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Submitted via Citizen Space

Charging for single-use disposable beverage cups

About us

Consumer Scotland is the statutory body for consumers in Scotland. Established by the Consumer Scotland Act 2020, we are accountable to the Scottish Parliament. The Act defines consumers as individuals and small businesses that purchase, use or receive in Scotland goods or services supplied by a business, profession, not for profit enterprise, or public body.

Our purpose is to improve outcomes for current and future consumers, and our strategic objectives are:

- to enhance understanding and awareness of consumer issues by strengthening the evidence base
- to serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors
- to enable the active participation of consumers in a fairer economy by improving access to information and support

Consumer Scotland uses data, research and analysis to inform our work on the key issues facing consumers in Scotland. In conjunction with that evidence base we seek a consumer perspective through the application of the consumer principles of access, choice, safety, information, fairness, representation, sustainability and redress.

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Consumer principles

The Consumer Principles are a set of principles developed by consumer organisations in the UK and overseas.

Consumer Scotland uses the Consumer Principles as a framework through which to analyse the evidence on markets and related issues from a consumer perspective.

The Consumer Principles are:

- Access: Can people get the goods or services they need or want?
- Choice: Is there any?
- Safety: Are the goods or services dangerous to health or welfare?
- Information: Is it available, accurate and useful?
- Fairness: Are some or all consumers unfairly discriminated against?
- Representation: Do consumers have a say in how goods or services are provided?
- Redress: If things go wrong, is there a system for making things right?
- Sustainability: Are consumers enabled to make sustainable choices?

We have identified choice and information as being particularly relevant to the consultation proposal that we are responding to.

Question 1. What would you consider a reasonable minimum price for a single-use disposable beverage cup, which is visible and separate to the price of the drink, to meet the aims of the scheme: to reduce the use of these items towards reusable alternatives?

Don't know

Question 2. Please provide reasons for your answer to question 1

Consumer Scotland supports the proposal to introduce a charge for single-use disposable beverage cups. The introduction of such a charge has the potential to have a significant impact on the number of single-use cups used in Scotland. Currently an estimated 388.7 million single-use cups are used in Scotland each year.¹

We note the Expert Panel on Environmental Charging and Other Measures research referenced in the consultation document which suggests that a £0.20 - £0.25 charge which is separate to the price of the drink, and visible to the consumer, could encourage behaviour change in 49% of the population.²

Consideration should be given to the future trajectory for the charge. In particular, we would welcome clarity on whether the charge will stay static or rise in line with inflation. This should be clearly communicated to avoid consumer confusion and allow businesses to forward plan for the impact of the charge. The implementation of the charge, including timings and communications strategy, must be clearly thought out. There is a need to focus on ensuring consumer understanding and to facilitate engagement and compliance from business. This is particularly important as consumers, and small businesses, will be faced with a range of changes arising from legislation such as Extended Producer Responsibility (EPR) Regulations, the Deposit Return Scheme and other circular economy measures associated with recycling and reuse. It is important that the purposes and benefits of these measures and their overall aims, are clearly understood.

Creating the right framework that enables consumers in Scotland to take action higher up the waste hierarchy and enables them to make changes to the way in which they consume resources will be a key part in achieving net zero targets. Tackling overconsumption and excess production by reducing use of raw materials and resources and promoting sustainable choices will be crucial to making a successful transition to a circular economy.

In tandem with other measures, the introduction of environmental charges has the potential to support consumers to understand the impact of product choices and allow them to make purchasing decisions which align with their sustainability preferences. However, it is important to acknowledge that charges placed on single-use items are only one part of the solution. Facilitating greater consumer awareness and engagement with reducing consumption of single-use items through sustained behaviour change campaigns will also be crucial.

It will also be important to work with manufacturers to continue progress in the development of sustainable products, for example through more research into understanding alternative materials which can replace single-use items, providing incentives to manufacturers to find solutions and exploring technological advances. Developments such as this would remove the need for end consumers to choose more sustainable options, by simply removing the less sustainable options from the supply chain.

