

The Deposit and Return Scheme for Scotland Regulations 2020 (as amended by the Deposit Return Scheme (DRS) for Scotland Amendment Regulations 2025) and the Deposit and Return Scheme for Scotland (Designation of Scheme Administrator) Order 2025.

Fairer Scotland Duty Summary

Aims and expected outcomes of the proposal

1. The Scottish Government is committed to creating a more circular economy where products and materials are kept in a high-value state of use for as long as possible – maximising resources to benefit the economy and the environment. Material consumption and waste are primary drivers of nearly every environmental problem Scotland currently faces, from water scarcity to habitat and species loss.
2. It is recognised that fresh interventions are needed to bring about the systemic and behavioural change necessary to fulfil these aspirations. The Deposit and Return Scheme for Scotland Regulations 2020 (as amended by the Deposit and Return Scheme for Scotland Amendment Regulations 2025) and the Deposit and Return Scheme for Scotland (Designation of Scheme Administrator) Order 2025 (hereafter referred to as the DRS legislation) will establish a Deposit Return Scheme (DRS) in Scotland and help to support these changes.
3. The DRS forms a key part of the Government's commitment to moving towards a circular economy and playing its part to tackle the climate emergency. A circular economy, based on sustainable consumption and production, is essential to power Scotland's transition to a fair, green and sustainable economy, and critical to meeting our obligations to tackle the twin climate and nature emergencies.

4. In a Joint Policy Statement published in April 2024¹, the Scottish Government alongside the other UK Governments, committed to working together to introduce a UK-wide Deposit Return Scheme in October 2027. In November, the Welsh Government announced that they would not be proceeding with the four nation joint DRS process.² However, the Scottish Government alongside the UK Government and the Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland, have agreed to proceed with DRS on a three-nation basis. The Scottish Government shares an ambition to increase recycling rates of single-use drinks containers to at least 90%, to significantly cut littering, and to expand opportunities to collect and reprocess high quality materials.

5. The main policy driver for the DRS legislation is to promote and secure an increase in recycling of materials, forming part of the Scottish Government's response to the global climate emergency by ensuring the targeted materials are collected in larger quantities and separately to other materials.

6. The primary objectives of a DRS are:
 - I. Reduce littering of drinks containers
 - II. Increase recycling rates of drinks containers
 - III. Increase the quality of recycled material to encourage closed loop recycling and circularity to ensure materials remain in

¹ Defra, 2024. [Deposit Return Scheme for drinks containers: joint policy statement.](#)

² Welsh Government, 2024. [Written Statement: The Development of a Deposit Return Scheme for Wales.](#)

use for as long as possible.

i. Reduce littering of drinks containers

7. A DRS targets consumers' behaviour rather than solely producers or delivery bodies. It instigates wider behaviour change which could have wider effects on society in terms of environmental awareness. A DRS adds a monetary value to the packaging of drinks containers which is proven to reduce littering of drinks containers in nations which have introduced a DRS.

8. The DRS will complement wider policy initiatives to tackle litter in Scotland. The National Litter and Flytipping Strategy³ sets out a refreshed approach to tackling litter and flytipping in order to protect and enhance Scotland's environment; ensure safer and cleaner communities and contribute to a thriving circular economy for Scotland. The recent update in October, the National litter and flytipping strategy: update and year 2 action plan⁴ sets our actions for the next year of the strategy. This includes rolling out an education programme nationally, targeted behaviour-based interventions and continuously improved data collection.

ii. Increase recycling rates of drinks containers

9. It is estimated that the recycling rate for aluminium and steel cans in Scotland is around 74%, and 65% for polyethylene terephthalate

³ The Scottish Government, 2023. [National Litter and Flytipping Strategy](#).

⁴ The Scottish Government, 2024. [National litter and flytipping strategy: update and year 2 action plan](#)

(PET) plastic, including materials sorted from residual waste⁵.

