveness. But we consider that this is clearly a possibility. Whilst we hope any differences could be aired and resolved in advance, our prior experience scrutinising Scotland's deposit return scheme raises concerns about levels of trust and confidence between the UK and Scottish Governments. The Parliament should have adequate time to scrutinise any new regulations proposed under the Bill that may have internal market consequences.**

**19. We also call on both governments to work together to make Common Frameworks operate as they were intended to do; to enable both high-level cooperation on a general policy area within the United Kingdom but also to allow divergence within mutually agreed bandwidths, to enable different parts of the UK to pioneer different approaches. Issues such as the circular economy are too important and urgent to be**

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**undermined. We will be writing separately to the Scottish Government with our views on the new Resources and Waste Common Framework, including lessons - both positive and negative - to be learned from post-Brexit intergovernmental working on matters such as the Scottish Government's deposit return scheme and the recent cross-administrative announcement on banning single-use vapes.**

**20. The Committee recommends that the Scottish Government should seek advice from the Office for the Internal Market on the detail of the Bill at the earliest opportunity and whilst the Bill is still proceeding through Parliament. If the Bill becomes law, the OIM should also be consulted during development of any regulations made under key provisions in the Bill (for instance on charges for single-use items).**

I share the Committee's concerns over the risk posed by the Internal Market Act to legislation passed by the Scottish Parliament.

The Circular Economy Bill does not contain any provisions on the face of the Bill which would trigger the application of the IMA as it contains no provisions which, in themselves, would prohibit the sale of the goods (or, in the case of an obligation or condition, result in their sale being prohibited) if they are not complied with. Further consideration will need to be given to the IMA when powers under the Bill are exercised. The Scottish Government remains committed to working through the Common Framework process in line with established principles and have drawn the Bill to the attention of the Resources and Waste Common Framework Working Group.

The Scottish Government engages regularly with the OIM and will continue to do so and will also consider whether the OIM could be a source of additional advice and analysis of the effect on the internal market of any future proposed regulation. Of course, the Scottish Government is under no obligation to seek policy advice from the OIM on draft legislation, any more than the UK Government is.

I look forward to the Committee's correspondence on the Resources and Waste Common Framework.

## **Sections 1-5 – Circular Economy Strategy**

### **Section 1(1)**

**21. The Committee welcomes the principle of placing a strategy to achieve a circular economy on a statutory basis. However, delivery of the strategy will be vital. The strategy must tackle over-consumption, identify and prioritise system-wide approaches, and focus on the entire value chain. It must focus action and resources on measures further up the waste hierarchy than is currently the case. It must also ensure the burden of achieving this is not disproportionately applied to consumers. Producers must be accountable for the environmental impacts of the products they make. They should be encouraged to design and manufacturing products that are more repairable, reusable and recyclable.**

**22. The Committee recommends there should be a clearer statutory link between the strategy and the targets proposed under Sections 6-7 of the Bill.**

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I welcome the Committee's recommendation and agree that delivery of the Strategy is vital and that it should be aligned with the waste hierarchy. I am considering whether to bring forward amendments at Stage 2. I note that some areas relevant to tackling over-consumption and taking a system-wide approach, such as VAT, product standards, product labelling and consumer protection, are reserved, but that the Strategy will focus on devolved matters.

## Section 1(2)

**23. It is important that the circular economy strategy be informed by best available evidence and the Committee recommends the Scottish Government reflect on how reference to data could strengthen the requirements of the strategy, with particular regard to Scotland's international carbon footprint. The Committee recommends the Scottish Government clarify the progress of its commitment in the 2020 publication "The Environment Strategy for Scotland: Vision and Outcomes" 1 to "gather evidence on the nature of Scotland's international environmental impact".**

I agree that the circular economy strategy should be informed by the best available evidence, and I will reflect on how reference to data could strengthen the requirements of the strategy.

In terms of the Environment Strategy, this creates an overarching framework for Scotland's strategies and plans on the environment and climate change and was placed on a statutory basis by the UK Withdrawal from the European Union (Continuity) (Scotland) Act 2021. Its vision and outcomes were published in 2020, an initial monitoring framework and website were published in 2021. Two progress reports have so far been submitted to Parliament, in March 2022 and March 2023, and a further report providing an update on the progress in developing the strategy is due to be laid in Parliament in March 2024. The next phase of work is to develop outcome pathways, identifying actions and priorities across government for achieving the Environment Strategy's outcomes.

For the 'global footprint' outcome, the Scottish Government commissioned Global Footprint Network to lead a research project and a report of the findings ([Environment Strategy: delivering the outcome on Scotland's Global Footprint - evidence base & policy levers](#)) was published in January 2024. The report evaluates the sustainability of Scotland's international environmental impact by analysing Scotland's overseas ecological footprint. It highlights the need to reduce Scotland's overall consumption demand, particularly in the food and textile sectors, which have the largest overseas footprint. The report provides initial recommendations on how to reduce consumption demand in these sectors, while also strengthening Scotland's long-term prosperity.

Two supplementary studies were commissioned to the James Hutton Institute to further strengthen the evidence base of the Global Footprint Network (GFN) research project. The first of these reports, [Environment Strategy: Reducing Scotland's International Environmental Impact - Learning from International Best Practices](#), was published alongside GFN's report in January 2024. The second report, which will provide a summary analysis of environmental impacts linked to unsustainable consumption and production and identify the overseas environmental impacts of consumption and production within Scotland, is currently under development and expected to be published in the upcoming months.

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Phase two for the development of the global footprint outcome pathways has now commenced. An outline of the next steps will be presented in the third report to the Parliament, which is due for publication in March 2024.