Research conducted on behalf of Consumer Scotland has shown that consumers are concerned about climate change, with 76% of respondents to our most recent survey stating that they are either 'very' or 'fairly' concerned about climate change.³ Despite this reported concern, our research found that consumers are unclear about how the journey to net zero will be achieved and how their actions can contribute to meeting climate targets, with only 28% of respondents to our most recent survey saying that they know a lot or completely what they need to do to help Scotland reach net zero by 2045.⁴

Our research found that cost, convenience and accessibility are key barriers to consumer behaviour change. Although many consumers express concern about climate change, this is not resulting in action that meets the pace and scale of change that is required. While more than half (52%) of respondents to our survey research stated that they are very/somewhat likely to change their purchasing behaviour in the next year as a result of environmental concerns, only 10% of respondents stated they were very likely to do so.⁵

Our research asked consumers if their purchasing behaviours had been influenced by the material or packaging of a product in the last year. Over half (54%) of respondents reported that the material or packaging of a product had influenced their purchasing behaviours in the last year.⁶ The specific behaviour reported was split fairly evenly between the three choices provided:

- Avoiding buying products containing non-recyclable / single-use plastics in either the product or packaging (36%)
- Choosing to buy a product based on whether its packaging was reusable and recyclable (35%)
- Choosing to buy a product based on the environmental impact of the materials of the product itself (27%).⁷

When asked about their reasons for avoiding buying products containing non-recyclable/single-use plastic in the last year, the most common reasons given by respondents who did this were: the potential for it to end up in landfill (65%), it taking a long time to decompose (55%) and its contribution to ocean pollution (51%).8 30% of respondents stated that they avoided buying non-recyclable/single use plastic in the last year because single-use plastic contributes to carbon emissions.9

Our research also provided some findings on consumer behaviours relating to the use of reusable cups. When asked if they had completed any of a number of listed behaviours in the past year, 62% of respondents to our survey reported that they bring a reusable cup

away from home. Only 48% of those who reported bringing a reusable cup when away from home state that they do so for environmental reasons, ¹⁰ consisting of 31% who stated that environmental concerns were the main reason and 17% who stated that it was a secondary reason. ¹¹ Our survey asked those who did not report doing so what stops them from doing this. The most frequent reasons were 'I hadn't thought about it' (36%), 'too much hassle' (19%) and 'doesn't appeal to me' (15%). ¹²

Our previous research has also shown some willingness for consumers to accept charges for single-use items, with more than half of respondents (53%) to our 2023 survey supporting more tax being charged and paid for products which can't be repaired or recycled.¹³

Our research shows that despite a high level of concern about climate change, consumers are unsure about what they need to do to help Scotland reach net zero. Current levels of action are not sufficient to meet the levels of behaviour change that will be required to transition to a circular economy and to reach net zero. The Climate Change Committee has estimated that over 60% of the emissions reductions that will be needed to meet net zero will be predicated on some kind of individual or societal behavioural change. The measures set out in this consultation paper have the potential to enable consumers to move higher up the waste hierarchy and towards more sustainable purchasing choices.

Question 3. Alternatively, Scottish Ministers could require suppliers to charge in regulations but leave it up to suppliers to choose the price they charge for a single-use beverage cup.

This approach would be supported by guidance provided by the Scottish Government. This is similar to the approach taken in the Netherlands. Do you prefer this approach?

Don't support

Question 4. Please provide reasons for your answer to question 3

In line with the Consumer Principles of information and choice, we have concluded that this option would not result in better outcomes for consumers.

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This alternative approach may result in a lack of clarity and transparency for consumers, restricting their ability to make an informed purchasing decision and causing potential detriment, particularly for consumers in vulnerable circumstances. Information provided to consumers and businesses must deliver clarity, consistency and certainty. Charges for single-use items should be clear for consumers and information relating to charges should be made accessible, transparent and avoid unnecessarily complicated language in order to support consumers to understand the change. We consider that a fixed charge is likely to deliver greater price transparency and be more likely to comply with legislative requirements in relation to pricing. The Scottish Government should also engage with those with enforcement responsibilities in relation to pricing, to ensure these legislative requirements are considered.

This approach may also cause potential detriment to consumers when considering the Consumer Principle of choice. Some consumers, particularly those in remote rural areas, may have access to fewer choices of retailer. This reduced choice could result in these consumers being disproportionately affected if the retailers who are available to them elect to set higher charges.

Question 5. Do you agree the proposed exemption for single-use cups sold in schools is appropriate?

No response

Question 6. Do you agree the proposed exemption for drinks sold from vending machines is appropriate?

No response

Question 7. Do you agree the proposed exemption for settings where a reusable cup is not practical is appropriate?

No response

Question 8. Do you think there should be other exemptions?