10. Scotland is committed to reducing the impact of plastic waste.⁶

Scotland is a signatory to the Ellen MacArthur Foundation's New Plastics Economy global commitment⁷ to end plastic pollution, both as part of the wider UK and also in its own right as the Scottish Government.

iii. Increase the quality of recycled material to encourage closed loop recycling and circularity to ensure materials remain in use for as long as possible

11. A DRS will ensure that material collected is of a high enough quality to be reprocessed. If scheme containers are returned that do not meet the required quality (i.e. they were contaminated or were not empty) they will not be accepted. This would be the case for both Reverse Vending Machines (RVMs) and manual return points. The consumer would risk losing their deposit until the item was presented meeting quality standards. Therefore, consumers are incentivised to return high quality materials.

12. A DRS enables the separate sorting of drinks containers at source by material as opposed to being collected as part of kerbside services where materials streams are often mixed. This will reduce the level of contamination from other materials and packaging

⁵ Zero Waste Scotland, 2024. [DRS Material Recycling Update](#). Analysis suggests average recycling rates in Scotland for cans ~74% and for PET ~65%. Discounting materials sorted from residual waste, the recycling rate for cans is estimated to be 58%.

⁶ The Scottish Government, 2024. [Managing Waste: New plastics economy global commitment](#).

⁷ Ellen MacArthur Foundation's [New Plastics Economy global commitment](#).

types, and reduce the amount of recycling that is subsequently rejected.

13. A DRS will support Scotland's resource efficiency and circular economy goals by increasing the quality and quantity of recycling for select single-use drink containers. In so doing, the DRS will contribute to the achievement of Scotland's existing circular economy and waste policies and their targets, and will also help to reduce single-use drinks container litter in Scotland's terrestrial and marine environments.

Directorate: Environment and Forestry

Division: Circular Economy

Team: Deposit Return

FSDA

14. The Scottish Government consulted⁸ on a Deposit Return Scheme (DRS) for Scotland in 2018. A separate Fairer Scotland Duty Assessment (FSDA) was not undertaken at that time, however the accompanying Equalities Impact Assessment (EQIA)⁹ took account of wider socioeconomic considerations associated with the introduction of a DRS.

15. A Fairer Scotland Duty Assessment¹⁰ was published in 2019 alongside the proposed regulations and an accompanying Scottish Government statement.¹¹ It built on findings from the interim EQIA, identifying the potential for a DRS to both positively and negatively impact on people affected by low wealth and material deprivation.

16. A further framing exercise was carried out as part of the process of this FSDA by Zero Waste Scotland. The framing exercise identified the same limited number of potential impacts. As a result, a desk-based approach was considered to be appropriate for this iteration of the FSDA and has been used to source and update existing data and evidence.

⁸ The Scottish Government, 2018. [A Deposit Return Scheme for Scotland](#).

⁹ The Scottish Government, 2018. [Deposit Return Scheme for Scotland: Equalities Impact Assessment](#).

¹⁰ The Scottish Government, 2019. [The Deposit Return Scheme for Scotland Fairer Scotland Impact Assessment](#).

¹¹ The Scottish Government, 2019. [The Deposit and Return Scheme for Scotland Regulations 2020: accompanying statement and proposed regulations](#).

17. In 2018, when developing DRS policy, a number of representative groups involved in supporting those experiencing socio-economic disadvantage were contacted to assess the impact of the policy.
18. No new impacts have been identified. However, this FSDA builds upon previous findings, concluding that the introduction of a DRS will impact upon those affected by low wealth and material deprivation.
19. It makes recommendations to minimise the risks of DRS impacting upon those groups of consumers. These include high-quality public communication, and the accessibility of return points.

Background

20. The responsibility for waste and recycling is within devolved competence in the Scotland. Deposit return schemes (DRSs) will be launched in October 2027 covering Scotland and another for England and Northern Ireland. The three governments are committed to delivering DRSs that are as interoperable and as simple as possible for consumers and businesses, whilst achieving the economic and environmental goals of the scheme. As such, the three governments have agreed to jointly launch the DRSs in October 2027. The Welsh Government continues to develop its approach to DRS.

21. The Scottish Government initially announced the design of a Scotland only DRS on 8 May 2019 and published draft Regulations on 10 September 2019¹². The DRS design and Regulations were informed by extensive public consultation, international best practice and engagement with a broad range of stakeholders.

