OFFICIAL REPORT
AITHISG OIFIGEIL

Net Zero, Energy and Transport Committee

Tuesday 6 May 2025

Session 6

The Scottish Parliament
Pàrlamaid na h-Alba

Tuesday 6 May 2025

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NET ZERO, ENERGY AND TRANSPORT COMMITTEE
16th Meeting 2025, Session 6

CONVENER

*Edward Mountain (Highlands and Islands) (Con)

DEPUTY CONVENER

*Michael Matheson (Falkirk West) (SNP)

COMMITTEE MEMBERS

*Bob Doris (Glasgow Maryhill and Springburn) (SNP)
Monica Lennon (Central Scotland) (Lab)
*Douglas Lumsden (North East Scotland) (Con)
*Mark Ruskell (Mid Scotland and Fife) (Green)
*Kevin Stewart (Aberdeen Central) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Jane Beasley (Zero Waste Scotland)
Sarah Boyack (Lothian) (Lab) (Committee Substitute)
Dominic Fry (Zero Waste Scotland)
Iain Gulland (Zero Waste Scotland)
Ciaran McGuigan (Zero Waste Scotland)

CLERK TO THE COMMITTEE

Peter McGrath

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Net Zero, Energy and Transport Committee

Tuesday 6 May 2025

[The Convener opened the meeting at 09:19]

Decision on Taking Business in Private

The Convener (Edward Mountain): Good morning, and welcome to the 16th meeting in 2025 of the Net Zero, Energy and Transport Committee. Apologies have been received from Monica Lennon, and I welcome to the meeting Sarah Boyack, who is attending as her substitute.

Our first item of business is a decision on taking business in private. Do members agree to take in private item 3, which is consideration of the evidence that we will hear from Zero Waste Scotland?

Members *indicated agreement.*

Zero Waste Scotland

09:20

The Convener: Our second item of business is an evidence-taking session with Zero Waste Scotland. The session is part of the committee's on-going scrutiny of autonomous public bodies within our remit. Since being classified as a public sector organisation in April 2023, Zero Waste Scotland has been responsible for providing expertise on the development of a circular economy in Scotland.

I am pleased to welcome to the meeting Dominic Fry, the chair; Iain Gulland, the chief executive; Ciaran McGuigan, the director of finance and corporate services and Jane Beasley, the director of circular economy delivery. I think that Dominic Fry is going to say a few opening words.

Dominic Fry (Zero Waste Scotland): Good morning, everybody. Thank you very much for inviting us to the committee—it is a real pleasure to be here.

As you might know, I have been the chair of Zero Waste Scotland for literally just over a year, and I was delighted to join such a well-respected organisation that is doing, to our mind, vital work. I am also pleased to be part of its evolution at such a pivotal moment for both the organisation and the circular economy itself.

I became chair of Zero Waste Scotland when it was starting its journey to becoming a non-departmental public body, which we successfully completed on 1 April this year. Indeed, the committee actually kicked off that journey with its scrutiny of what was then the Circular Economy (Scotland) Bill, which included the ambition to make Zero Waste Scotland the circular economy agency for Scotland. Obviously, that bill is now an act, and it has been followed up by the Government's circular economy route map, which looks at the practical steps to be taken in order to switch to a more circular economy here in Scotland.

We also have our new corporate plan, which is a set of ambitions that makes the case for a comprehensive rewiring of the economy to tilt the playing field towards more sustainable resource use and management. The plan is aligned with the Government's ambitions to end our contribution to climate change within a generation.

I joined an organisation full of passionate, committed and highly articulate people who are consistently demonstrating the art of the possible. As well as championing the circular economy, we have invested in more than 300 businesses over

the past few years to show that adopting circular economy practices can bring new opportunities, new business, new jobs and indeed new potential.

We believe that a properly integrated circular economy offers economic growth and resilience as well as social dividends for many of our hard-pressed communities. It also offers a firm commitment to a more climate-friendly world where we value what we have.

In passing the Circular Economy (Scotland) Act 2024, this Parliament has put in place a focus and a commitment that, to our mind, set Scotland apart and which other nations are taking note of. We will never underestimate the role that you, the committee, played in that. You have also given us a responsibility to deliver, and we remain committed to that endeavour.

The Convener: Thank you, Dominic. As always, I will ask the easy questions at the beginning. Just to lead off, what you would classify as your two major achievements in the past year?

Dominic Fry: The obvious one is becoming a non-departmental public body, which we have managed to do without being distracted from the main focus of our business. That has impressed me.

At board level, I have brought in two new non-executive directors, and we have the opportunity to bring in two more by December. We are reshaping the board.

I would just finish by saying that the organisation is determined to pivot from being a source of advice, consultancy and research to being a much more proactive advocate for the circular economy here in Scotland.

The Convener: How many people do you employ?

Dominic Fry: Is it 170, or 160?

Ciaran McGuigan (Zero Waste Scotland): It is 165.

Dominic Fry: It is 165—thank you.

The Convener: Okay. I am just doing the maths, but I am not sure that I can do it quickly enough. I see that your payroll is £10.6 million, which is quite high for 165 people. Where is all that money going? What is the average expenditure on, say, board members?

Ciaran McGuigan: It is not a huge amount. We pay our board members according to the Scottish Government pay policy for non-executive directors. There is a day rate for most board members; there are eight members on the board, and they work about three days a month. I cannot do the maths quickly enough either, but, of course, the majority of that £10.6 million goes on our 165 employees.

The Convener: I have now done the maths, because I have a computer that can do it. If I have done it correctly, it suggests that the average salary is £64,000.

Ciaran McGuigan: That figure sounds about right for the fully loaded cost of employment. That is not the gross salary that we would advertise for a job; that figure would include pension, employer national insurance contributions and so on. The average headline salary is actually in the mid-£40,000s; I think that it looks something like that, having back-solved the maths.

The Convener: Okay. So, who is your highest-paid person?

Ciaran McGuigan: That would be our chief executive.

The Convener: Sorry?

Ciaran McGuigan: That would be Iain Gulland, our chief executive.

The Convener: What does Iain get paid?

Ciaran McGuigan: Can I say?

The Convener: Well, you are a public body—

Ciaran McGuigan: It will be in our report and accounts—I do not actually know. I know that it is in line with the guidance. I do know, but I cannot recall off the top of my head.

The Convener: When we had the chief executive of Scottish Water in, he could not remember what his salary was either. I am sure that Iain Gulland can remember what his salary is.

Iain Gulland (Zero Waste Scotland): I am happy to divulge it—I just wonder whether this is the appropriate place to do so. I am paid within a range set by the Government pay policy.

The Convener: If you can give me the range, that will be fine.

Iain Gulland: The range for a chief executive is, I think, from £105,000 to about £175,000. It is quite broad.

The Convener: It is.

Iain Gulland: We can share that with the committee, but it is consistent with all public bodies in Scotland. Indeed, something that we have always abided by over the years to some extent, even prior to becoming a public body, is the need to stick to Government pay policy. We have maintained that.

The Convener: So, your salary is in the range that is higher than the First Minister's salary.

Iain Gulland: I am not aware of what the First Minister's pay is, to be honest.

The Convener: Maybe, as a Parliament, we look too closely at people's salaries. Basically, your total budget is £31 million, which is a huge sum, and a third of it goes on salaries. Is that right?

Ciaran McGuigan: The total income that you are looking at includes capital funding that flows through us for the recycling improvement fund, so I would say that it is more than that. Our revenue budget, which is the key thing for funding the operation, is only about £18 million a year. We deliberately aim to spend about 60 to 65 per cent of our money on payroll.

We are primarily an expertise organisation. That is absolutely where the money is going—on people. We do not look at the money that we are spending on payroll as money that we should be spending on something else; instead, we look at it in terms of that core—that is, the expertise across the organisation.

Those 165 people are the focus. Obviously, we make sure that we get value out of that, but we are deliberately targeting about 60 to 65 per cent of our revenue funding on payroll.

The Convener: Just so that I understand, are any bonuses applicable within that?

Ciaran McGuigan: No, absolutely not.

The Convener: So it is just for base salaries.

Ciaran McGuigan: Yes.

The Convener: Okay. Thank you for that. The next questions come from the deputy convener, Michael Matheson.

Michael Matheson (Falkirk West) (SNP): Good morning. Work is being undertaken to develop a circular economy strategy. What would make a good circular economy strategy?

09:30

Jane Beasley (Zero Waste Scotland): Thank you for that question. For us, it is essential that the thread of sustainable economic growth runs through the strategy. It is about targeting where we can expedite that for Scotland and bring the most benefit to Scotland. It is also about having a mature attitude to recognising that we will need to put the foundations in to allow that to happen, for example by targeting particular sectors and those areas where we feel that we could get some quick wins, from a strategic point of view.