It is important that any exemptions fully consider the impact on consumers, in particular the need to prevent disproportionate harm being caused to consumers in vulnerable circumstances.

Information about exemptions must be clear and well communicated to consumers and businesses to avoid confusion or detriment being caused. Businesses should be provided with clear information about all exemptions in sufficient detail and with enough time to allow them to plan for the implementation of the charge. We also note that the creation of exemptions must be handled carefully in order to reduce the risk of creating loopholes or adding additional administrative complexity and costs, the burden of which may ultimately be borne by consumers.

Question 9. Where do you believe the funds generated from the charge should be directed?

Whatever decision is made regarding funds generated from the charge, this information must be clearly communicated to consumers. This communication should also highlight any co-benefits that will come from the use of the charge, for example funding for environmental causes, reducing litter and improving green spaces, other community benefits or development of alternative products.

Our research has shown that cost and convenience remain the key factors that drive consumer purchasing decisions. When consumers take sustainable actions, these are often more influenced by ease and cost than by environmental benefits. Highlighting the cobenefits of the charge, such as saving money, or improving local amenities, has the potential to support consumers to fully understand and engage with the charge. With our research finding that sustainability itself is not always a central consideration driving consumer purchasing decisions, highlighting co-benefits has the potential to be a way to change the behaviours of consumers who are less likely to be influenced by sustainability alone as a motivating factor.

Questions 10 – 14 for supplies of single use cups only

<u>Question 15. Please provide any further information or evidence that should be considered in the accompanying interim Equalities Impact Assessment</u>

It will be important to avoid potential detriment to consumers who are on low incomes or in vulnerable circumstances as a result of the introduction of the charge. We welcome the commitment to further targeted engagement during the consultation period to clarify potential impacts on those with disabilities.

We welcome the commitment in the Equalities Impact Assessment to prioritising accessible and inclusive communication as part of implementation plans, in order to support high levels of participation and understanding around the charge.

There is a need for greater clarity and understanding about the impact of the charge on those at risk and the targeted interventions and mitigations that may be required to protect consumers in vulnerable circumstances from detriment as a result of the charge. Consideration must be given to the need for accessible and affordable sustainable alternatives to be available to consumers that fit their needs.

<u>Question 16. Please provide any further information or evidence that should be considered</u> in the accompanying interim Fairer Scotland Assessment

We welcome the suggestion that potential issues should be explored further during the consultation period. It is important that this consideration includes the potential for any inequalities of outcomes in relation to the proposed charge and how accessible the use of a reusable cup is for lower income households. We also welcome the Scottish Government's intention to conduct further work to assess impacts for disabled consumers and those in rural and island areas.

<u>Question 17. Please provide any further information or evidence that should be considered in the accompanying interim Island Communities Impact Assessment</u>

No response

Question 18. Please provide any further information or evidence that should be considered in the accompanying interim Business and Regulatory Impact Assessment

It is important that small businesses are provided with the right kind of information and support at the right time to ensure that they are not disproportionately impacted. As part of this, there is a need for clarity and consistency of messaging and policies to allow businesses to plan and make decisions.

Consideration should be given to the business impact, including businesses having to fill a reusable cup that has not been adequately cleaned and the potential higher health and safety risks associated with this. To mitigate against risks to staff health, businesses may choose to provide cleaning facilities, however this will have an associated cost which may then be passed on to consumers. This risk and potential cost should be considered by the Business and Regulatory Impact Assessment. This is of potentially greater relevance to small

businesses who are less likely to generate a large amount of revenue from the charge which could help to fund the cost of making changes to existing facilities.

We note that there are no proposals for reporting requirements, in an effort to reduce the administrative burden on businesses. We would welcome more information about the monitoring process. Monitoring has a key role to help ensure that there are no unintended consequences and that certain groups, including small businesses, are not disproportionately impacted by the charge.

Businesses providing a reusable cup for consumers as a form of deposit return scheme has the potential to remove some of the barriers to behaviour change, such as consumers being unable or unwilling to carry their own cup. There would be benefit to providing support to facilitate local businesses working together to provide regional or area based solutions to reducing single use cups.

<u>Question 19. Please provide any further information or evidence that should be considered in the accompanying interim Strategic Environmental Assessment</u>

Consistent interpretation of measures is important, and consideration should be given to what constitutes a 'reusable cup' to avoid the potential unintended consequence of businesses stocking low cost, low quality plastic 'reusable' options to sell to consumers. This could potentially result in consumers discarding the cup due to poor quality. This potential behaviour would have a detrimental impact on the intended policy lever and would have negative environmental impacts.