22. In order to move forward with a scheme in conjunction with other parts of the UK, some modification is required to the existing DRS legislation in Scotland. The main changes which impact directly on consumers are:

- Changing the launch date of the scheme from October 2025 to October 2027.
- Removing glass drinks containers from the scope of the scheme.
- Removing mandatory takeback services for scheme articles purchased online.
- Minimum size of container has increased to 150ml from 100ml.
- The scope of return point obligation in retailers is reduced. Groceries retailers must operate a return point at any retail premises in Scotland unless they have an exemption. They are automatically exempt if the retail premises of the groceries retailer has limited retail space (less than 100m²), and is situated in an urban area. A groceries retailer can apply for an exemption from operating a return point if there is an alternative return point within reasonable proximity; or on the grounds that the location, layout, size, design, or construction of the retail premises does not permit, or cannot reasonably be altered to permit, the operation of a return point.
- Designating the scheme administrator and giving it functions, including, setting the deposit level, which may be a variable or flat rate depending on the size of the container.

¹² The Scottish Government, 2019. [The Deposit and Return Scheme for Scotland Regulations 2020: accompanying statement and proposed regulations.](#)

23. There is ongoing support for the introduction of DRS in the UK. In 2021 DEFRA published a consultation¹³ to examine the design of DRS in England, Wales and Northern Ireland. Responses to this consultation continued to show support for the introduction of a DRS in the UK. Supporting those consultation findings, a polling exercise by TOMRA Collection earlier this year (2024) also highlighted strong support for the introduction of DRS across the UK.¹⁴

Final Scheme Design

24. The scheme will include plastic bottles made from PET plastic (the most common type of plastic bottle for products such as fizzy drinks and bottled water), aluminium and steel cans. These will be 'scheme articles'.

25. The final scheme design enables consumers to take the containers from the scheme articles back to, and redeem their deposit from, registered return points.

26. Return points can choose to install reverse vending machines (RVMs) to collect the plastic bottles and cans and return deposits. Alternatively, they will have the option to return deposits over the

¹³ Defra, 2021. [Introducing a Deposit Return Scheme in England, Wales and Northern Ireland.](#)

¹⁴ TOMRA Collection, 2024. [Polling shows strong UK public support for deposit return scheme roll out.](#)

counter, collecting the containers manually.

27. Return points will not be required to accept containers that are broken, soiled or not empty. Where a retailer does not sell a type of drink due to religious belief, they will not be required to accept the return of such drinks containers.

28. Businesses that sell drinks to be opened and consumed on-site only, such as pubs and restaurants, do not have to charge the deposit to their customers and will only be required to retain the containers they sell on their own premises for collection by the SA.

29. As part of the Joint Policy Statement, the three nations agreed to move forward with a DRS which does not include a mandatory requirement for retailers selling drinks online to provide a takeback service for containers. Deposits will be applied to online purchases of scheme containers.

Summary of evidence

30. The proposed DRS is intended to apply across Scotland and does not specifically target particular groups, geographical locations or sections of society. It is, however, important to ensure that the impact on those who experience socio-economic disadvantage is considered. This may be experienced through low income, low wealth, material deprivation, area deprivation or socio-economic background.

31. The Business Regulatory Impact Assessment (BRIA)¹⁵, Equalities Impact Assessment (EQIA)¹⁶ and an Island Communities Impact Assessment (ICIA)¹⁷, have been updated alongside this Fairer Scotland Duty Assessment (FSDA) to reflect proposed changes to the current DRS legislation.¹⁸ The socio-economic outcomes considered in this assessment have links with the potential impacts identified in the EQIA and the ICIA. This document should be read in conjunction with the other impact assessments.
32. The possible impacts of the introduction of a DRS on lower-income households have been assessed based on the available evidence.
33. The introduction of a DRS will result in new associated fees and/or costs for producers and retailers. It is assumed these costs, in whole or in part, will be passed on to the consumer in the retail price of the goods.
34. It is the SA's responsibility to set the producer registration fee, which will be reflective of the costs faced and their revenue streams of unredeemed deposits and material revenue. The recently launched Republic of Ireland scheme 'Re-Turn' has

¹⁵ The Scottish Government, 2025. (Amendment of) the Deposit Return Scheme for Scotland Regulations 2020: [The Business Regulatory Impact Assessment \(BRIA\)](#).

¹⁶ The Scottish Government, 2025. (Amendment of) the Deposit Return Scheme for Scotland Regulations 2020: Deposit Return Scheme for Scotland: [Equality Impact Assessment \(EQIA\)](#).