It is also about identifying the longer-term goals. We are feeding into and supporting that. We are providing technical advice. We are looking at the research that we have under way and which is concluding to identify where to target support. It is not about just getting the strategy out, but looking at what the strategy can achieve in the short, medium and long term. It is about building and gaining momentum, looking at the sectors that are ripe for growth and that we can target more readily to achieve benefits for Scotland and beyond.

Michael Matheson: Okay. What should we be targeting?

Jane Beasley: We have been looking at the high-impact sectors, such as net zero infrastructure and the built environment. We have been developing road maps in both of those sectors and we have done quite a lot of work on that. We are trying to pull the strategic threads together.

Last year, we did a big piece of work on ecosystems, which was about changing the conditions that businesses are operating in, rather than having to think about how to change each business to get it to adopt more circular economy practices. We started with those sectors where we already have some traction. There is a lot of discussion in and around the energy sector in Scotland, for example, about what we can do with decommissioning oil rigs and wind turbines. We have been looking at material flow and material security in that sector. We are developing some road maps, which should come to fruition by the end of the first quarter of this financial year, looking at what initiatives and policy interventions might be needed in that sector to gain some traction and to unlock some of the barriers to sustainable economic growth. Key examples include looking at how we can amplify and accelerate reuse and how to bring infrastructure investment forward to manage the recycling ask within that space.

Those are the two key sectors for us, but there are others. We are also working on textiles and other things that have a high environmental impact, looking at the carbon challenge as well as at material security and how to build those things into the circular economy strategy. That is what we are advising on.

Michael Matheson: Okay, bear with me. Will the work that you are doing in helping to inform the development of the strategy also help to create economic value in the Scottish economy? If so, can you give me a sense of what that could be?

Jane Beasley: It is certainly our intention to create economic value.

We are pivoting from where we were, which was more focused on waste and recycling. Now, 10 years in, it is much more about economic positioning. Trying to put a valuation on those areas is a priority for us. We have what is almost a perfect storm—in a good way—of work coming

through. We are waiting for data from some recent economic intelligence work so that we can cross-reference where the opportunities are for what we would classify as the more circular jobs and where we would look at material flow. A piece of work on the material value chain is coming to fruition. Friday was the deadline for contractors to share with us information on materials flowing through Scotland and existing infrastructure. We hope then to be able to identify potential opportunities and we intend to put values on them. That will enable us to target where we should prioritise action. If we are going to convince investors to come forward, we will need to put an economic value on the activity. We are still waiting for the data.

Michael Matheson: When do you expect to have the data and complete the work?

Jane Beasley: Until we have seen it, there is always a credibility aspect with data, but we will have data on net zero infrastructure at the end this quarter—by the end of June. That will build on what we already know and we will look at opportunities in that sector.

Data on the material value chain is imminent and we expect to share that with the Scottish Government by the middle of this month. We are doing some quality assurance work on the data that is coming through.

The situation is fluid, but we need to demonstrate this year where we can get traction. This work is not a long-term ask; it is an imminent ask and we have prioritised our research so that we are able to push that information out.

Michael Matheson: Can you share the data and the papers with the committee when you have completed your work?

Jane Beasley: Yes.

Michael Matheson: It would be helpful for us to see that type of information.

My final question is about the strategy, which is due to be published in 2026. Do you expect to be able to publish it by then?

Jane Beasley: Yes.

Michael Matheson: Is it on target?

Jane Beasley: Yes.

Michael Matheson: Great. Thanks

The Convener: Douglas Lumsden, did you want to come in now?

Douglas Lumsden (North East Scotland) (Con): Yes, briefly. Thank you.

Jane, you mentioned investment in infrastructure. Will that require Scottish Government money or do you see that as private money coming in? I guess that it could come from the Scottish National Investment Bank, for example.

Jane Beasley: I would expect a combination of sources. Work is under way on project willow and the potential that it could offer for investment. We are trying, with the right amount of data and information, to create confidence among investors in the sector, which is quite challenging for them at the moment, particularly if something is novel. We have supported businesses, but it is risky for them to try to gain investment and for the investors to go in with confidence. I cannot imagine that the private sector will overnight be happy to go into this space. That will take a combination of things, including policies that come through. Confidence will come through with the strategy. The Circular Economy (Scotland) Act 2024, the route map and the strategy coming through will start to build momentum. We can present a playing field for investors, so that they can see that Scotland is serious, but I anticipate that there may be an ask—such as the requirement that there has been with the recycling improvement fund. From a business point of view, there is often a capital ask to get off the ground, particularly for novel technologies.

Douglas Lumsden: You mentioned targeting sectors. We heard evidence last year that waste in the construction sector was a big issue. What are you doing to target the construction sector?

Jane Beasley: We have been quite active in that sector, in that we have supported others' work and we have led research. We want to be more strategic in how we play our role and open the doors for others. One of the road maps coming through in the summer will be on the built environment, with construction as a key element.

That said, we also have some other work under way. We were successful in a horizon project. We are one of several partners. Scotland is involved as a region and the other partners are cities: Munich, Copenhagen and Lisbon. It is a multimillion-pound, three-year project looking at developing a rigorous business case for reuse hubs for the construction sector. The intention is to identify feasible sites—that is going on at the moment. It is a layered international programme that includes legal and technology support. We will get to a position at which investment will look attractive because we will have done all the groundwork to get to a business case. We are trying to be proactive; the project is amazing and will have the potential for roll-out to other sites in Scotland. Site selection is about not just looking for the perfect site now, but at where there could be other sites in future. We have done some preliminary work looking at reuse challenges in the construction sector. We are trying to gain

momentum and translate that into something functional.

Douglas Lumsden: I guess that that also goes back to the design phase.

Jane Beasley: Yes.

The Convener: Mark Ruskell is next. Oh, I am sorry; Bob Doris wants to come in first.

Bob Doris (Glasgow Maryhill and Springburn) (SNP): My apologies, Mark. I did not mean to cut across you.

I find a lot of this quite abstract, to be honest. I have a concrete example—no pun intended—on construction, to make it real for me and my constituents. Four high-rise tower blocks on the Wyndford estate in my constituency were demolished. The break-up will be on site and almost all the demolished material will be used to build up to 400 affordable homes. Is that routine? Is that normal practice or do we have to do more of it, so that demolition and construction are linked? Quite often, where there is demolition, there is regeneration. Is that part of a circular economy, net zero approach to construction? I just want to make it real, convener, because otherwise, it is all very abstract to me.

Jane Beasley: That is a fair point. Where things are easy to do, they are done, because that makes economic sense. A big cost in construction is for moving heavy stuff long distances; that cost is built in. If you can, you use material on site or as close to a site as possible. We talk about reuse hubs because one of the challenges is that it is straightforward to reuse some, but not all materials.

We know that if, say, we escalate house building, we will be facing some real issues in relation to materials and material flow. It is about capturing that material if the same site does not need it. It is lucky if there has been demolition on a site and there is a plan following that. If there is no plan, materials have to be removed and, generally, there is no storage space to keep things for the next project or another contractor. There may also be questions about the quality of and confidence in the materials. If the same contract includes demolition and rebuilding, that provides control of the system and the process, and people build that in where possible.

The reuse hubs come out of the work that we did before we did the route maps. We tried to understand what could be done in the construction space because it is such a big area and the potential for value retention is massive. Although there are pockets of good practice, it is not always seen across the board. We are working on trying to provide different opportunities for those routes all the time.

Bob Doris: I will ask the question another way. It is fortunate that the new properties are being built and that the contractors are taking the reuse approach. If that had been a demolition-only job, is there a reuse hub in Glasgow that the material could have gone to? What would have happened?

Jane Beasley: That would depend on whether there was another contractor close by who made that connection. Some businesses are pretty good at keeping links alive and being aware of when there will be access to material, but that is not standard. The idea is that if we could develop a hub infrastructure, reuse would be automatically built into the process.

Bob Doris: So, that does not happen now, but it is where we have to get to.

Jane Beasley: Yes

Bob Doris: Thank you.

The Convener: Thanks, Bob. Mark, it is back to you. I am sorry for coming to you and then dumping you.

Mark Ruskell (Mid Scotland and Fife) (Green): I am interested in where we are now, since leaving the European Union. We have the United Kingdom Internal Market Act 2020. There are a lot of potential measures that can be agreed United Kingdom-wide, but there is also potential for divergence through devolution. I am interested in your work on developing strands of the plan and how you are working within the landscape of the 2020 act. Are the common frameworks delivering certainty on product stewardship measures or any other measures that you might be working on? Later in the evidence session, we will come on to the deposit return scheme and what will drop on Friday. I am interested in how you are operating within that somewhat fraught landscape.