Question 20. What is your name?

Kathryn Gill

Question 21. Are you responding as an individual or an organisation?

Organisation

Question 22. What is your organisation?

Consumer Scotland

Question 23. If you are responding on behalf of an organisation, how would you describe your organisation?

Non-ministerial office

Question 24. If you are responding on behalf of an organisation, are you involved in the supply of single-use disposable beverage cups at any stage?

No

https://consumer.scot/media/g35ij55f/xm24-02-consumers-and-net-zero-net-zero-consumer-survey-yougov-final-report-pdf-version-for-publication.pdf - quantitative survey question 10

https://consumer.scot/media/g35ij55f/xm24-02-consumers-and-net-zero-net-zero-consumer-survey-yougov-final-report-pdf-version-for-publication.pdf - quantitative survey question 10

https://consumer.scot/media/g35ij55f/xm24-02-consumers-and-net-zero-net-zero-consumer-survey-yougov-final-report-pdf-version-for-publication.pdf survey question 11

https://consumer.scot/media/g35ij55f/xm24-02-consumers-and-net-zero-net-zero-consumer-survey-yougov-final-report-pdf-version-for-publication.pdf survey question 11

https://consumer.scot/media/g35ij55f/xm24-02-consumers-and-net-zero-net-zero-consumer-survey-yougov-final-report-pdf-version-for-publication.pdf survey question 31

¹ Zero Waste Scotland (2022) Consumption of Single-use Disposable Beverage Cups in Scotland. Available at: https://cdn.zerowastescotland.org.uk/managed-downloads/mf-jdg574yh-1695724903d

² EPECOM (2019) Rapid Review of Charging for Disposable Coffee Cups and other Waste Minimisation Measure. Available at: https://orca.cardiff.ac.uk/id/eprint/124422/1/rapid-review-charging-disposable-coffee-cups-waste-minimisation-measure-full-report.pdf

³ Consumer Scotland (2024) Consumer perceptions of and engagement with the transition to net zero. Available at: https://consumer.scot/publications/consumer-perceptions-of-and-engagement-with-the-transition-to-net-zero/ - quantitative survey question 1

⁴ Consumer Scotland (2024) Consumer perceptions of and engagement with the transition to net zero. Available at: https://consumer.scot/publications/consumer-perceptions-of-and-engagement-with-the-transition-to-net-zero/ - quantitative survey question 2

⁵ Consumer Scotland (2024) Consumer perceptions of and engagement with the transition to net zero. Available at: https://consumer.scot/publications/consumer-perceptions-of-and-engagement-with-the-transition-to-net-zero/ - quantitative survey question 5

⁶ YouGov (2024) Consumer Scotland: Net Zero 2024. Available at:

⁷ YouGov (2024) Consumer Scotland: Net Zero 2024. Available at:

⁸ YouGov (2024) Consumer Scotland: Net Zero 2024. Available at:

⁹ YouGov (2024) Consumer Scotland: Net Zero 2024. Available at:

¹⁰ YouGov (2024) Consumer Scotland: Net Zero 2024. Available at:

¹¹ YouGov (2024) Consumer Scotland: Net Zero 2024. Available at:

https://consumer.scot/media/g35ij55f/xm24-02-consumers-and-net-zero-net-zero-consumer-survey-yougov-final-report-pdf-version-for-publication.pdf survey question 31

¹² YouGov (2024) Consumer Scotland: Net Zero 2024 data tables. Available at: https://consumer.scot/publications/consumer-perceptions-of-and-engagement-with-the-transition-to-net-zero/ survey question 31

¹³ Consumer Scotland (2023) Consumers and the transition to net zero. Available at: https://consumer.scot/publications/consumers-and-the-transition-to-net-zero/

¹⁴ Committee on Climate Change (2019) Net Zero – the UK's contribution to stopping global warming. Available at: https://www.theccc.org.uk/wp-content/uploads/2019/05/Net-Zero-The-UKs-contribution-to-stopping-global-warming.pdf

¹⁵ Consumer Scotland (2024) Consumer perceptions of and engagement with the transition to net zero. Available at: https://consumer.scot/publications/consumer-perceptions-of-and-engagement-with-the-transition-to-net-zero/