**24. The Committee recommends the Bill be amended at Section 1(2) to include a requirement for the strategy to state how it has applied Just Transition principles. We further recommend Section 1(3) should include adherence to just transition principles as a desirable characteristic of a circular economy.**

**25. The Committee recommends amendments are made to Section 1(2) to include a requirement for the strategy to include detail on how it will encourage behaviour change. We emphasise the importance of education and awareness-raising and believe these must be adequately resourced.**

**26. The Committee also recommends the Scottish Government consider the proposals made for content of the strategy made to us in evidence and in particular that—**

- It should inspire business and investment confidence;
- It should focus on actions further up the waste hierarchy;
- It should account for and respond to local and geographical needs and variations.

### **Section 1(3)**

**27. The Committee believes there are a number of other characteristics desirable in a circular economy and recommends the Scottish Government consider the proposals made by stakeholders to include reference to international impact and environmental impact.**

I welcome the Committee's recommendations and I recognise in particular the links that the strategy should have with principles such as Just Transition. I am considering whether to bring forward amendments at Stage 2 in line with those suggestions.

### **Section 1(4)**

**28. The Committee notes the Scottish Government's view that the phrase "sectors and systems" provides flexibility to work in a strategic way across supply chains. However, we recommend that the Bill should include a set of criteria for identifying priority sectors and systems. These sectors and systems should also link to the targets proposed at Sections 6-7 of the Bill.**

**29. The Committee notes the Scottish Government has already produced a list of priority sectors for the circular economy in its Climate Change Plan update. The Committee recommends the Scottish Government clarify the status of its commitment to produce sector-specific roadmaps for the industries it cited as priorities in its response to recommendations on the previous Climate Change Plan update. The Scottish Government said this would take place alongside its work to develop a Waste Route Map.**

I note the Committee's recommendation in relation to criteria for identifying priority sectors and systems. Identifying the most appropriate sectors and systems for inclusion in the strategy will be dependent on relevant research such as the Circularity Gap Report for Scotland or Materials Flows Accounts. The output and implications of such research will

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change over time and therefore it is not appropriate to set criteria, which could also change over time, on the face of the Bill as that would reduce Scottish Ministers' flexibility to take account of latest developments.

In the updated Climate Change Plan, we undertook to embed circular economy principles into our wider green recovery, prioritising areas with the biggest opportunities: construction; agriculture/food and drink; energy and renewables; procurement; skills and education; and plastics. This has since been overtaken by a range of policy developments which have taken things forward in different ways.

For example, last year we consulted on our draft Energy Strategy and Just Transition Plan, which sets out the Scottish Government's vision for Scotland's energy system to 2045 and a route map of ambitions and actions that, coupled with detailed sectoral plans and the forthcoming Climate Change Plan, will guide decision-making and policy support over the course of this decade.

We also published discussion papers on land use and agriculture [Just transition in land use and agriculture: a discussion paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/just-transition-in-land-use-and-agriculture-a-discussion-paper-2023-06-20/documents/transition-built-environment-construction-sector-discussion-paper/documents/transition-built-environment-construction/govscot%3Adocument/transition-built-environment-construction.pdf), the Grangemouth Industrial Cluster Just Transition: Grangemouth ([www.gov.scot](https://www.gov.scot/publications/just-transition-in-land-use-and-agriculture-a-discussion-paper-2023-06-20/documents/transition-built-environment-construction-sector-discussion-paper/documents/transition-built-environment-construction/govscot%3Adocument/transition-built-environment-construction.pdf)) and the built environment and construction sector Delivering a Just Transition for the Built Environment and Construction Sector [www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2023/06/transition-built-environment-construction-sector-discussion-paper/documents/transition-built-environment-construction/transition-built-environment-construction/govscot%3Adocument/transition-built-environment-construction.pdf](https://www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2023/06/transition-built-environment-construction-sector-discussion-paper/documents/transition-built-environment-construction/transition-built-environment-construction/govscot%3Adocument/transition-built-environment-construction.pdf).

We are also consulting on a draft Circular Economy and Waste Route Map which sets out the clear actions we need to take to deliver sustainable use of our resources and progress a circular economy in Scotland by 2030 [Circular economy and waste route map to 2030: consultation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/circular-economy-and-waste-route-map-to-2030-consultation-2023-06-20/documents/circular-economy-and-waste-route-map-to-2030-consultation-2023-06-20.pdf). This includes a package of measures to embed circular practices in the construction sector as well as actions relating to procurement and skills.

## **Section 1(5)**

**30. The Committee welcomes the requirement for the strategy to align with the Climate Change Plan and the Environmental Policy Strategy prepared under Section 47 of the UK Withdrawal from the European Union (Continuity) (Scotland) Act 2021. The Committee notes calls for alignment with other Scottish Government strategies and policies, and recommends the Scottish Government consider these.**

**31. The Committee recommends the Scottish Government clarify the phrase "so far as is practicable" in Section 1(5). It is not clear how priority will be determined where two strategies have potentially opposing aims. We also recommend that the Scottish Government clarify whether other strategies, including those above, will be required to align with future Circular Economy Strategies.**

I note the Committee's recommendation in relation to achieving consistency with other plans and strategies. The Climate Change Plan and Environmental Policy Strategy are referenced expressly in the Bill as they are prepared on a statutory basis. The requirement in section 1(5) for the strategy to achieve consistency with other plans/strategies is subject to the proviso 'so far as is practicable' to ensure that there is some flexibility in developing the strategy where it is clear that it is not practicable to achieve that consistency, for example Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](https://www.lobbying.scot)



because of a change in facts and circumstances or in scientific data in the intervening period between the publication of an earlier plan or strategy and the development of a circular economy strategy. It would be unreasonable to require the strategy to be consistent with other plans and strategies if that was no longer practicable. I agree that other Scottish Government plans, strategies and commitments, including the Verity House Agreement should generally achieve consistency with a Circular Economy Strategy and section 1(6) ensures regard is had to the Circular Economy Strategy in all policy-making by Scottish Ministers.