Iain Gulland: I hope that the committee will be aware that the UK Government has initiated its own research and evaluation and is proposing its own strategy for a circular economy, which was not previously apparent. That is to be welcomed. As an organisation, we are engaged with representatives of the Department for Environment, Food and Rural Affairs down south. We have met them a couple of times. In addition, we are aware that a number of members of the circular economy task force that was set up by the UK Government represent organisations that we have networked and had discussions with in the past three to five years, so we are well aware of their thinking. That is to be welcomed, too.

09:45

It will be interesting to see how the two approaches align. The Scottish Government has not yet released its strategy, but we are working

with officials on it. We have not yet seen anything from down south, either, but there is a clear opportunity to align strategies and thinking.

We recognise that some of the things that we would like to happen will do so at UK level—for example, fiscal instruments such as tax and, as you have mentioned, producer responsibility. Some regulatory things—labelling and product standards—are reserved matters, too, and must be done at UK level. That is not to say that it should just be left to the UK Government; there should be dialogue, which we are certainly supporting. Those conversations happen at a more formal level between Government officials, but we are supporting Scottish Government officials north of the border. That is one opportunity. It will be interesting to see how it rolls out. I would like to think that we are all on the same journey now and that we can maximise the opportunities, not just for each part of the UK but for the UK in general.

Mark Ruskell: Would you say that a lot of the evidence and prioritisation is the same across the UK? There might be differences in how policies are implemented, but everybody is facing the same issues, such as the big priorities that are in the circular economy plan—how we deal with construction waste, reduce reliance on incineration and so on. Are the problems common everywhere?

Iain Gulland: Yes. We are led to believe that the UK strategy will focus on specific sectors, and we are doing the same. That is because the evidence and information around carbon impacts, embedded carbon and the accessibility of materials for those sectors are the same across the UK. However, the opportunities for economic potential might be different. We have already mentioned our focus on net zero infrastructure, which is proportionally a much bigger prize for Scotland than it is, potentially, for other parts of the UK, although that is not to say that they will not consider it.

The delivery of the strategy would be different or perhaps have different priorities, depending on the area. We have even seen that in Scotland. As you know, we have been working at the level of cities and regions, and opportunities are distinct, depending on the area of Scotland and where industry is focused, with rural parts of the north and the south offering particular opportunities in their localities. You will probably be able to see the difference in the execution of the strategies, but we will be targeting the same key sectors. A lot of the bigger things—carbon impacts, food waste, textiles and critical raw materials for the built environment—are consistent.

Mark Ruskell: Are there particular areas in which the work of Zero Waste Scotland is leading in the UK context? Are there any colleagues down south saying that there have been leads on particular issues—the deposit return scheme, say—that they can learn from?

Iain Gulland: Yes, I think that there are. Colleagues have certainly been up to visit, meet and have conversations with us—and not just with me but with Glasgow City Council and Glasgow Chamber of Commerce, which, to a great extent, have been leading on the cities approach to circularity in Scotland. I know that officials have been sharing some of Zero Waste Scotland's information and evidence. They are well aware of discussions that have taken place through the committee and the passing of 2024 act. They are openly accessing as much information as they can about what we have been doing over the past 10 years.

Mark Ruskell: Looking across the EU at the even bigger picture, are there particular areas in which we are in complete alignment at the moment? Are there areas in which we are perhaps falling behind a bit? Where are we sitting on alignment? I presume that you have this conversation fairly regularly with Environmental Standards Scotland, which maintains the monitoring of alignment. I am interested to know where you think the dial is on alignment between us and Europe.

Iain Gulland: Europe is galvanised around the circular economy, particularly in the past 12 months. You can see that from various things that have happened, particularly since the new Commission has come in. The circular economy is a key pillar for the Commission and is one of six pillars in its clean industrial deal, which is all to do with increasing competitiveness and building resilience, particularly around access to materials. The Commission has signalled that critical raw materials are an area that it needs to do more about and that it needs to retain the value of the materials that are already in the economy. Some of that has to do with the idea of resilience in the context of the global economic and political situation that we find ourselves in.

The circular economy has been huge in Brussels recently, and not just as part of the clean industrial deal. The EU is taking forward its own circular economy legislation and is gathering information and evidence around that. Europe is upping its game and seeing the circular economy as fundamental, and not just in decarbonisation and climate change; the EU sees the economic opportunity in member states collaborating around a much more integrated circular economy.

Mark Ruskell: Are we falling behind in some areas—in critical minerals, for example?

Iain Gulland: I do not think that we are falling behind. To some extent, we can feed into the process with our evidence and knowledge from all the work that we have done over the past 10 years, showcasing the types of businesses that can thrive in that space. There is a lot of potential for engagement.

There are other aspects. Europe is looking across all the tools, including extended producer responsibility and fiscal instruments, and it is looking more specifically at those things, which are probably not in the air for Scotland. However, we could be pushing the UK to get much more aligned with what is happening in Europe, because it is about accessing all the levers that are available to Europe, as they should be to the UK, to make sure that the circular economy does not just tick along but thrives and becomes mainstream.

Mark Ruskell: Are you saying that the vision and the objectives are broadly similar but that the regulatory and fiscal tools to drive and meet that vision are perhaps not being replicated at UK state level?

Iain Gulland: Yes. However, to be fair to the UK Government, it has just started on the journey. It has a task force whereby it is putting forward its own strategy, which will, I hope, build on the legislative picture. On its journey towards circularity, the UK Government is probably more aligned with Europe at the moment; it is trying to catch up, because Europe has already put in place some legislation and regulation and is now trying to build on it and accelerate progress. Where we fit in, because of our position, is to ensure that the UK keeps pace with the wider taxation, regulatory, producer responsibility and fiscal instruments, so that we are level.

The Convener: Douglas Lumsden has some questions.

Douglas Lumsden: Yes, I will move us on. How is Zero Waste Scotland supporting the development of circular economy targets?

Jane Beasley: It is folded into our strategy work. We have technical teams looking at different target options, different mechanisms, depending on what you are trying to demonstrate, and the monitoring strategies that need to sit within that so that we can measure progress against the targets. It is a very active programme for us.

Environmental analysts are working on the programme at the moment. Last year, we did pieces of work that helped to underpin what it could and should look like and what others elsewhere were doing. There are some big questions about data: what data do we have and what data will we need to make sure that any progress can be effectively demonstrated against any new approach?

When we were supporting work on the route map, we were keen to look at other metrics—other means of seeing how Scotland was doing and where Scotland needs to go. The targets end up driving where the most action takes place and where the most funding goes to—the biggest priorities. They are fundamental to shifting what we do. Like everybody else, we have been stuck in the world of the tonnage-based recycling target. Now we are looking at how to drive change.

We need to bring in the economic angle and environmental perspectives, and there is a suite of different ways to do those things. One of our priorities is to look at what is feasible and to share the intelligence with the Scottish Government as we go.

Douglas Lumsden: Are you going to be responsible for monitoring the targets?

Jane Beasley: I do not know yet. Monitoring targets sits with the Scottish Environment Protection Agency as the regulator in that space.

Douglas Lumsden: I am just trying to work out where Zero Waste Scotland fits in. Are you just advising on the monitoring, but not doing it yourself?

Jane Beasley: We are at the early stages. Our role is to provide the technical expertise around what is possible, realistic and appropriate.

Douglas Lumsden: If we look back at the recycling targets, we see that monitoring is constantly missed. Why is that?

Jane Beasley: That is a good question. The recycling targets are old—they were set some time ago, although they have driven change to an extent. Our priority has been on how to enhance performance and drive change. Recycling targets for household materials have been a challenge. Interestingly, driving more materials through the recycling route is not necessarily the right thing to do if you are trying to adopt prevention and reuse measures. Reuse targets are under consideration: how we demonstrate reuse of something that is so embedded in everyday life. We would have to find a way to quantify reuse. From the perspective of the recycling targets, you can achieve the overarching target if you have a quiet year in construction.

Those things do not necessarily drive the performance or the changes that we are after. We recognise that we need something better. If we are trying to adopt a different way of operating, move towards green growth and look at other measures, such as repurposing and prevention, we need some different metrics. We cannot use a tonnage-based metric every time.

The current targets are not fit for purpose in the current world. They were set well over a decade

ago. I think that everyone feels that they are in a similar position.

The food waste target is a constant challenge. I have reflected on one of the questions that Mark Ruskell raised about where we are moving forward, and we have made great inroads on behaviour change around food, but it is not translating into where we need to be. We have thrown a lot of technical activity into looking at deep beliefs and how we can get people to do what we need them to do where it is economically valuable for them to work in the prevention space, but that is not necessarily being translated into action. Nobody has fixed that problem yet. We are at the forefront of the thinking about that, but that thinking needs to be translated into something more tangible. The minute that we are successful at preventing food waste, we will impact the recycling targets, because we will be taking out material that is counted now.

You can see that there is a lot of tension around the way in which the targets were set up. We did not know about that—everybody set targets on the same basis, not just Scotland. However, we are in a different position now and it is time to think about a more sophisticated suite of targets.

