

Single-Use Disposable Beverage Cups Charge:

Island Communities Impact Assessment Report: Pre-Consultation Interim Report

August 2024

Contents

1. Introduction	3
2. Step one – Develop a clear understanding of your objectives.....	3
3. Step two – Data and stakeholders	6
4. Step three - Consultation	7
5. Conclusions.....	7

1. Introduction

This document was completed in conjunction with the Island Communities Impact Assessment (ICIA) Guidance. The guidance sets out a seven-step process to help policy makers assess and take into account the impact a policy, strategy or service may have in island communities in Scotland.

The development of impact assessments is an iterative process and should be updated and referred to throughout the development of a policy, strategy or service. This version of the ICIA report has been prepared to accompany the public [‘Consultation on Charging for Single-Use Disposable Beverage Cups’](#). It considers steps one, two and three of the Scottish Government guidance and will be updated as the policy development process progresses. Further information on these and subsequent steps, as well as the importance of ICIA’s can be found on the Scottish Government [website](#).

The Islands (Scotland) Act 2018 places a duty on the Scottish Ministers and other relevant authorities, including a number of public authorities, to have regard to island communities in exercising their functions. For the Scottish Ministers, this includes the development of legislation. This duty is often referred to as ‘island-proofing’.

An ICIA must align with the requirements of the Islands Act, namely to:

- (i) describe the likely significantly different effect of the policy, strategy or service (as the case may be) on island communities, and
- (ii) assess the extent to which the authority considers that the policy, strategy or service (as the case may be) can be developed or delivered in such a manner as to improve or mitigate, for island communities, the outcomes resulting from it.

2. Step one – Develop a clear understanding of your objectives

What are the objectives of the policy, strategy or service? What are the intended impacts/ outcomes and how do these potentially differ across the islands?

A priority in a more circular economy is to avoid unnecessary waste and use fewer resources. In recent years, there has been a significant increase in the use of single-use disposable beverage cups, and it is estimated that 388.7 million single-use disposable beverage cups were placed on the market in Scotland in 2021-22. This equates to 71 single-use disposable beverage cups per capita per year, one of the highest compared to European Union nations¹. Within this report it is estimated that around 62% of these items were used for hot drinks and 38% for cold beverages.

The Circular Economy (Scotland) Bill, passed unanimously by the Scottish Parliament in June 2024, gives Scottish Ministers new powers to require suppliers of single-use items to charge a minimum amount for such items, through the

¹ [Consumption of Single-use Disposable Beverage Cups in Scotland \(Report\), Zero Waste Scotland, 2022](#)

introduction of a new section 87A into the Climate Change (Scotland) Act 2009², with the policy aim of reducing consumption and therefore reducing the environmental harm caused³. The Scottish Government intends that an early use of such powers will be to introduce a minimum charge on single-use disposable beverage cups. This is in line with our draft Circular Economy and Waste Route Map which includes 'reduce and reuse' as one of the four strategic aims, with a commitment to introduce a charge on single-use disposable beverage cups by the end of 2025.

This interim report is published alongside a consultation document setting out our proposals for how a minimum charge on single-use beverage cups would look. In that document we propose that:

- a charge of at least 25p should apply to all single-use beverage cups when an individual buys a drink of any kind, to maximise coverage and ensure the charge is easily understood;
- the charge will apply regardless of cup material, and therefore would include cups made of biodegradable material or bio-based plastics. While it can be argued that these are more sustainable than traditional plastics, they are still single-use and present their own sustainability challenges including a lack of recycling infrastructure and frequency of littering;
- that there will be a limited number of exemptions based on purpose or setting, for instance in schools and when a drink is bought from a vending machine;
- retailers should be able to retain reasonable implementation costs from the charge, in line with the approach taken for the single use carrier bags charge; and that net proceeds of the charge should be used for the advancement of environmental protection or improvement, or to any other purposes that may be reasonably regarded as analogous.