### **Section 1(6)**

**32. The Committee recommends the Scottish Government reflect on whether having "regard" to the circular economy strategy when making policy and legislation is sufficient to ensure its policies and proposals are given due consideration and influence.**

I note that (in paragraph 194) the Committee suggested that Ministers must act in accordance with the strategy. While I note that the wording suggested by the Committee to require Ministers to act in accordance with the strategy could also allow some exceptions, I do not consider that this alternative wording is appropriate in relation to a strategy which will be refreshed regularly. Ministers, while being required to have regard to the current version of the strategy, will also require to have regard to various other factors in determining policies and it is appropriate that Ministers have some choice about how they implement the strategy in relation to other policies and can properly consider all relevant factors when making policy decisions.

### **Section 2**

**33. We do not believe Section 2 of the Bill as drafted will place suitable obligations on the Scottish Government to undertake the level of consultation required to ensure the strategy is fit for purpose. This ambiguity, particularly on who must be consulted, should be remedied at Stage 2.**

I welcome the Committee's recommendation and agree that engagement and consultation with a wide range of stakeholders is important. I will consider this further ahead of Stage 2.

### **Section 3**

**34. The Committee is of the view that progress towards a circular economy must continue at pace. The Committee recommends the Scottish Government clarify when it intends to produce the first circular economy strategy proposed in the Bill.**

**35. The Committee believes there should be a robust model of governance for the circular economy strategy and that Parliamentary scrutiny can support this. We recommend the Scottish Government clarify how it intends to afford Parliament the opportunity to scrutinise draft circular economy strategies.**

The draft Circular Economy and Waste Route Map sets out that we intend to develop a Circular Economy Strategy every 5 years, with the first strategy set from 2025. The Committee will have the opportunity to scrutinise draft Circular Economy Strategies at the time of consultation as section 2 of the Bill requires Scottish Ministers to consult on each draft strategy. I would welcome the Committee's input as part of that consultation process.

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## Section 4

**36. The Committee believes the proposals for review and revisions of the strategy are appropriate.**

## Section 5

**37. The Committee believes the circular economy strategy should have regular and meaningful reporting requirements. We call on the Scottish Government to clarify its reasoning for a 30-month reporting period.**

A 30-month period is halfway through the 5-year period for reviewing the strategy. This will allow for a balance between the delivery of the strategy's priorities and the resource implications of reporting against them. Given the system change that is necessary for the development of a circular economy, changes to policy may take time to embed and take effect. Therefore, this timeframe also allows for an assessment of those impacts and will inform the development of a revised strategy that will be required 30 months later.

## Sections 6-7

### Section 6(1)

**38. We are supportive in principle of statutory circular economy targets. We recognise the Scottish Government's intention to devise targets and to provide for these in secondary legislation. However, setting targets should be an obligation, not an option. Given the importance of statutory targets as a mechanism for enacting transformative change, we recommend amendments are made at Stage 2 to Section 6(1) to specify the Scottish Ministers "must", rather than "may" create targets. The Committee further recommends timescales for the introduction of targets, proportionate with the urgency of the issue, are specified.**

**39. The Committee understands the need for a robust approach to setting targets and supports rigour. We also recognise the imperative for action and results on reducing carbon emissions and living more sustainably. We have been presented with suggestions for targets which already align with existing reporting requirements. The Committee recommends the Scottish Government consider the proposals which have been made to the Committee for specific targets. We also request clarification of which public environmental bodies will be involved in the target-setting process.**

I welcome the Committee's support for statutory circular economy targets and its recognition of a robust approach to setting them. I will consider the Committee's recommendation in relation to making the setting of targets mandatory, noting that ultimately it is for the Scottish Parliament to approve any regulations setting proposed targets. I will also consider the range of proposals that have been provided to the Committee as part of the target development process.

As set out in the draft Circular Economy and Waste Route Map, the target-setting process will follow the development of a monitoring and indicator framework from 2025 ([Circular economy and waste route map to 2030: consultation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/circular-economy-and-waste-route-map-to-2030-consultation/pages/20)). We anticipate that will be developed in partnership with a number of organisations, including Zero Waste Scotland, SEPA and academia. This will also involve a wider consultation process which will include Environmental Standards Scotland.

### Section 6(4)

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**40. The Committee believes regulations to introduce statutory targets should be subject to an enhanced form of parliamentary scrutiny and recommends provision is made at Stage 2 for use of a super-affirmative procedure for regulations setting the initial targets under this Section of the Bill.**

I note the Committee's recommendation and I am considering whether to bring forward amendments at Stage 2.

### **Section 7**

**41. The Committee welcomes the intention to monitor and report on progress towards meeting targets, as well as the proposal for a monitoring framework aligned with the Environment Strategy framework highlighted in the Policy Memorandum.**

**42. However, these details are not on the face of the Bill and this Section lacks specificity. Section 7(2) does not specify the reporting period. Section 7(3) says the report should include "any action" Ministers will take to achieve targets which have not been achieved. This does not mandate action, but rather requires reporting if action is taken. The Committee recommends this Section is revised to include more certainly and mandate action to meet targets that have not been achieved.**

I welcome the Committee's support for a monitoring framework aligned with the Environment Strategy and I am considering whether to bring forward amendments at Stage 2 in line with the Committee's recommendation.