None of that stops us focusing on the need to improve performance. Taking everything away, if you have more recycling than you want, you know that you are reclaiming the material and doing something good with it, rather than leaving it in a residual stream. The performance drive does not change.

10:00

Douglas Lumsden: I think that household recycling targets have been missed constantly. I am not sure if they have ever been met.

Jane Beasley: No.

Douglas Lumsden: I am trying to understand what is going wrong there. Is it to do with Zero Waste Scotland, the Scottish Government or local authorities, or is it a combination of all of them?

Jane Beasley: We have worked one-on-one with local authorities and are now operating more on a one-to-many basis with them to try to enhance performance.

Local authorities have some significant challenges in funding a collection service that can be financially greedy at a time when there are other pressures on the service. Lots of local authorities have pulled back on things such as communications, which are essential. You have to motivate the householder and make them aware of changes in the service, but that is not necessarily being done. We will play our part, but if we were to fully fulfil that role, we could not do anything else in that space, as it would be expensive and time consuming. Our role has always been about how to guide.

We have done option appraisal work with authorities that have been struggling. We have worked with them on how they could change their performance, but we are not the ones who can deliver that. The local authority has to take that forward, and it has to have the commitment of councillors and the budget to do it.

To an extent, that is where the recycling improvement fund comes in. We have worked hard on RIF. We have two small teams that work separately. One team looks at supporting the local authority. We target local authorities and tell them that RIF is a good opportunity. The team will work with the authority, help with the application and work out the most appropriate way to improve performance. Then the RIF team will get the application through to the point of going to the RIF board. We have applied different approaches. There is a co-design process within the route map that the local authorities can buy into.

What comes next? These are the guys on the ground; they are the ones who are delivering. If the service is not delivering in a way that optimises performance, it does not matter what advice is being given—the service will be the service. How to support a local authority to be the best that it can be and make the most of its budget takes a multidimensional approach. We work with local authorities on how to optimise other routes, such as minimising residual waste by working with the third sector, for example. We have strong links with Circular Communities Scotland and will work with CCS on how the third sector can tie in with a local authority. We are coming at it from different angles.

Douglas Lumsden: Different angles, maybe, but the stats have plateaued. There are good local authorities and bad local authorities. Your strategy does not seem to be working.

Jane Beasley: We will potentially see a big change from EPR. Going by our engagement with local authorities, I would say that a fair few are waiting for the route map to come through to see what the asks will be. There was a time when the route map was being developed and local authorities were being consulted, and they were asking “Do we invest or not? What should the priority be?”

We have the EPR, but there was a question about how much money the local authorities would get from that, which has been clarified to an extent. However, local authorities still face lots of challenges. Our priority at the moment is about more than the recycling targets. The composition of the waste is going to change with the DRS, the

emissions trading scheme is coming through, and the EPR is in place, at least in terms of how much money the services will get. There is a lot of complexity.

We are trying to model what is coming local authorities' way and we are trying to offer support, but there are still some big challenges for them. It has been frustrating for some local authorities that cannot seem to get any traction, and we have done compositional work with them. Even just utilising the services to best effect would bring about a significant increase in output, so it is not even the case that the infrastructure is not there in all cases; it may just not be optimised or used appropriately.

Douglas Lumsden: This is my final question on household recycling. How do we compare with other countries?

Jane Beasley: It is very variable. Wales is always held up as the high performer. I am not being defensive when I say that Wales has a different definition of recycling, but it performs much more strongly, it performs much better, it is much more co-ordinated, and it has a blueprint.

Co-design should, I hope, get us to a place where all the local authorities have bought into a high-performing system and a way to do things, which will increase recycling. However, there is variability. We are certainly not at the top of the leaderboard, but we are not at the bottom.

The Convener: Michael Matheson, did you have a follow-up question? I was not sure.

Michael Matheson: No.

The Convener: Sorry—my mistake. Bob Doris has the next set of questions.

Bob Doris: I want to ask about the ban on sending biodegradable municipal waste to landfill that is coming in this December. We are on track, apparently, to be ready for that, and I see from the committee paper that Zero Waste Scotland has commissioned a study on preparedness for it. I acknowledge there is also on-going consultation about biodegradable non-municipal waste. There is a lot of change in this area.

Do you have any comments on preparedness for the ban? I ask that you refer in particular to whether there are implications for the incineration of waste or for waste export. What are the intended and unintended consequences? Where are we on meeting the December target? Is that one for you to comment on, Jane?

Jane Beasley: That is an interesting one. We have supported the Scottish Government on the issue. We do not have great technical expertise in landfill residual waste, because we do not operate in that area. Everything that we are doing is about value retention. However, as you mentioned, we have commissioned work on behalf of the Scottish Government. I think that it is fair to say that local authorities have been very good about getting their houses in order. We worked with some individual local authorities last year. I think that a couple of local authorities still have some contractual challenges, and there are financial consequences attached to that.

The downside of being so good at that is ensuring that there is somewhere else for the material to go, and that is a challenge. When we talked to the Scottish Government about what the future looks like, we mentioned the need for a residual waste plan. Having such a plan is one of the things that it included in the route map. We are not necessarily involved in that area, but it is essential. We know that work is going on, but the plan will not be developed overnight.

We are leaning in as much as we can to work with the Scottish Government to see what significant issues it might be facing with regard to having to move material out of Scotland if it cannot meet the capacity here. Much of the stuff that we are doing on performance improvements will be beneficial, but the timescale side of things is a challenge. It is a live conversation.

Bob Doris: I do not think that I mentioned in my initial question that the waste is not going to landfill, but you have answered appropriately. Biodegradable municipal waste will still exist—the challenge is finding pathways for it other than landfill.

I will come back to the issue of waste exports. Before doing so, I will ask about the incineration of waste. The committee paper says that the production of energy from waste will be over capacity in the years ahead. The committee paper says that the Scottish Government policy is that incineration

"should be thought of as a transitional technology that helps Scotland bridge the gap from mass landfill to a low waste, low carbon, more circular economy."

Do you think that incineration is a reasonable pathway? Might we become overreliant on that at the expense of other pathways? It would be helpful if you could tell us what those other pathways might look like.

Jane Beasley: That is a fair question. In other countries where they have scaled up incineration, they have overcapacity and must bring in material. That is definitely the case in some of the Scandinavian countries and to an extent with the Netherlands.

If we invest in a particular infrastructure that binds us for a particular period, there potentially will be challenges. We know that waste and material streams are changing and that if we are

successful at what we do, which we have every intention of being, more of the material will be valued differently and it will not be incinerated.

Alternative pathways include anaerobic digestion and in-vessel composting. There is a range of approaches to deal with the bio element of materials, and we fully anticipate that those routes could be optimised. Those routes are always considered when we look at infrastructure. It is certainly one of the areas that we will consider when we look at the bio-economy.

We have the material value chain programme. Its scope and focus is new to us. One aspect of the programme looks at the bio-economy and at how we generate economic growth in that field in Scotland. There are certainly lots of opportunities, some of which are small in scale and some are exploratory. There are different routes and there is the potential for it to be a challenge.

Bob Doris: I come back to waste exports. Incineration is an appropriate pathway, but we should not be overreliant on it. Jane Beasley mentioned other potential solutions. What happens to waste when it is exported under licence? Are we just offshoring some of our responsibilities, or is the waste dealt with appropriately once it leaves Scotland? Obviously, there is a carbon cost to exporting it in the first place.

Iain Gulland: I will jump in. When you talk about waste, are you talking about residual waste?

Bob Doris: I can only refer to the committee paper, Iain, because I am not an expert on this. I am asking about the ban on sending biodegradable municipal waste to landfill by December. I am sure that that would be residual waste. If you have textiles and wood that has been put into a mainstream pathway for reuse and recycling and all that kind of thing that is not residual waste.

I am guessing, and the committee paper does do not say whether that refers to residual waste. The paper refers to biodegradable municipal waste that local authorities will be banned from putting to landfill by December.

Iain Gulland: Exporting residual waste is an option for industry and for councils now. As Jane said, there are facilities in other parts of Europe that are making the shift that have seen their waste for incineration decrease and they have overcapacity. Those are potentially an outlet for Scottish waste to be shipped abroad.

There are other methods, such as using cement kilns. The cement industry and others have adapted their input material to take residual waste from other parts of Europe and potentially from Scotland as well. We know that that is happening.

That is all done under licence and is a regulated regime, and it would be for SEPA to ensure the traceability of where that waste was going. That type of waste would not be going a great distance—it would be going into mainland Europe—because it is hugely expensive. There will be a cost associated with that not just in preparing the material for export; there will probably be a fee once it gets to the location.

Although it is an avenue for dealing with an overcapacity of waste, if there were no place in Scotland to deal with that, there are considerable costs associated with it.