This approach aligns with the Scottish Government's commitment to keep pace with or exceed the EU Directive on single-use plastics (Single-Use Plastics (SUP) Directive - Directive (EU) 2019/904) where able to do so and in a manner that contributes towards maintaining and advancing standards⁴. Article 4 (consumption reduction) of the Directive requires necessary measures to be taken to achieve an ambitious and sustained reduction in the consumption of single-use plastic cups for beverages (and food containers). Under the Single-use Plastic Products (Scotland) Regulations 2021, a ban on some of the most problematic items, including single-use cups made of expanded polystyrene (EPS), came into force in Scotland in June 2022.

To support the development of a single-use disposable beverage cups charge, the Scottish Government established the Single-Use Disposable Cups Charge Advisory Group to provide advice and expertise on development of a minimum charge on single-use beverage cups⁵. The group undertook further stakeholder engagement to gain more insight into key issues, and commissioned a research paper 'Consumption

² [Climate Change \(Scotland\) Act 2009](#)

³ [Circular Economy \(Scotland\) Bill](#)

⁴ [European Union \(2019\) Directive \(EU\) 2019/904 of the European Parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment \(Text with EEA relevance\)](#)

⁵ [Single-Use Disposable Cups Charge Advisory Group, Scottish Government](#)

of Single-use Disposable Beverage Cups in Scotland'⁶. The paper was published in June 2023 and lays out single-use disposable beverage cup usage in Scotland, potential impact of a charge, as well as international examples of alternative reusable cup schemes.

This builds on the work of the Expert Panel on Environmental Charging and Other Measures (EPECOM) which reported on single-use beverage cups in 2019⁷. The Panel concluded that:

“Environmental charges, notably price-based interventions, have been shown to be effective at reducing consumption and should be considered in tandem with other preventative measures. The Panel believes that a charge is more effective at reducing consumption and increasing reusable cup use than a disposable cup discount”⁸.

Loss aversion theory shows individuals have a higher sensitivity to potential losses than to gains⁹. This would mean that charging for products has a stronger impact on behaviour change than offering a discount.

The Scottish Government seeks to make regulations requiring suppliers of single-use disposable beverage cups to charge a minimum amount for these items. The policy aim is to reduce consumption, and therefore reduce the environmental harm caused. This will support the overall ambition to tackle our throwaway culture by avoiding unnecessary waste and to use fewer resources. This aligns with a wider ambition to promote reusable alternatives as part of the shift towards a circular economy in Scotland.

The proposed charge is intended to apply across Scotland and does not specifically target particular groups, geographical locations or sections of society. It is, however, important to consider that the charge may impact people and locations differently. Further information on the proposed charge can be found in the [consultation document](#).

Methodology

Prior to consultation, a preliminary scoping workshop was conducted by Zero Waste Scotland and the Scottish Government’s Circular Economy Division and the Islands Policy Unit. The workshop identified a limited number of potential impacts and so a proportional desk-based approach was taken to source existing data and evidence.

Summary of activities:

- Framing workshop: Zero Waste Scotland and Scottish Government discussion, as noted above.

⁶ [Consumption of Single-use Disposable Beverage Cups in Scotland \(Report\), Zero Waste Scotland, 2022](#)

⁷ [Environmental charging and other measures: expert panel, Scottish Government](#)

⁸ [Single-use disposable cups: EPECOM recommendations, Scottish Government, 2019](#)

⁹ [How Incentive Framing Can Harness the Power of Social Norms. Organizational Behaviour and Human Decision Processes, Lieberman, A., Duke, K., & Amir., O., 2019](#)

- Evidence-gathering: quantitative and qualitative data and evidence were sourced, including evidence from existing large Scotland- and UK-level surveys and evidence from other relevant policy impact assessments.