### **Section 8 – Restrictions on the disposal of unsold goods.**

**43. We are supportive of Section 8 of the Bill in principle. Clearly, it is in nobody's best interests for perfectly reusable materials and products to be disposed of rather than redistributed or repurposed. Restrictions could be an effective way of reinforcing measures that many businesses are already putting in place to prevent wastage while also delivering economic and social benefits.**

**44. The Committee recommends any regulations or actions taken under this provision should be accompanied by detailed guidance for all organisations potentially involved. These should be developed in consultation with them.**

**45. The transition to a circular economy must put communities at its heart. To that end, we were enthused by the social enterprises and charities from the reuse and repair sectors leading the way in tackling consumption and encouraging more sustainable ways of living. It was encouraging to hear of the impact of these organisations in their local areas, and their ambitions to increase their reach in the future. This work should be supported and we call on the Scottish Government to use the circular economy strategy to create the conditions and funding mechanisms to allow these organisations to thrive and encourage others to follow their lead.**

I welcome the Committee's support in principle for this provision. I agree with the Committee's recommendation that any regulations made under this provision should be supported by detailed guidance for all those involved and we would consult those likely to be affected by it. I also agree that the Circular Economy Strategy should create the conditions in which social enterprises and charities continue to thrive.

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### **Section 8(2) - Proposed Section 78A(1)**

**46. The Scottish Government has said it will undertake research, engagement and consultation in creating regulations under this provision. It has also said that it anticipates reflecting international practice in prioritising the types of goods to be subject to regulations. The Committee recommends the Scottish Government include in the Bill a commitment to prioritising use of the regulation-making powers based on criteria such as the potential lifecycle carbon intensity of goods and social and environmental impacts at home and abroad.**

**47. The Committee is content with the use of affirmative procedure for future regulations under Section 8(2). However, the Committee requests the Scottish Government commits to sharing an early draft of regulations and any supporting analysis before formally laying the instrument in Parliament.**

I welcome the Committee's recommendations about prioritising the use of powers based on specific criteria and these will be taken into account as part of relevant research. In advance of laying any regulations under the affirmative procedure using this power, Ministers will undertake a full public consultation on any proposals to restrict disposal of goods and I would very much welcome the Committee's input to any such consultation.

### **Section 8(2) - Proposed Section 78A(2-4)**

**48. It is not clear to the Committee why the Scottish Government has already decided food will not be subject to a form of ban on the destruction of unsold goods. The Committee recommends the Scottish Government clarify the basis for its intention not to use regulations to restrict the destruction of unsold food.**

The intention of this section is to target durable goods, in line with the EU proposals in this area. Food is not a priority for this provision at this time as there is a wider programme of measures set out to tackle food waste, including through the programme of activity set out in the draft Circular Economy and Waste Route Map.

### **Section 8(2) - Proposed Section 78A(5)**

**49. We are conscious that proposed restrictions may impose additional burdens on businesses and in particular SMEs. The Minister said measures are only intended to apply to larger businesses with the capabilities and resources to absorb these additional responsibilities. We therefore call on the Scottish Government to ensure this issue is explored in its research, engagement and consultation in developing regulations. We also call on the Scottish Government to clarify how it would define a 'larger business' under this provision.**

Definition of larger businesses would be a matter for further consultation as part of regulations which would in turn be informed by further research. As an example, larger businesses could be defined in terms of turnover, size of workforce or volumes of goods disposed of. An example would be the Producer Responsibility Obligations (Packaging Waste) Regulations ([The Producer Responsibility Obligations \(Packaging Waste\) Regulations 2007 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukdsi/2007/01/13/1305501000000001)) which links the definition of producer to annual turnover and amount of packaging handled.

**50. It is not clear why "consumer" is defined differently than in the Consumer Scotland Act 2020 and the Committee asks the Scottish Government to clarify the reason for this difference.**

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The intention is to include consumers in its widest sense, for example including all businesses that use goods, including large businesses. The Consumer (Scotland) Act 2020 definition of consumer includes a business. It then defines a “business” as meaning “a business that is no larger than a small business”. However, our intention is to include all businesses which could consume such goods.

**51. The Committee also recommends the Scottish Government must produce detailed guidance for businesses expected to comply with restrictions on the disposal of unsold goods. This guidance should also be developed in consultation with affected stakeholders and be incorporated into the consultation requirements in the proposed Section 78A(7).**

In line with my response to paragraph 45 which made a similar recommendation, I agree with the Committee’s recommendation that any regulations made under this provision should be supported by detailed guidance for all those involved and we would consult those likely to be affected by it.

#### **Section 8(2) - Proposed Section 78A(5)(b)**

**52. Regulations introduced under these powers should not incentivise the exporting of waste in order to avoid domestic restrictions on disposal. The Committee recommends that criteria for making regulations should be expanded to include a requirement that regulations should not cause the exporting of goods for disposal.**

I agree regulations should not incentivise the exporting of waste. To avoid this happening, the availability of alternative reuse and recycling routes for goods will be considered as part of the supporting research.

#### **Section 8(2) - Proposed Section 78A(6)**

**53. The Committee recommends SEPA must be provided with suitable resources to undertake new enforcement duties and seeks assurances from the Scottish Government that additional capital and revenue funding will be made available for SEPA to undertake these and other new enforcement duties in the Bill.**

Budgets are set via the Scottish Budget process and the Scottish Government seeks to ensure SEPA is appropriately resourced to deliver duties expected of it. This will include enforcement requirements stemming from the Circular Economy Bill. I will continue to engage with SEPA on matters arising from the Bill.