On the other hand, you can absolutely do that with carbon waste, but irrespective of whether that is burned in Scotland, Sweden or Denmark, that will still produce the same amount of carbon. That needs to be considered as well.

Bob Doris: I apologise for my ignorance, but is it the case that that could not be exported for landfill under licence? I assume that that would not be permitted.

Iain Gulland: No. As far as I know, it is not, but, again, that would probably be a matter to ask SEPA directly about. When the material is prepared, you would imagine that, to all intents and purposes, it is dried. You do not want to export wet waste, because of the volume and the cost that is involved, so it is usually dried. It is fit for purpose and has been prepared for burning rather than for landfill. Whether somebody goes ahead and then landfills it would be for SEPA to investigate.

Bob Doris: I will ask a more general question, and then I have a final question.

More broadly, how is waste infrastructure in Scotland evolving to support the circular economy? What needs to change? Zero Waste Scotland is involved in preparing the waste reprocessing infrastructure report, which is a Scottish Government requirement under the Circular Economy (Scotland) Act 2024. Any information that you can provide on that would be helpful for the committee.

10:15

Iain Gulland: That goes back to the deputy convener's earlier question about the piece of work that we are undertaking on behalf of the Scottish Government, which is to consider what those opportunities look like for processing other materials—that is, not residual waste. That will involve consideration of all the opportunities across different material streams and what that potential reprocessing capacity would look like for Scotland from not only a physical point of view but an economic and wider sustainability perspective.

We are finalising that report, and I think that we have already committed to share it with the committee once it is made public.

Bob Doris: Is that the report that the Scottish Government is required to provide under the Circular Economy (Scotland) Act 2024?

Iain Gulland: Yes.

Bob Doris: Okay, and you are leading on that for the Scottish Government.

Iain Gulland: We are. That is a critical piece of work. Seeking out the economic and climate opportunities for Scotland will give us a good sense of what is possible here in Scotland. I am sure that Zero Waste Scotland will have a role in how we would be able to implement the opportunities, but I hope that we will be working with other agencies in Scotland such as Scottish Enterprise and Highlands and Islands Enterprise and with other parts of the Government to see how best we can create the right conditions for those reprocessing opportunities to be landed here in Scotland, working with several partners.

Bob Doris: Finally, I will go back to where I started. I was asking about biodegradable municipal waste and the ban on it going into landfill in Scotland by December. The committee paper says that the Scottish Government believes that it is on track and that the target will be met and fulfilled. Does Zero Waste Scotland agree? Do you have confidence similar to the Scottish Government's?

Iain Gulland: Yes.

The Convener: There are some follow-up questions. I will go first to the deputy convener and then to Mark Ruskell.

Michael Matheson: I will follow up the questions that Bob Doris was pursuing about the crossover with SEPA. How do you manage your relationship with SEPA? How do you ensure that you are aligning your approach to opening up the circular economy and creating economic or environmental benefits from it, alongside SEPA's regulatory role? How do you manage that and take that forward?

Iain Gulland: We have a very close relationship on a number of levels. We work with SEPA quite strategically, at chief executive level, but there are specific workstreams on a number of the facets that we have already talked about that are managed at a programme level. The Scottish Government has a programme board that oversees the delivery of the circular economy and all its elements. There are key workstreams in that and separate groupings of officials and people from Zero Waste Scotland and SEPA sit on them, depending on their technical experience. That is managed very well.

There is also good discussion about not just the here and now but where we would like to go with the circular economy and what that means for the regulatory regime in Scotland and at the UK level. Again, there needs to be a much more UK-centred approach to some of what we are talking about, so SEPA has an on-going conversation with the Environment Agency, much as we would with the UK Government. It is managed. There are some challenges in how we deal with the here and now as opposed to where we would like to go and what that means and how we move that forward, but it is a live discussion to ensure that we are all trying to achieve what we all want, which is to retain much more of the value of those materials here in Scotland, for the economic as much as the climate opportunities. SEPA's constitution has a focus on the economic opportunities for Scotland, as much as on the environment. I think that that is one of the statutory functions woven into its mission, so SEPA is as live to the economy as it is to the environment.

Michael Matheson: Help me understand the route. We have two non-departmental public bodies: SEPA and Zero Waste Scotland. If I am a business and I am looking to invest in the circular economy, the waste sector, whatever it might be, where do I go? What do I get from Zero Waste Scotland? I am not asking you to answer for SEPA. I understand SEPA's regulatory role within the sector, but where do I go? As someone looking to develop a business, or in that business, where do I start? Who would sit down with me to discuss the opportunities and what I am thinking of doing and take me through that process?

Iain Gulland: It would depend on the business but, in the main, if it is about reprocessing opportunities in Scotland, we would talk directly with interested parties or potentially get others excited about the opportunities here in Scotland, whether that is through pending legislation or otherwise. Ultimately, however, we would work very closely with SEPA, because we would need to be regulatorily compliant. We would do that at an early stage. There is no point in leading people up the path, so to speak, and saying, "this is a great opportunity," only for SEPA to say, "Sorry, that doesn't fit with the regulatory regime," or, "We think that's going to be a polluting industry," or whatever. That conversation would happen with the business, ourselves and SEPA in the room. We would not say, "Go off and speak to SEPA." If we see that something is an opportunity for Scotland, we will get SEPA involved very early in that discussion about the regulatory compliance of that industry, or that opportunity, and vice versa. If people approach SEPA, they will have that conversation. If people are thinking about markets, opportunities, business, input material and so on, SEPA will get us involved very early. It works by

us signposting to each other, for want of a better word, and getting ourselves involved in the opportunities up front.

Michael Matheson: I am taking from that that businesses should come to you first, before going to the regulator and you can get the regulator involved as the conversation progresses. Does that sound about right?

Iain Gulland: Yes. There are specific industries—if somebody wanted to build a new energy from waste plant, that is not us. We would send them directly to SEPA. We might give them some advice about material flow and the direction of travel of Government policy, but if that is the type of industry they are going for, it would be in the SEPA space.

Michael Matheson: What I am trying to get to is that you made quite a virtue of the importance of growing the circular economy and the need for people to invest in it and so on. If you want to achieve that, there needs to be clarity about which door people go to in order to open up those opportunities.

Iain Gulland: Come to us. Come to us.

Michael Matheson: That is what I am trying to get to. If somebody from my constituency comes to me, I could say, "Speak to Zero Waste Scotland. They are the best folk to start with and then we can take it from there." Does that sound about right?

Iain Gulland: Yes.

Mark Ruskell: Following on from that, I am also interested in what your relationship with Environmental Standards Scotland is like. Take an area where we have a problem, such as battery storage at waste facilities. SEPA will have a view on regulations, but I am interested in where you sit within that conversation.

Iain Gulland: The conversation is at an early stage. Perhaps that is to do with the recent setting up of Environmental Standards Scotland. We do have conversations. I am aware that ESS has a programme of work and I think that the circular economy is coming, if that is the right word. It is certainly programmed in and we have had discussions about what our involvement would look like and whether we are going to respond to their questions or sit down and talk about some of the areas that we think they could focus on. Other than that, it is more about awareness of each other.

Mark Ruskell: Coming back to Bob Doris's questions about incineration, I understand that, at the moment, we are slightly under capacity with incineration and the predicted use of incineration, but that by the time we get to 2028, we will be over capacity. I am interested in your thoughts, given what you have said already, about Scandinavian imports and exports and the Government's consultation on non-municipal biodegradable waste. What will happen to the incinerators that are above capacity in 2028?

Iain Gulland: That is a good question. You are right, we could be falling into the same position as some other countries, looking for waste to feed them because they did not have a business case for their operation and investors are looking for a return. That will be a challenge.

Mark Ruskell: Could non-municipal biodegradable waste end up being treated using that capacity, post-2028? Obviously, that depends on whether we get there with Government regulation.

Iain Gulland: Potentially, yes.

Mark Ruskell: Does that concern you?

Iain Gulland: Yes, it concerns me. I think that we are shifting the waste management process to another outlet without thinking about the upstream opportunities, which we are certainly set up to think about. As long as there is another outlet, how do we create the right carrots? It is more challenging to keep the right carrots to increase the circularity of resources and stuff like that. There is still an outlet for waste, so it is not about being anti-incineration or pro-landfill. It is a case of how we shift the dial and accept that the best thing to do is to get in and start separating the materials from the waste stream and thinking about it more strategically, rather than simply as a waste management function that needs to be adapted.

Mark Ruskell: I sense that before the review that Colin Church did, there was not much in the way of planning for that capacity. His review mapped out the opportunities as well as some of the concerns. Do you get a sense that there is a plan for the strategic use of incineration in Scotland held by, presumably, the Government or local authorities working together, or anywhere really? Does anybody have a plan for 2028? What happens to redundant or excess incinerator capacity? How will it be managed?