¹⁷ The Scottish Government, 2025. (Amendment of) the Deposit Return Scheme for Scotland Regulations 2020: [Island Communities Impact Assessment \(ICIA\)](#).

¹⁸ The Scottish Government, 2020. [The Deposit and Return Scheme for Scotland Regulations 2020](#).

published producer registration fees of €0.0125 per can and €0.02 per PET container. Once converted to GBP, and estimating an 83% pass through rate, this could result in £0.009 and £0.014 per can and PET container respectively, above the cost of the redeemable deposit.¹⁹

35. The 2019 FSDA²⁰ included a basic table laying out the likely scale of additional outlay faced by individuals based on the 2020 DRS policy. That scheme design included glass containers and assumed a 20p deposit rate.

36. The removal of glass and the increased minimum size threshold in the DRS legislation mean fewer drinks will now be sold with a deposit. This reduces the initial outlay consumers will be required to make, although this change will predominantly affect households buying glass drinks containers.

37. The SA will determine the deposit level, and while this could be higher than 20p, it could also opt for a lower deposit for smaller containers specifically and/ or for containers sold in multi-packs. This would change the initial outlay required and benefit households buying drinks in these formats.

¹⁹ Defra, 2024. [Introducing a Deposit Return Scheme on beverage containers in England and Northern Ireland Impact Assessment](#).

²⁰ The Scottish Government, 2019. [The Deposit Return Scheme for Scotland Fairer Scotland Impact Assessment](#).

38. It is worth noting that since 2019, inflation has increased since the cost of food and drink. A 20p deposit, would represent a smaller proportion of the weekly grocery shop than was estimated in 2019.²¹
39. The 2019 analysis, suggested that DRS would result in an initial additional outlay of around £1.40 for those individuals falling within the lowest 10% household income group, rising to approximately £1.80 for the second lowest household income decile (as defined by the Office for National Statistics). While this money can be reclaimed, it may be spent on servicing further deposits and so cannot be redirected to other priorities.
40. This forecast assumed that there is high public participation in the DRS and acknowledges it will be more expensive for customers who choose not to, or cannot, redeem their deposits.

The poverty premium and affordability of living costs

41. The existence of a 'poverty premium', where low-income consumers tend to overpay for goods and services has been well-documented. This is noted in the main for energy, communications and insurance, but also for food.^{22,23}

²¹ The Scottish Government, 2019. [The Deposit Return Scheme for Scotland Fairer Scotland Impact Assessment](#).

²² University of Bristol, 2020. [The poverty premium: a customer perspective, Personal Finance Research Centre](#).

²³ Citizens Advice Scotland, 2016. [Paying more to be poor - The poverty premium in energy, telecommunications and finance in Scotland](#).

42. In the case of food, the poverty premium has been linked to the lack of access to large supermarkets to get multi-buy deals or higher delivery charges for small shopping baskets. It has also been noted that foregoing quality goods can be used as a coping strategy for those on low incomes.²⁴ This may mean that low-income households face budget pressures and may be less able to absorb any additional costs where they cannot be avoided.
43. Data from the Scottish Government insight monitor²⁵ shows that 31% of Scottish adults are concerned about the cost of groceries in the coming year. This was highest for those managing less well financially (45%), and those in semi-skilled and unskilled manual occupations; unemployed and lowest grade occupations (42%).
44. The 2021 UK Census has shown that as prices rise, all households are reducing spending on food and non-alcoholic drinks. The poorest fifth of households spend 7% less, while the richest fifth of households spend 14% less.²⁶ Suggesting that households are either consuming less, or where applicable, switching to lower cost or quality alternatives.
45. In the UK, an average 12% of weekly household spend went on food and non-alcoholic drinks in 2022/23 (13% for Scotland), while

²⁴ University of Edinburgh, 2003. [Life in low-income families in Scotland, Centre for Research on Families and Relationships.](#)

²⁵ Public insight Monitor, YouGov 2024. [Public attitudes to cost of living and other topics.](#)

²⁶ Office for National Statistics, 2024. [Family spending in the UK: April 2022 to March 2023.](#)

for the lowest 20 per cent of households by equivalised income it was higher at 14.4%. For households on low income, the upfront spend to pay a deposit may be more significant and present a cash flow challenge, in the early days of the DRS. Low-income households may also be more inclined to purchase lower priced products where the deposit will be a greater percentage of the overall price of the product.²⁷

Low incomes, low wealth and material deprivation

46. It is estimated that 21% of Scotland's population, over a million people each year, were living in relative poverty²⁸ after housing costs in 2020-23.²⁹ Around a quarter of those in relative poverty are children.³⁰ The relative poverty rate for all across Scotland is similar to 2022 however this rate is slightly higher than levels in the past decade.