#### **Section 8(2) - Proposed Section 78A(7)**

**54. Without proper engagement, the Scottish Government risks undermining its ambitions around unsold goods by not securing the confidence of businesses. It is therefore crucial that the Scottish Government listen to their concerns and work with them to ascertain how best to ensure regulations operated effectively in practice. To that end, we are supportive of proposals for amendments to Section 78A(7) to apply a specific duty on Scottish Ministers to consult with businesses, retailers and charities, in addition to any other persons it deems appropriate when drafting future regulations. This consultation should be required to include assessment of the following—**

**• Product safety (for example with Office for Product Safety and Standards and Consumer Scotland);**

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- **Chemical regulation requirements; and**
- **Financial or other support requirements for organisations engaged in reuse and redistribution such as third sector or community groups.**

I note the Committee's recommendation and agree that securing the confidence of businesses and understanding their concerns is vital. I will consider further, noting that Scottish Ministers are already required to consult such persons as they consider appropriate, which would include those likely to be affected, such as businesses, retailers and charities. I also note the recommendation that the consultation should consider specific assessments and I would expect these issues to be considered as part of underpinning research.

## **Section 9 - Charges for Single-Use Items**

**55. We support in principle the introduction of additional charges for some single-use items. It is clear that overconsumption of single-use items represents a significant barrier to progress towards a circular economy and net zero aspirations. However, the introduction of additional charges for single-use items must go hand-in-hand with other measures to promote reusable alternatives as a social norm and a positive choice.**

**56. The Committee agrees with the need for a strategic approach to use of the powers in Section 9. We note the Scottish Government has committed to developing a 'Product Stewardship Plan' by 2025/26 in the 2030 Routemap which will set out a strategic approach to tackling problematic products. The Committee supports a pragmatic and evidence-based approach to the use of the power, with an initial focus on non-essential items and asks the Scottish Government to clarify what other items are under consideration.**

**57. It is essential that the Scottish Government consults extensively with industry prior to the Scottish Government laying future regulations. It must put in place safeguards to protect vulnerable groups from any unintended consequences resulting from charges.**

**58. The Committee welcomes recent announcements regarding a proposed ban on disposable vapes.**

**59. We are unclear about the potential for how these provisions may interact with the market access principles of the UK Internal Market Act. It is critical therefore that implications are identified as early as possible in the policy development process. Both the Scottish and UK Governments must thereafter work together through agreed Common Frameworks processes to avoid market access issues. The Committee believes the Scottish Government should also be seeking the view of the Office for the Internal Market at the appropriate point in policy development.**

I welcome the Committee's support for this power and note its recommendations. I agree that application of environmental charges for single-use items, such as single use beverage cups, must go hand-in-hand with other measures to promote reusable alternatives and this reflects the recommendations of the Expert Panel on Environmental Charges and Other Measures in relation to a charge on single use disposable beverage cups. I want to assure the Committee of plans to consult fully on any use of this power, as will be demonstrated by the publication of the single-use disposable beverage cups consultation and interim impact assessments in the coming weeks.

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I can assure the Committee that the consideration of the interaction with the Internal Market Act is part of the policy development process in relation to policy proposals for single-use disposable beverage cups and will also be considered for future uses of the power. In relation to single-use disposable beverage cups we will fully assess the interaction with the Internal Market Act once we finalise our policy proposals after taking into account consultation responses. We will also engage with other UK nations through the Common Frameworks. The Committee will be aware that the IMA provides that a “manner of sale requirement”, being a statutory requirement that governs any aspect of the circumstances or manner in which goods are sold (such as the price), is not within the scope of the mutual recognition principle under the IMA. While the policy proposals still require to be finalised at the end of the consultation, it is our view that a minimum charge for single-use disposable beverage cups is a manner of sale requirement, and the mutual recognition principle of the IMA does not apply. It would not be within the remit of the Office for the Internal Market to express a view on the impact of the Internal Market Act on any proposed regulations.

As the Committee notes, future uses of the powers will be based on an evidence-based approach. As well as the development of a Product Stewardship Plan (set out in our draft Route Map), we will shortly be publishing our analysis of a call for evidence focused on single-use plastic food containers, as well as a range of other products including: bowls, trays and platters; period and incontinence products; sachets; tobacco filters and packaging for fruit and vegetables.

#### **Section 9(4) - Section 87A(1)(b) - use of net proceeds**

**60. We agree with the principle that proceeds raised through single-use charging should be retained by the suppliers of goods. Whilst we are content that proceeds are used for environmental purposes, we also recognise that other good causes could be supported through this provision. We call on the Scottish Government to reflect on this ahead of Stage 2.**

**61. We welcome the inclusion of a super-affirmative procedure in this Section to allow stakeholders and Parliament to closely examine the implementation of proposed measures.**

**62. We call on the Scottish Government to explore what support it can provide through the Bill and other non-legislative measures to address current barriers around the uptake of reusable alternatives, including what more it can do.**

I would emphasise that the overall purpose of this power is to reduce our reliance on single-use items rather than to generate additional funds. The new power regarding the proceeds of sale is identical to that contained in the Climate Change (Scotland) Act 2009 for carrier bags and regulations brought forward to introduce any charges under this section would provide further detail on whether net proceeds should be applied for specific purposes. As the Committee has noted, these regulations would be subject to super-affirmative procedure. I have noted the Committee’s comments on whether other good causes could be supported through this provision and will continue to give this further consideration.

I can assure the Committee that we are considering ways to promote re-useable alternatives while working with our partners to address current barriers. This includes continuing the considerable progress we have made, building on the Revolve initiative ([Register for the](#)

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[Revolve Reuse Knowledge Hub | Zero Waste Scotland](#)) and sharing best practices. Aligning with Scotland's Let's Do Net Zero communications campaign will raise consumer and business awareness of the impacts of consumption and advantages of re-use.