Iain Gulland: That is what is mentioned in the circular economy route map, as Jane Beasley mentioned. There is a workstream on a residual waste plan—obviously, that is held by the Government. The focus is to look at what happens to capacity not just in the next year or two but beyond 2028, and at what we are going to do with our residual waste. There is a plan being hatched.

Mark Ruskell: There is a plan for a plan?

Iain Gulland: Yes. I am not sure about it because that is one of the workstreams that we are not involved in.

Jane Beasley: We are not actively involved in that space.

Another thing to throw into the mix is that the more successful we are with infrastructure and market development, the more attractive we will make alternatives. If you are an industry or a business generating municipal waste and we provide a high-value alternative market route, you are not going to pay the incineration gate fee. Different complexities will be layered in with the work that we are doing, so there is a lot to think about in this space. I imagine that the Scottish Government has it at the forefront of thinking about the residual waste plan.

Mark Ruskell: Okay, so the Government is leading on that. You do not have a role advising or leading on that workstream.

Jane Beasley: We have no expertise in incineration. We are close to all the teams that work within this space. We are feeding in things such as awareness raising in that market space and bringing technical insight as to other factors that will impact any of the decisions about moving forward.

Iain Gulland: We have been involved in an analysis of potential future waste streams and what is in the mix. We have talked a little bit about extended producer responsibility. Somebody mentioned the deposit return system. The emissions trading scheme—ETS—is coming and that will potentially take a lot of the plastics out of the residual waste stream as well. We already see changes happening and that is the type of analysis that we would be feeding in. We are using that information anyway, in our own work on the market potential for those materials, but the residual waste plan will have to consider not just the volumes but the make-up of those material streams.

Sarah Boyack (Lothian) (Lab): What advice is Zero Waste Scotland feeding into the upcoming climate change plan? Iain, you have already mentioned the carbon emissions issue. How can we link the opportunities that come through the climate change plan with waste so that we deliver reductions in waste and reduce climate emissions?

10:30

Iain Gulland: That is still a bit of a challenging space. Through the Government team, which we liaise closely with, we are involved in looking at the current climate change plan as it is being developed. We are feeding into that, but, as I am sure that the committee will know, the climate change plan is very much based on territorial emissions and, when it comes to waste, the focus is on landfill, so, for a number of years, that has been the principal focus of our work. As we have discussed, we have reduced the amount of material that goes to landfill and there is to be a ban on biodegradable landfill, but we have simply shifted those emissions to the energy sector—they now come from energy-from-waste plants—so the carbon is still there. That is our first point.

I completely respect the fact that the climate change plan is based on an international framework that involves countries look after their territorial emissions. Although there are references in the current plan to the circular economy and how it can help, we would argue that it does not go far enough and that we need to start thinking as much about the wider carbon impacts of our consumption as a nation as we do about the waste. The current plan makes reference to that in some of the industrial chapters, but, in our view, it does not do enough to highlight what Scotland could do.

The fact that the Scottish Government is committed to ending our contribution to climate change within a generation suggests that we need to consider not only territorial emissions, but the embedded carbon in all the products and materials that we consume, the vast majority of which come from outwith Scotland. That is our starting point. We understand the international framework in which the climate change plan sits, but I do not think that that stops Scotland being more ambitious. Of course, we should do what we are obliged to do under the plan, but why can we not start to outline where we want to go? I am talking about going beyond compliance and setting out where we need to drive more circular practice to reduce the carbon impact.

Sarah Boyack: What are your priorities for achieving a joined-up win-win on territorial emissions and consumption emissions? The statistics show that, when it comes to our consumption-based emissions, our carbon footprint has fallen by only a third, and that, on consumption per capita, we are at double the world average. What would be game changing in lowering those figures so that we can have a much more circular economy and, as people, we are able to reduce our carbon-based emissions?

Iain Gulland: I come back to some of the answers to previous questions. Our starting point is that we need to measure what our carbon footprint is. We need to get it much more widely accepted that that is what we are trying to target. We need to know what the numbers are. We have started to develop some of the numbers with our material flow analysis. We did the first circularity gap report for Scotland, which highlighted areas where we could start to make a difference. We have mentioned some of the key sectors and opportunities.

That analysis needs to be broken down into key sectors, and, on the back of that, we need to develop road maps for how sectors can reduce their overall carbon emissions, rather than their operational or territorial carbon emissions, which is what the climate change plan focuses on at the moment. That way, we could start to understand the direction that we need to go in and how, as an economy as much as individually, we can change our consumption habits to ensure that we address the issue. That is a growing area of interest, but it is not front and centre of the discussions.

Sarah Boyack: How can we ramp up the importance of that issue? That will involve making companies and the public sector aware of their emissions that are linked to carbon consumption, but we also need to raise awareness among members of the public. People might want to recycle stuff or get things repaired, but they often have to bin practical items such as phones and printers. Sometimes, it is hard for the public to recycle even material waste, which would appear to be quite a low challenge. What are the target areas where we need to reduce our emissions and where the circular economy can help?

Iain Gulland: As I said, that partly feeds back to the key sectors that we feel that we need to target. We have highlighted net zero infrastructure and the built environment.

As our corporate plan sets out, the first element of that work is raising awareness of the exact carbon impact, not of individual products but of the wider economy, rather than just our territorial or operational emissions. How do we start to socialise that? How do we get people more engaged on the impact of everything that we buy? That is about looking at the wider economy rather than just having a go at individuals.

It was interesting to learn from the Scottish Government's climate survey two weeks ago that people still think that the most important things that they can do to fight climate change are recycling and reducing their food waste and their electricity bills. Those are all important things that we should be doing, but we are not talking about how, as individuals, we purchase and the impact of all those purchases. People are not thinking about consumption, whether reducing it or being smarter about it, by buying things second hand or taking things to be repaired.

We need to develop the infrastructure that supports those behaviours and those habits. It is not just a case of telling people or businesses what they could be doing. Businesses are much more aware of the issue, because of the cost of materials or the difficulty of accessing them in the global supply chain. Even in the built environment, builders are much more aware of embedded carbon. They have done all the operational stuff in construction, such as ensuring that they use less energy and less water when they build buildings. They are now becoming much more aware that, if they are to reduce the carbon footprint of buildings, they must think about the materials that they put into them. They are much more aware of the issue, but we need to consider how we can develop the infrastructure to support that.

It is Zero Waste Scotland's mission to help to identify those opportunities and to deliver them for Scotland. That process starts with a conversation and—to come back to the circular economy strategy—it involves having the right framework for monitoring and having clear targets that are based on consumption as much as they are about waste management at the back end.

Sarah Boyack: How do we communicate that? Earlier, one of you said that local authorities are not putting as much effort into communicating with members of the public as is necessary. In addition, if people want to recycle things or to get stuff repaired, it is hard to find local opportunities. How can we ramp up that activity?

Iain Gulland: There is a lot that we can do. You are right to say that there is a role there for local authorities, because they tend to be where people go to seek that information. Therefore, it is important that we support local authorities to share that information more widely so that people can understand what is happening.

A big part of the work that we have been doing with cities and regions has been to identify those businesses that provide repair and refurbishment services. We work very closely with Circular Communities Scotland, which we have supported to invest in sharing libraries, repair hubs and individual businesses across Scotland. We need to map those so that people can access that information.

You are right—people tend to go to their local authority for that information, rather than somewhere else, so we must ensure that the local authorities have the tools and the resources to make those things available to their citizens. More can be done, but there is a lot happening in relation to circularity—we keep saying that. A lot more businesses and companies are providing support and repair services, not only on a business-to-business basis, but to citizens as well. That is growing. I do not know whether it is a trend, but we have certainly seen a lot more interest in that space.

You are right: people are busy, and they do not have access to the right information, so they will tend to throw things out.

Sarah Boyack: It is also the case that it could be more expensive to repair something than to replace it. That is an economic issue, which you

cannot fix, but is there a case for getting the sectors to work together or having better standards?

Iain Gulland: Yes, we need all those things. As has been mentioned, there are fiscal instruments that could be used to make such activity more competitive and to tilt things in favour of reuse and repair, but there would need to be a discussion with the UK Government about bringing in a framework for that.

The Convener: There is still a lot to do in that area, because it is almost cheaper to throw away your printer and buy a new one with fresh ink in it than it is to replace the ink in your old one, even if it works.

Sarah Boyack: It is a lot cheaper.

The Convener: Kevin Stewart is next.

Kevin Stewart (Aberdeen Central) (SNP): Before I move to my main line of questioning, I have a quick question. I often wonder whether people play back their committee appearances after they have appeared, because there are sometimes things that I think annoy the general public when we hear from folk. I will give you an example from earlier: there was a machine-gun rattle of acronyms. This may be a question for the chair. Does the board have a policy about using plain, understandable language that the public can get to grips with?