47. It is estimated that 17% of the population were living in absolute poverty³¹ after housing costs in 2020-23. Before housing costs, 16% of the population were in absolute poverty in 2020-23.³² Increases in the proportion of people living in absolute poverty indicate that prices are rising faster than the incomes of the poorest households.

²⁷ Kantar on behalf of Defra, 2019. [Research to inform the design of an effective deposit return scheme-England-Final report](#).

²⁸ Relative poverty is defined as: Individuals living in households whose equivalised income is below 60% of UK median income in the same year.

²⁹ The Scottish Government, 2024. [Poverty and Income Inequality in Scotland 2020-23](#).

³⁰ Joseph Rowntree Foundations, 2023. [Poverty in Scotland 2023](#).

³¹ Absolute poverty is defined as: People living in households whose equivalised household income is less than 60% of the UK median in 2010/11, adjusted for inflation.

³² The Scottish Government national statistics, 2024. [Poverty and Income Inequality in Scotland 2020-23](#).

48. Citizens Advice Scotland has found evidence of a “poverty premium” among low-income households.³³ This suggests that individuals struggling to afford food due to rising prices, particularly towards the end of the month, might have less money to spare on non-essential items. It is not unreasonable to consider the cost of a deposit could also fall into a similar bracket.

49. According to the 2022³⁴ household survey, 11% of those aged 16-34 and 12% of 35-59 years old said they are not managing well financially. These low-income groups have the potential to be adversely impacted by the initial upfront cost of deposits for in-scope container purchased.

50. Average equivalised household disposable income across the UK, by age group of the adult in the household with the highest gross income for 2021/22 was lowest in the 16-24 age group (£27,596 per year), followed by those aged +65 (£31,085 per year). With disposable income for other age groups ranging from £37,584 (55-64) to £40,926 (25-34). This shows that the youngest and oldest are most likely to have the least disposable income.³⁵

51. Poverty rates remain higher for households in which somebody is disabled compared to those where no-one is disabled. Scottish

³³ Citizens Advice Scotland, 2016. [Poverty Premium in Scotland For Citizens Advice Scotland.](#)

³⁴ The Scottish Government, 2023. [Scottish Household Survey.](#)

³⁵ Office for National Statistics, 2022. FOI request. [Household disposable income by age group 2022.](#)

national statistics show that in 2020 -2023 24% of households where a household member is disabled are more likely to be in relative poverty compared to 18% of households where no one is disabled.³⁶

52. The poverty rate has been consistently higher for LGBT+ adults compared to heterosexual adults since this category was first assessed in 2011-14. In 2020-23, 25% of LGBT+ adults were in poverty, compared to 19% of heterosexual adults and 21% of adults whose sexual orientation was not known.³⁷

53. In 2018-23, people from minority ethnic (non-white) groups were more likely to be in relative poverty after housing costs compared to those from the 'White - British' and 'White - Other' groups. The relative poverty rate was 50% for the 'Asian or Asian British' ethnic groups and 51% for 'Mixed, Black or Black British and Other' ethnic groups. The relative poverty rate amongst the 'White - Other' group was 22% and that of the 'White - British' group was 18%.³⁸

54. The mean equivalised household disposable income, across the UK, by ethnicity for 2019/21 was lowest in the Black African, Black Caribbean and Black Other ethnic group categories (£31,633 per year). Mixed (£33,886 per year) and Other (£35,916 per year) ethnic groups were the next lowest, with Asian (£36,454 per year)

³⁶ The Scottish Government, 2024. [Poverty and Income Inequality in Scotland 2020-23](#).