## **Section 10 – Householder's duty of care**

**363. The Committee is supportive of introducing a new criminal offence for householders who breach their duty of care. Enforcement powers in this Section offer a welcome tool for local authorities in addressing ongoing problems with illegal waste carriers. However, the Committee notes many householders do not appear to be aware of their current duty of care. Communications and awareness-raising activities must clearly be at the centre of achieving any required behaviour change in this area. The Committee seeks confirmation the Scottish Government agrees with this assessment.**

The Committee's support for the duty of care is welcome and local authorities will have discretion in how they use the powers. I agree that raising awareness of the responsibility of the homeowner alongside work on proposed amendments to the Environmental Authorisations (Scotland) Regulations 2018 (the "Integrated Authorisations Framework") in relation to authorisations for those engaged in waste management activities, including waste carriers, will form an important part of ensuring that waste is disposed of in a responsible way. We will continue to work with key partners to consider implementation plans, including communication and awareness raising activities.

**364. A lack of affordable and convenient waste uplift services and accessible recycling centres was highlighted as a leading reason for many householders failing to comply with their duty of care. The Committee notes the role envisaged for extended producer responsibility in addressing current pressures faced by local authorities and calls on the Scottish Government to clarify whether it will consider taking forward new producer responsibility schemes in Scotland using its existing powers.**

The draft [Circular Economy and Waste Route Map to 2030](#), published for consultation in January 2024, sets out priority actions (including those proposed through the Circular Economy Bill and through Extended Producer Responsibility schemes) to accelerate more sustainable use of our resources and reduce emission associated with resources and waste.

We are working with the UK and other devolved governments on reforms to extended producer responsibility schemes for packaging and waste electrical and electronic equipment (WEEE), with the scheme for packaging expected to begin from 2025 when producers will begin paying local authorities' disposal costs in relation to the cost of managing household packaging waste. We also remain committed to the delivery of a successful Deposit Return Scheme for single-use drinks containers, with the UK Government committed to launch a UK-wide DRS by October 2025. However, the onus is on the UK Government to provide certainty on delivery timescales for these schemes, and ensure they are launched successfully and on time.

## **Section 11 – household waste requirements**

**63. The Committee cautiously welcomes provisions in the Bill to create a new fixed penalty and civil penalty regime for enforcement of disposal of household waste**

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**requirements. The Committee is aware of the significant environmental and economic impact of contaminated waste and the need to design interventions to encourage householders to improve recycling behaviours. However, the use of civil and fixed penalties should be considered only once all other options to engage with householders have failed. The Committee seeks clarity on intended enforcement approaches for communal bins.**

I agree that local authorities should only use these new powers after other options to engage with householders have been attempted. I would emphasise that the primary focus is to make the right choices easier for householders and support and enable householders to make positive changes to behaviours. Guidance on the approach to enforcement will be created in consultation with local authorities to indicate reasonable enforcement steps local authorities must take, and scenarios for when written warnings, penalty charges and/or fixed penalty notices may be issued. This is in line with the approach taken in England, for which guidance sets out the required steps prior to a penalty charge being issued, including a written warning, notice of intent and final notice and gives guidance in relation to each of these. This guidance is available here: [Household waste bins: when and how councils may issue fixed penalties - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/household-waste-bins-when-and-how-councils-may-issue-fixed-penalties)

Guidance will also address the enforcement approach for communal bins.

**64. The Committee notes that often a lack of information is the main barrier to householders recycling correctly. A lack of consistency in local recycling services also creates confusion. The Committee recommends the Scottish Government launch a national awareness campaign that aims to inform the public about these new provisions and good recycling behaviours. The Committee requests the Scottish Government consider how this programme could also dovetail into future work to standardise local authority recycling provision through the statutory Code of Practice.**

I thank the Committee for this recommendation and will consider further. I recognise that local authorities have argued that more intensive education programmes would be required, and the development of guidance and the co-design of the new Household Recycling Code of Practice will allow communications approaches to be considered in detail. An integral part of the co-design process will be consideration of how we make the right choices easier for householders and support positive behaviours, and will include learning from high-performing services and the communication and other mechanisms used.

More generally, I would also ask the Committee to note that the Circular Economy and Waste Route Map consultation sets out further skills, education and communication-focused measures in train or planned. This includes planned research on behaviour change-based approaches focused on sustainable consumption, building on recent research by Consumer Scotland regarding the presentation of sustainable behaviours and choices. This work will align with Scotland's Let's Do Net Zero communications campaign, to raise consumer and business awareness of the impacts of consumption and alternatives to buying new, or at all.

**65. The Committee agrees with recommendations from the Delegated Powers and Law Reform Committee that amendments are made at Stage 2 to stipulate that guidance introduced under Section 46ZE is subject to prior consultation with local authorities.**

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I accept the recommendation that guidance introduced under Section 46ZE is subject to prior consultation with local authorities and intend to introduce an amendment to require consultation with local government on this guidance.

## **Section 12 - Code of Practice on household waste recycling**

**66. The Committee welcomes the provision to create a statutory Code of Practice as a vehicle for greater standardisation of household waste recycling provision in Scotland, to improve local authority performance and help public understanding of services available. The Circular Economy and Waste Route Map 2030 suggests the code will be delivered by 2025/26 and the Committee recommends this time scale is included on the face of the Bill to prevent delay and prioritise action.**

I am pleased that the Committee welcomes the creation of a statutory Code of Practice and acknowledges its expected benefits. As set out in the draft Circular Economy and Waste Route Map, this is a priority action for Scottish Government. However, as a process is to be co-designed with local government, I do not believe it is appropriate to set a deadline on the face of the Bill as that may prejudice and potentially limit the scope of the co-design.