Dominic Fry: I would not quite put it as being a policy. As a relatively new chair, I have a very strong desire to get rid of jargon and acronyms.

Probably more important, I also want to get the board out to see some of the projects that we have been involved in. I have done six of those site visits, and we held part of the most recent board meeting at a recycling facility on the banks of the Clyde, where a new facility has been set up to recycle wind turbines. It is an area in which "seeing is believing" is very true when you visit some of these projects. Iain Gulland talked earlier about individuals benefiting from reused or repaired products. Iain and I went to see a business called ACS Clothing, which hires out clothing. It started as a kilt hire organisation and now hires out things as varied as wetsuits and tents. I think that 15,000 garments a day go through its automated checking facility. So, "seeing is believing" is important.

Kevin Stewart: You gave a politician's answer there by not really answering the question to my satisfaction and moving on to other subjects. Are you going to put something in place policy-wise so that plain language that is understandable to the public is used rather than acronyms?

Dominic Fry: We will certainly consider that.

Kevin Stewart: Okay. Thank you. I should also point out that Scotland is not a region.

Let me move on to my main line of questioning, which is about persistent organic pollutants, forever chemicals and microplastics. I would like to know how all of this will fit into the circular economy strategy. I will start with microplastics. Many members of the public have no idea that there are microplastics in various products. For example, a large amount of the chewing gum on sale contains microplastics. What can be done to highlight that and, beyond that, to get those microplastics out of the system? I recognise that some of that will fall within reserved policy.

Iain Gulland: Again, it is about raising awareness. Forgive me, but I was not aware that chewing gum has microplastics in it. More evidence is now being gathered of the impact of microplastics and where they are coming from—for example, whether they are shed every time we put our polyester clothes in the washing machine—and a number of organisations are highlighting the health impacts. Microplastics are everywhere, all around us. We find them in watercourses and in snow in the Antarctic.

There is more evidence, but—this goes back to your earlier point—it is not readily accessible to members of the public or citizens, to help them to understand that what they are buying has not just a carbon impact but a potential plastic footprint, for want of a better word, as well. It is about making sure that that information is available. That is the situation that we are in now.

10:45

Even we do not know. We talked about POPs—apologies; I am now going to shoot myself—or persistent organic pollutants, because we did not know that these forever chemicals and stuff like that were there. The challenge, not just from a circularity point of view but from an environmental regulatory point of view, is that we do not know what is in the products that are available to us and we need to get in front of that very quickly, to some extent.

Europe is very interested in having things such as product passports—not just detailing on labels what to do with the materials at the end of their life, but breaking down exactly what is in them so that consumers and businesses can start to get a grip on what is in those materials. Those would also say not just what the materials are, but where they come from, so we can understand the upstream impacts not just from a carbon perspective but from an environmental point of view.

A lot more is beginning to happen on the back of the knowledge that we now have, but that does

not solve the issue of what the products that are in service today are made of. It is about ensuring that we communicate that positively—and when I say positively, what is the alternative? If people do not have an alternative to something that they need, what can be done about that? We need to ensure that product standards and such like are beginning to take root not just in Scotland but in the UK, because some of these things are reserved matters and we must get that information out.

Kevin Stewart: I do not expect you or your colleagues to know everything about the pollutants in every item, but it must be difficult to put together a circular economy strategy to the level that we want when we are sometimes unaware of the makeup of a particular product.

Let us move on to products where we are aware of such things. My understanding is that persistent organic pollutants—which, of course, can cause harm to human health and the environment—are contained in quite a lot of furniture and that more than 125,000 sofas per year would have to be incinerated in Scotland because of those pollutants. Is that the case? If so, how do we change the ingredients—the components—of products that have those pollutants in them?

Jane Beasley: The scale of the problem is significant. What is probably even more worrying is that the list keeps expanding as more chemicals and products are added. Product stewardship is one of the big things that we are working on at the moment. It goes beyond extended producer responsibility and way beyond the requirement at the end of a product's life. Product stewardship is all about clarity about what is going into the product in the first instance and what the management route for that product will be as it goes through its life. That is a big push for us, and it is something that we wanted to have in the route map. We are leading on it for the Scottish Government in particular product spaces.

That would be a longer-term solution, but there are challenges in the here and now that are going to be around for, I would say, at least the next decade as we manage things. The issue affects things such as reuse markets, because you cannot put things within a sphere where there are going to be potential harms to people purchasing those products.

Kevin Stewart: So, tackling all of this at source and getting rid of those elements of products right at the very beginning is the way forward. As you construct the route map—the strategy for the future—are you putting together a list of the products that are not up to scratch for sustainability? Are you putting together a list of the legislation that might need to be changed to get rid of those nasty elements? How are you communicating to members of the public that items containing components on that list may not be the right things to buy?

Jane Beasley: That communication with the public is not there yet, because the product stewardship research started only last year and there are different criteria for identifying certain priority products to push forward in the product stewardship space. However, as those criteria become more informed, we will be pushing the information out.

We push out all our research—we do not sit on it—and there is a task in hand, which you have alluded to, whereby we have to translate some quite technical pieces of research so that they are accessible to a wide range of audiences. We do that, and it ties in with your mention of plain speaking. It is essential that we do that, because these are complicated areas and we do not want to mislead anybody in what we put forward, especially as the position is not always definitive. You saw what was included in the latest round of POPs—lots of furnishings. We do not want scaremongering, but we do want to guide the public to make more informed choices.

We will push for potential policy interventions in this space as well. For example, product passports could play a role for some product materials. However, this is all work in progress. I am more than happy to share it with the committee as it all comes to light, and we will have a communications plan. We have a communications plan at all levels of the work and activity that we are involved with, and it differs depending on the nature of the work, what the message is that we need to get out and whether it is for the public or for business.

Kevin Stewart: Many products have warnings on them. Indeed, cigarettes come with a huge number of warnings on the front of the packet. Should we have warnings on various products? Should we say, for example, that there are microplastics in this chewing gum or organic pollutants in that set of cushions?

Jane Beasley: A big project that we did, and which is relevant to this topic, looked at ecosystems. When we talk about ecosystems, we mean the ecosystems within which businesses operate—in other words, all the externalities that affect their decision making and which have a knock-on effect on the consumer purchasing the products. We have found that, if businesses are to adopt more circular economy practices and within that have products that can be managed more efficiently—after all, with such practices, you would be expecting material substitution and looking to minimise environmental impact—public knowledge and awareness will be a key element. What can we do to ensure that the public is fully informed to make the best decisions? At the

moment, people are buying blind, because they are not aware.

It is all about looking for different opportunities, but we are conscious that the biggest impact on the ecosystem is not just the prevailing measure of value but knowledge, awareness and the cultural piece attached to the consumer and the business trying to sell that product. Anything that will help raise that profile potentially has a role to play.

Kevin Stewart: That was a very long answer, but basically you are saying, "Yes, let's tell consumers what is in the products."

Jane Beasley: I think that a long answer was needed, because this is a quite complicated issue with many different facets. You must give consumers an alternative. You can inform them, but you must ensure that there is something else that they can do and allow them to make a decision on that basis. We want to translate and change that ecosystem culture for businesses by ensuring that these circular economy practices are embedded, because, if that happens, the next steps will fall into place naturally and you will not have to fight for them or demand them independently.

Kevin Stewart: I get your point, but I think that sometimes we complicate things. We want a circular economy, and we want to ensure that we do right for the future. Some of the leading changes over the decades have been consumer led. Why do we not make it simple in some of these cases and point out to consumers via labelling the harmful things that those products contain?

You talk about alternatives, but we already have them. Take microplastics, for example: I understand that many of the leading chewing gum brands are natural products with no microplastics in them. Of course, those products will not need warning labels. By buying them, consumers can help with the circular economy and create a better environment.

Mr Gulland, did you want to come in?

Iain Gulland: I want to come in on exactly that point. The more information about a product that we can put on the label, the better. During the 26th United Nations conference of the parties—or COP26—we ran a very successful campaign on carbon, in which we tried to demonstrate the impact of everything that we buy and the fact that it had a carbon footprint. We received a lot of positive feedback from citizens, because they did not realise what they were buying. Indeed, at the time of COP26, people were asking why there was not more carbon information available when they were buying products. You could extend that to other impacts—say, biodiversity loss, water stress or microplastics. Having more information on the label would absolutely help citizens; indeed, they say so all the time, up front.

One way around that would be, as Jane Beasley has said, to get the businesses that are doing the right thing to use their packaging, their advertising space or whatever to say, "We're not doing that. This is what we're doing instead, and it's good, because it does not have microplastics." Citizens respond to that sort of positive communication, either by buying the product or talking more openly about the issue.

We just need to talk more about the challenges and the opportunities, and whether this sort of thing requires formal legislation on labelling or more voluntary approaches by those who are doing the right thing. Part of our job is to highlight the alternatives out there and make it clear that people can measure the microplastics in their materials and can demonstrate the carbon impacts of materials in a positive light. We need to get that story out.