³⁷ Office for National Statistics, 2022. FOI request. [Household disposable income by age group 2022](#).

³⁸ The Scottish Government, 2023. [Scottish Household Survey](#).

and White (£36,660 per year) having the highest disposable income.³⁹

55. In 2018-23, Muslim adults were more likely to be in relative poverty (61%) than adults overall (19%), after housing costs were taken into account. For adults belonging to the Church of Scotland, 16% were in relative poverty after housing costs (160,000 adults each year), compared to 17% of Roman Catholic adults (90,000 adults) and 21% of adults of other Christian denominations (70,000 adults).⁴⁰

56. These low-income groups have the potential to be adversely impacted by the increased costs of scheme containers. However, if consumers engage with the scheme, returning the containers and redeeming their deposit, the net impact should be minimal.

Rural communities

57. A 2021 Scottish Government report estimated that the minimum cost of living in 'remote rural' Scotland is between 15% and 30% higher than urban parts of the UK.⁴¹ The research suggests that this is on account of significant additional costs, such as food, clothing, household goods and travel.

³⁹ Office for National Statistics, 2022. [Household disposable income and energy expenditure by ethnicity, 2019-2021](#).

⁴⁰ National Statistics Annual Update, 2023. [Poverty and income inequality in Scotland: 2019-2022](#).

⁴¹ The Scottish Government, 2021. [The Cost of Remoteness. Reflecting higher living costs in remote rural Scotland when measuring fuel poverty](#).

58. The costs for food and drinks were higher for both remote rural (2-4%) and islands (5-13%) across all households. The highest impacts were observed for families and single pensioners living either remote rural or on islands.⁴²

59. Research carried out to inform the development of the DRS identified that those in rural areas in England were less likely to purchase their cans (78%), from a large or mini supermarket than those in urban areas (86%). Those in rural areas tended to rely on other shops or online shopping.⁴³ Those in rural areas who use online shopping considered they may find it more inconvenient to return containers, and some thought they may not bother and would therefore not be able to redeem their deposit.

60. It is likely, that some households in rural Scotland require a higher income to attain the same minimum living standard as those living elsewhere in the UK.⁴⁴ While living in rural areas in Scotland incurs additional costs, it is unclear how people living in these areas would be impacted by the introduction of a DRS at this time.

Reduced littering

61. The Scottish Household Survey 2022 identified that those living in the 20% most deprived areas were more likely to say

⁴² The Scottish Government, 2021. [The Cost of Remoteness. Reflecting higher living costs in remote rural Scotland when measuring fuel poverty.](#)

⁴³ Systra on behalf of Defra, 2021, [Quantifying and Exploring the Potential Impact of a Future Deposit Return Scheme.](#)

⁴⁴ Scottish Government, 2021. [Poverty in Rural Scotland: a review of evidence.](#)

neighbourhood problems, such as litter and graffiti, were ‘common’ than those in the least deprived (72% compared with 39%).⁴⁵ This was further supported by the Scottish Litter Survey in 2023.⁴⁶ Those living in less affluent areas are significantly more likely to view litter as a problem locally. 83% of those in the least affluent neighbourhoods viewed litter as a problem locally. This compares to 56% in the most affluent areas.

62. In the report ‘How Clean Are Our Streets?’⁴⁷, ‘poorer litter outcomes’ (more significant presence of litter) are more prominent in urban based local authority areas, with 14% of sites significantly impacted by litter compared to 6% in rural-based local authority areas. Furthermore, in areas of highest deprivation, close to a quarter of sites (23%) recorded a significant presence of litter compared to only 3% in the areas of least deprivation.

63. In 2024⁴⁸, across Scotland 87% of people agreed that litter is a problem, with 43% believing that litter in general has increased in their local area in the past year. The most common types of litter identified were food containers (71% of respondents), plastic drinks bottles (66%), cigarette butts (65%) and drinks cans (63%).

64. The implementation of DRS should bring considerable benefits with respect to reduced littering and increased recycling of high-quality materials. This represents a positive impact for those most likely to

⁴⁵ Scottish Government, 2023. [Scottish Household Survey 2022: Key Findings](#).

⁴⁶ Keep Scotland Beautiful, 2023. [Scottish Litter Survey \(2023\), Tracking public perceptions and attitudes towards litter and littering behaviour](#).