3. Step two – Data and stakeholders

This section describes the potential impacts identified that could have a significant impact on islands which is different from what can be expected on the mainland. Island rurality can exacerbate any inequality already experienced on account of protected characteristics, such as age and disability, (see the '[Equalities Impact Assessment](#)') or those experiencing socio-economic disadvantage (see the '[Fairer Scotland Duty Assessment](#)').

Three potential impacts were identified at this stage and are explored in more detail below:

- Cost;
- Transient populations; and
- Waste management (potential positive).

There may be mitigation measures for any potential impact, this will form part of the engagement with island communities during consultation.

It is also unclear how data differs between islands, this will also form part of further considerations during the consultation period and stakeholder engagement.

Cost

A Scottish Government report from 2021 estimated that the cost of living in rural Scotland including the islands, is between 15% and 30% higher than urban parts of the UK¹⁰. The budgets that households need to achieve a 'minimum acceptable living standard' in remote rural Scotland are typically 10-40 per cent higher than elsewhere in the UK¹¹. At this stage, it was considered that any potential impact was unlikely to be an issue that was significantly different for island communities, although as noted above, we do recognise that the cost of living is generally higher in island communities.

The charge is avoidable by using a re-useable cup, either one that an individual owns themselves or one which is supplied by the retailer. It should be noted that this is dependent on the way in which retailers implement the charge and consultation analysis will help to inform any regulations and guidance linked to this.

Transient populations

Many island communities have large transient populations linked to tourism, often with large numbers of visitors during the summer months¹². Other examples include

¹⁰[The Cost of Remoteness, Reflecting higher living costs in remote rural Scotland when measuring fuel poverty, Scottish Government, 2021](#)

¹¹[A Minimum Income Standard for Remote Rural Scotland, Summary and key findings, Highlands and Islands Enterprise, 2013](#)

¹² [Visit Scotland, Regions, Research and insights on regions across Scotland](#)

where island communities host specific events, for example the Tiree Music Festival, where the number of attendees is three times the population of the island¹³.

The use of reusable beverage cups by visitors to islands is not known. Assuming visitors to the islands are less likely to have a reusable cup with them and they are more likely to use hospitality businesses, net proceeds raised from a charge on single-use disposable beverage cups could be invested in environmental causes within island communities, providing a positive impact to those communities.

Little is known about the number of single-use disposable beverage cups used in these island locations, and how any potential impacts from their use differ significantly from the mainland. Given this, we intend to engage with island community representatives during the consultation period.

Waste management

Islands communities face unique challenges around waste management due to logistical issues and the increased distances involved. As the aim of the policy is to reduce the number of single-use disposable beverage cups, any reduction in these items, and the amount of litter they cause, has the potential to reduce island waste management costs. Particularly if this requires waste to be shipped off the island for disposal elsewhere. The total potential savings are uncertain and potentially marginal but there is the potential for there to be a positive waste management island impact via this proposed policy.

4. Step three - Consultation

This interim Island Community Impact Assessment report has been produced to help inform the formal consultation for the proposed charge on single-use disposable beverage cups. It has explored several island-related topics in relation to the introduction of a charge for these items. However, it is recognised that engagement with island representatives is essential to fully understand the island context, and if any of the impacts identified above require further consideration within the design of the proposed policy. We are also aware that there may be other impacts, either positive or negative, which have not been identified. As such, we intend to engage with island community representatives during the consultation period.

Following feedback during consultation, this interim ICIA will be updated following the approach set out in the ICIA guidance.

5. Conclusions

This ICIA has identified three potential issues: cost; transient populations; and waste management (potential positive).

Of the potentially adverse impacts, we do not believe the issues related to cost or transient populations will have a more significant impact on islands than what can be expected on the mainland. However, we welcome further views on these and any other potential issues, during the consultation phase.

¹³ [Tiree Music Festival 2016: Visitor Survey and Economic Impact Report, Tiree Music Festival, 2016](#)



© Crown copyright 2024



This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-83601-549-9 (web only)

Published by The Scottish Government, August 2024

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS1473778 (08/24)

W W W . g o v . s c o t