**67. Resource constraints pose a significant barrier for local authorities. The Committee agrees with the Finance and Public Administration Committee that the Recycling Improvement Fund will not on its own deliver the finances local authorities require to deliver the policy intentions behind the Code of Practice. The Scottish Government must ensure the actions to be taken by local authorities under the Code of Practice are fully funded and of equal benefit to all local authorities.**

I acknowledge the resource constraints under which local authorities are operating. The co-design of the new Household Recycling Code of Practice with local authorities provides a forum to discuss and agree both the benefits of changes to the Code as well as the cost and affordability of changes. Changes to waste, recycling and reuse services and the move to a mandatory Code of Practice, will be closely linked to the forthcoming Extended Producer Responsibility for Packaging, which will help to fund these services in relation to packaging waste. Extended Producer Responsibility for Packaging represents a significant source of funding to local authorities estimated at £1.2bn per annum across the UK. Packaging represents around 30% by weight of waste collected at the kerbside (recycling and residual waste) in Scotland<sup>1</sup>.

**68. The Committee recommends that a uniform kerbside bin collection approach is established across all Scottish local authorities. The overall aim of Scotland's future recycling system must be to achieve maximum consistency wherever possible, unless there are specific local needs that require a different approach. The Committee calls on the Scottish Government to explore these aspects of service provision with COSLA as part of its co-design process of the Code of Practice. The Committee agrees with the Finance and Public Administration Committee this codesign could**

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<sup>1</sup> Zero Waste Scotland, derived from data published in [The composition of household waste at the kerbside in 2021-23](#).

Note: Excludes household waste collected at non-kerbside locations, such as recycling points and household waste recycling centres.

**have been undertaken prior to the introduction of the Bill to provide Parliament and stakeholders with clarity around costs.**

I thank the Committee for their recommendation on uniform kerbside bin collection. This will be considered as part of the co-design of a new statutory Household Recycling Code of Practice. By undertaking this process with local government, we can consider how we promote more consistent approaches to kerbside collection to deliver modernised and accessible services that make recycling the easy choice for households.

**69. While offering support for the concept of a Code of Practice to standardise recycling services, the Committee is disappointed in the focus of the ambition and action so far down the waste hierarchy. The Committee recommends the Scottish Government reconsider the focus of the Code of Practice to incorporate mandatory actions and consistency on reuse and repair facilities and services.**

I thank the Committee for this recommendation and will consider further how the waste hierarchy is strongly reflected in the new statutory Code of Practice.

### **Section 13 - Targets for local authorities relating to household waste recycling Section 13(2) - Section 47B(1) – Targets**

**70. We are supportive in principle of the Scottish Government's proposals for the implementation of statutory local targets. It is clear to us that interventions are needed to break through the current plateau of local authority recycling rates. The Committee also agrees with COSLA that action further up the waste hierarchy which prevents the need for recycling is also important and would reduce the burden on local authorities and consumers.**

### **Section 13(2) - Section 47B(4) - Target setting**

**71. Whilst targets should be ambitious, they must also be realistic if they are to achieve the desired performance improvements from local authorities. The Scottish Government must collaborate with local authorities to design targets reflective of local needs. This engagement must explore the level of additional resource needed to meet the agreed targets.**

### **Section 13(2) - Section 47B(3)(d-h) Enforcement of targets**

**72. We are aware of the pressures local authorities are facing which makes increasing recycling performance challenging. The prospect of penalising councils for failing to meet targets seems counterproductive and only serves to exacerbate existing constraints on local authority budgets. And yet, we have seen the success of this approach in Wales. The Committee calls on the Scottish Government to adopt an approach which captures the benefits of both penalties and incentives.**

### **Section 13(2) - Section 47B(6) – definitions**

**73. The Committee believes that reuse and recycling are different approaches, yet appear to have been conflated in the Bill's definition of recycling. This may lead to weakening of or failure to set specific targets on reuse. The Committee recommends the Scottish Government separate out the two definitions but include statutory requirements for local targets for both concepts. These must be agreed collaboratively with local authorities and reinforced with financial support from the Scottish Government to increase local authority capacity to roll out these services.**

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The Scottish Government recognises that targets must be achievable and fair: local authorities are at different starting points, with varied geographies and demographics; and service providers must have the tools available to meet the required standard. The Scottish Government will, therefore, work with local government to set achievable, appropriate targets as part of the development of secondary regulations and consultation for new targets.

The Bill provides Scottish Ministers with powers to set recycling targets. As set out in the Policy Memorandum accompanying the Bill, this definition includes recycling, as well as preparation for reuse, which would include activities where products and parts of those products that have become waste are made suitable for reuse, and composting, to ensure that these activities are included when considering a local authority's performance. The targets do not include reuse which would address activities taken before a product becomes waste as this does not come under local authorities' responsibility as waste collection authorities. It is therefore not possible to set a separate target for local authority reuse rates, but increasing preparation for reuse is incentivised through this approach. This is also the same approach to targets that has been taken in Wales, contributing to a significant increase in recycling rates. I will consider further how the design of targets and support for local authorities can prioritise preparation for reuse and reflect the waste hierarchy.

I note the Committee's concerns regarding powers to impose, as a last resort, financial penalties on local authorities if agreed local targets are not met and will consider the points raised. The Committee may wish to note that I have had helpful further discussions with Councillor Macgregor, Cosla's spokesperson, on this provision where we shared respective views and tasked our officials to progress further discussion on this approach. I continue to listen to COSLA and local government's concerns and potential alternative approaches on how the Bill could fairly incentivise and support local authorities to meet agreed local targets.