⁴⁷ Keep Scotland Beautiful, 2023. [How Clean Are Our Streets? 2022/2023](#).

⁴⁸ Keep Scotland Beautiful, 2024. [Scottish Litter Survey \(2024\), Tracking public perceptions and attitudes towards litter and littering behaviour](#).

be negatively impacted by litter disamenity. Additionally, local authorities are likely to benefit from reduced litter clean-up costs.⁴⁹

Summary of assessment findings and mitigations

65. Based on the evidence gathered, the introduction of a DRS has the potential to impact on those experiencing socio-economic disadvantage. The designated SA will establish the necessary collection infrastructure to ensure maximum participation in the scheme. This includes ensuring sufficient provision of return points.

66. However, the designated SA must carry out a review of the operation of all return points in Scotland once established, including:

- a. the number of return points,
- b. the location of the return points, and in particular whether consumers have reasonable access to at least one return point,
- c. whether there is sufficient access to return points for persons living in villages and rural areas and on islands.

67. The proposed SA candidate for DRS in Scotland, UK Deposit Management Organisation Limited, has committed in its application to continuous improvement in ensuring equality of access of the DRS.

⁴⁹ Zero Waste Scotland, 2017. Online article accessed November 2024. [11 Facts About Litter in Scotland | Zero Waste Scotland](#).

68. The SA candidate has pledged to provide a DRS that has sufficient coverage for consumers in both urban and rural areas whilst ensuring its network is efficient.
69. The SA candidate will also consider encouraging community collection points which could provide accessible locations for returns and increase return rates for consumers, particularly in rural areas. These have proved popular with consumers taking part in the scheme in the Republic of Ireland.
70. Non-retail spaces will also be able to register with the SA to be able to act as voluntary return points. For example, hospitality venues, food-to-go stores, schools and community centres can choose to host a return point.
71. Return points will be able to operate both manual and automated take-back arrangements, thereby removing a potential obstacle to the participation of smaller retailers who may not be in a position to accommodate a large RVM.
72. A clear communications campaign will be key to ensure that consumers understand the benefits of DRS and can fully participate in the scheme. The SA candidate has committed to launching targeted public awareness campaigns to educate consumers on the location of return points, and how to engage with the scheme to obtain a refund of deposits.

73. The Scottish Environment Protection Agency (SEPA) – the environmental regulator - will monitor the designated SA’s compliance with obligations as set out in the DRS regulations. The SA will submit operational plans, detailing how they plan to manage the scheme. This includes reviewing the return point network, the collection of drinks containers, and ensuring it meets collection targets amongst other regulatory obligations.
74. This combination of mitigations should minimise the impact of DRS on specific groups of consumers who experience socio-economic disadvantage.
75. Scottish Ministers are clear that DRS should deliver maximum economic and societal benefits for Scotland. An efficient and well-used DRS will deliver an aggregated and high-quality feedstock of recyclate, offering the potential to bring investment in the required infrastructure to deliver the scheme.
76. It should be noted that there is a potential overlap between those with protected characteristics considered within the EQIA⁵⁰ who are also experiencing socio-economic disadvantage. This can result in individuals experiencing cumulative impacts from the planned policy proposal.⁵¹

⁵⁰ The Scottish Government, 2025. (Amendment of) the Deposit Return Scheme for Scotland Regulations 2020: Deposit Return Scheme for Scotland: [Equality Impact Assessment \(EQIA\)](#).

⁵¹ Systra on behalf of Defra, 2021. [Quantifying and Exploring the Potential Impact of a Future Deposit Return Scheme](#).

Decision

77. At this stage, it is considered that the positive environmental impact that the proposal will deliver outweighs any identified potential impacts on those experiencing socio-economic disadvantage.
78. The Scottish Government along with the UK Government and DAERA will monitor the implementation and delivery of DRS under the three-nation DRS Project Board. We will use this mechanism to monitor and review this FSDA and the impact on those experiencing socio-economic disadvantage.
79. The findings and evidence gathered from this and other related FSDAs will be maintained and updated as necessary to support future related Circular Economy and Waste Route Map (CEWRM) action impact assessments.

Sign off

David McPhee

Deputy Director Circular Economy

Date: 17 April 2025



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