Kevin Stewart: So it is all about plain, understandable language and messaging.

Iain Gulland: Absolutely.

The Convener: The next question comes from Mark Ruskell.

Mark Ruskell: And it is about the deposit return scheme—a new hope, let us call it.

There is now the potential for an aligned scheme across different parts of the UK. Initially, I am interested in hearing about the role that Zero Waste Scotland has played in this next chapter, the conversations that are being had at a UK-wide level, the development of the scheme, and how the experience in Scotland of coming very close to initiating a scheme has fed into where we are right now. Also, what will be your role in the run-up to 2027—assuming, of course, that the scheme is launched, goes ahead, is not subject to lobbying and being undermined and is eventually successful? I am interested to know how you see your role not just in developing policy, but in providing on-the-ground advice to retailers and the rest of it.

Iain Gulland: We will have a different role this time round, for sure. The liaison with UK Government colleagues has been at officer level. We fed in our insights, our knowledge and our expertise in the run-up to the legislation being passed in Scotland, and we will continue to do that. We do have some experience in this respect—although, obviously, we did not run the scheme—and we will continue to offer that support, if asked.

However, that support will probably be more limited, given that the scheme is being delivered at a UK level and people in the UK Government are

leading on it. As the legislation goes through, we will certainly continue to support the Scottish Government with policy impact assessments and so on, as you would imagine, as well as the committee and the Parliament.

We will also continue to support partners, although it is not clear what that support will look like. As you will know, we did quite intensive work for each local authority on assessing the potential impact of a deposit return system on their collection systems. That work is still available; as you might imagine, it might need to be updated now, because glass will not be included in the UK scheme. I am not clear whether that is something that we will be asked to do; after all, it is the people with responsibility for delivery who are coming to the fore.

11:00

What we are still very much interested in—and what we want to take a very proactive approach to—are the materials that will be collected. Previously, we did a lot of work on what will happen to all the glass bottles, the plastic, the aluminium cans et cetera, and on the economic opportunity for us in Scotland. Even though it will be a UK scheme, we still think that that work is live, and that there is still potential to do something with those materials. They are all going to be aggregated and passed through one system, so there will be an economic benefit. We know that there are companies in Scotland that will be looking for that plastic, and that aluminium, to play it back into their products, and that presents an opportunity for us. That is a key element, and it sits squarely within our role of developing and supporting the circular economy. Indeed, the deputy convener asked about future business opportunities in Scotland.

We will still be very interested in the scheme. Clearly, there is a job to be done in communicating with the wider public as the scheme is rolled out, but that will be up to the new deposit agency—or whatever it is called—which, from last week, has the responsibility for delivery. That agency will have that role, and I am sure that we will be able to offer support to ensure that, when the scheme is launched, everybody in Scotland is ready for it and can access the necessary facilities to allow them to participate. I still think that we have a role, but it is certainly not as central as it was previously.

Mark Ruskell: I have just a couple of follow-up questions. A lot of retailers invested in reverse vending machine facilities; I go past the Aldi in Crieff every week and see the unit with the RVM in it. How much of that has been mothballed and can be brought back, and how much of it is a sunk cost?

Iain Gulland: I know that some of it has been mothballed; I do not have the exact numbers, but some of it was moved—I do not want to say "sold"—to Ireland, on the back of our scheme not going ahead. As the Irish scheme was being rolled out at that time, some of the infrastructure, such as RVMs, was deployed in Ireland and therefore was not wasted.

All of that infrastructure will be deployed again in Scotland, which again presents another opportunity. In fact, one of the areas that we looked at was how we could support the Scottish manufacturing of that infrastructure; it was an opportunity that we had in Scotland, because we were going to be rolling this out first, and the companies that were thinking about not just the manufacturing of the machines but their on-going re-manufacturing, repair and servicing were interested in locating here. That is still an opportunity; those types of service engineers—for want of a better phrase—will be deployed in Scotland, and as you can imagine, we want to harness that opportunity for Scotland, working with other partners, whether they be Scottish Enterprise or local economic agencies. Some shops continue to use the machines voluntarily and donate the money to charity. Some of that equipment is still available for people to use, but it is all going to come back again.

Again, without getting into the intricacies of how the DRS will operate, I would say that there are economic opportunities on the back of it; indeed, some that we analysed the first time around are still there for Scotland. That is probably where we will put our effort and our energy.

Mark Ruskell: As for the advice that you can give, you pointed initially to the cost savings that councils could deliver if they were not collecting heavy glass. What are your thoughts about glass now? I am not aware of the options in the UK-aligned scheme for, say, the Welsh to put glass into their DRS, or not. Is glass completely off the table?

I am just interested in your thoughts about the policy on glass. Has it changed? Are the economic and environmental benefits still there? Is including glass at some point within these schemes still a destination for you, or do you think that the world has moved on?

Iain Gulland: We have not done any further analysis other than the work that we did at the time, which showed that there was a massive environmental benefit and an economic incentive in involving glass as part of the whole scheme. We have no reason to believe that that has changed, but we would have to do further analysis if that was something that the Scottish Government, or the UK Government, wanted to bring forward.

I do not think our position on this has changed. We would still prefer glass to be involved in the system to maximise all the opportunities from an environmental point of view—and potentially an economic point of view, too, given that we have an outlet for that glass in Scotland, particularly when we think about glass production for the whisky industry. We have two such facilities in Scotland.

This was not about trying to find somewhere to do something interesting with plastics or aluminium. We had the infrastructure to support the inclusion of glass, and I still think that there is an economic case to make for Scotland in that respect.

Does that answer your question?

Mark Ruskell: Yes, thanks.

The Convener: Douglas Lumsden has a question.

Douglas Lumsden: It is just a brief question, perhaps for Ciaran McGuigan. Looking at the delivery plan, I noticed a budget line of £490,000 for "Evolve Zero Waste Scotland". What is that?

Ciaran McGuigan: That is, in effect, our corporate change and transformation cost. It is primarily for staff training in the broader sense, and for some very specific work on developing our data architecture and how we manage knowledge and deploy some of our resources digitally. It is about the kinds of corporate activities that touch all parts of the organisation.

Douglas Lumsden: Are you having a reorganisation? Is that what the money is for, or is it a line that is always in the budget?

Ciaran McGuigan: In the three or four years that I have been with the organisation, that sort of line has always been there—I am reminded of the traditional truism of change being the only constant.

The line is for the internal change dimension. The majority of our budget relates to vertical circular economy activities, but we recognise that certain developments—digital developments are quite a good example—are best managed across the organisation as a whole, and the cost of those developments goes into that line.

It is a horizontal line. "Organisation-wide" is probably the best way that I can describe it.

Douglas Lumsden: The figure is £490,000 for this year. Has it always been that, or thereabouts?

Ciaran McGuigan: The short answer is yes-ish. It is connected to how we think about investing for long-term improvement—that is, what we do and how we do it. I guess that it connects with our public service reform agenda and the invest-to-save mindset that that encourages. For those sorts of things, we try to carve out 1 per cent or 2 per cent of our budget—which is what that figure represents—and supplement that with internal resource as we constantly look for improvements in efficiency or effectiveness across the organisation.

Douglas Lumsden: When you become a public body, freedom of information considerations kick in. Have you seen that sort of thing coming through since 1 April? Do you think that that will be a significant cost as you move forward?

Ciaran McGuigan: At this stage, it is probably too early to say what the longer-term on-cost of being a public body is. We have thought about various factors that might add compliance costs; obviously, that is not a complaint, but we must ensure that we understand them and resource appropriately. We have not been setting aside huge sums of money for that at all, and we think that we can absolutely manage it within our standard revenue inflow.

As for your specific question whether we have seen FOI requests happening over the past six weeks or so, I would say no, not particularly. We have always sought to comply with FOI principles, even if we did not have a formal obligation in that respect. Therefore, we have always run a bit of a process, and that has helped us build an industrial-strength process, because we had something to build upon. However, it has not gone beyond the usual levels yet. Who knows? With these sorts of processes, things will no doubt change.

We have not made a long-term decision on what we think is the right size of support that we need. We will work with some of our partner organisations to get an understanding of how they resource these things, and we think that we have the right base for that. Clearly, we will react if we need to, but so far, we have not needed to.

Douglas Lumsden: Thank you.

The Convener: Thanks very much. I am sure that Dominic Fry will take some of that half a million pounds to get rid of TLAs—or three-letter acronyms—so that Mr Stewart does not get upset. I totally agree with him: I, too, get lost with the amount of such acronyms that we have on this committee, and specifically in this area.

I thank the witnesses very much for their evidence this morning. That concludes our session in public, and we will now move into private session.

11:10

Meeting continued in public until 11:26.

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