#### **Section 14 - Littering from a vehicle: civil penalties**

**74. The Committee welcomes the Scottish Government's inclusion of new enforcement powers in the Bill to tackle littering from a vehicle. However, the Committee is concerned that enforcement authorities have already identified practical issues in implementing these new powers. A lack of resources and guidance will not ensure the consistent and robust approach to enforcement the Scottish Government hopes to achieve through these provisions.**

**75. The Committee is concerned, as the Finance and Public Administration Committee highlighted, that estimates of revenues raised are based on optimistic assumptions civil penalties will be paid in full.**

As set out in the Financial Memorandum it is anticipated that the introduction of civil penalties for littering from vehicles will act as a deterrent, and that this deterrent will reduce roadside litter and, therefore, reduce the associated clear-up costs. Further engagement will be undertaken with enforcement bodies to ensure they are provided with appropriate support to use these new powers.

As set out in our National Litter and Flytipping Strategy, we have committed to review litter and flytipping enforcement and we intend to publish the findings of this review in the coming weeks ahead of Stage 2. The Strategy Delivery Group will consider next steps to progress work to improve enforcement as part of the work delivering the Strategy.

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I note the committee's concern in relation to payment of penalties. I have also responded on this point in our response to the Finance and Public Administration Committee. I accept that it would have been preferable to include a range of scenarios to highlight the impact of different payment rates, although this has a marginal impact on the overall costings included within the Financial Memorandum.

**Sections 15-16 - Enforcement powers in respect of certain environmental offences**  
**76. The Committee welcomes additional powers conferred on enforcement authorities through this Section of the Bill. It is our hope that these measures will be an effective and useful addition to SEPA and local authorities in tackling perpetrators of waste crime. However, the Scottish Government must ensure it's playing its part by fully funding enforcement authorities to undertake their roles to full effect.**

**77. Processes for waste carrier permits must be strengthened. The Committee is supportive of the Scottish Government's intentions to reform current licensing arrangements to ensure they are sufficiently robust. The Committee notes evidence from SEPA requesting that the Environmental Authorisations (Scotland) Regulations 2018 are added to the applicable laws for which enforcement powers can be used, and calls on the Scottish Government to explore this proposal ahead of Stage 2.**

**78. The Committee recommends the Scottish Government consider the suggestion by SEPA that amendments could be made to the Environment Act 1990 to ensure those responsible for the flytipping were also responsible for removal of waste.**

I welcome the Committee's support for these proposals and agree that enforcement authorities need to be supported to deliver their functions. The consultation on the draft regulations to amend the Environmental Authorisations (Scotland) Regulation 2018 is currently underway and necessary steps to ensure that these enforcement powers are available for offences under the 2018 Regulations will be taken at the appropriate time.

I am considering whether any amendments should be made at Stage 2 in relation to flytipping.

### **Section 17 - Duty to make information publicly available**

**79. The Committee agrees in principle with provisions giving powers to regulate for new mandatory reporting requirements relating to waste and surplus. The Committee considers that new reporting measures could hold a number of positive benefits if designed and implemented well. However the Scottish Government must listen to suggestions from the business sector on how future requirements should be implemented in practice and work collaboratively with the sector in drafting regulations.**

I welcome the Committee's response. In keeping with the New Deal for Business, I am committed to working with business to ensure the development of effective, efficient and proportionate policy. As I noted at Committee, mandatory reporting requirements would initially apply to food waste and surplus by businesses. I am already undertaking a range of work to listen to suggestions from businesses on how reporting requirements could be implemented. For example, in January 2024, I met with the Scottish Retail Consortium, the British Retail Consortium, Ikea, Tesco and Co-op to discuss their experience of reporting on food waste and surplus. In addition, I met with the Waste Resources Action Programme (WRAP) – who gather and analyse voluntary food waste reports from UK businesses – in

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February to further understand how reporting requirements could be implemented in practice. As the Bill progresses through parliament, we will continue to build on this collaboration and engage with stakeholders to help inform decisions and promote compliance through the regulations.

**80. The Committee considers there is a risk that new administrative processes as a result of reporting requirements could disproportionately affect small and medium enterprises. The Committee is concerned that additional costs and complexities resulting from mandatory requirements could cause undue harm to many smaller Scottish businesses. We are sympathetic to the proposed introduction of exemptions or other mechanisms such as phased introduction, reporting thresholds or means of simplifying any requirements on small and medium enterprises.**

I welcome the Committee's response and acknowledge the potential risk around new administrative processes as a result of the reporting requirement. The Scottish Government's intention is to build on pre-existing reporting models, such as WRAP's 'Target, Measure, Act approach' – which a range of food and drink businesses across the UK already participate in – to reduce the challenges of implementing new administrative processes. To further mitigate potential risks, we will expand on our engagement with stakeholders (representing a range of size and types of businesses) to understand their experience, capacity and constraints. This will help us to identify the best options for implementing mandatory public reporting, as set out in our consultation on the draft Circular Economy and Waste Route Map. Once robust evidence has been gathered and analysed, we will recommend the most effective options for implementation. At that stage of the process, potential exemptions may be identified, considered and scrutinised, as part of the consultation and impact assessment for secondary regulations.

#### **Overall conclusions on the general principles of the Bill**

**81. The Committee supports the general principles of the Bill although scrutiny of this partly framework Bill has been challenging. This is on the understanding that the Scottish Government will consider and respond positively to our recommendations on enhancing Parliament's ability to scrutinise and consult on key regulations brought forward under the Bill if it becomes an Act. We also want the Scottish Government to commit to ensuring the Parliament receives robust costings as early as possible for any such regulations.**

I welcome the Committee's report and its support for the general principles of the Bill. All the Committee's recommendations will be considered ahead of Stage 2, and I am happy to provide updated costings as we progress ongoing work with local authorities, businesses and other stakeholders to inform the development of regulations.

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