

# Circular Economy (Scotland) Bill

## [As amended at Stage 2]

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## Revised Explanatory Notes

### Introduction

1. As required under Rule 9.7.8A of the Parliament's Standing Orders, these revised Explanatory Notes are published to accompany the Circular Economy (Scotland) Bill, introduced in the Scottish Parliament on 13 June 2023, as amended at Stage 2. Text has been added or amended as necessary to reflect amendments made to the Bill at Stage 2 and these changes are indicated by sidelining.
2. These revised Explanatory Notes have been prepared by the Scottish Government in order to assist the reader of the Bill and to help inform debate on it. They do not form part of the Bill and have not been endorsed by the Parliament.
3. The Notes should be read in conjunction with the Bill as amended at Stage 2. They are not, and are not meant to be, a comprehensive description of the Bill. So where a section, or a part of a section, does not seem to require any explanation or comment, none is given.

### Crown application

4. Section 20 of the Interpretation and Legislative Reform (Scotland) Act 2010 provides that the Crown will be bound by an Act of the Scottish Parliament or Scottish statutory instrument unless a provision expressly exempts it. The freestanding provisions in this Bill apply to the Crown in the same way as they apply to everyone else. The Bill amends a number of existing enactments, some of which do, and some of which do not, apply to the Crown. The Bill makes no change to the application of those enactments to the Crown.

### Overview

5. The Scottish Government recognises that sustainable consumption and production are essential for Scotland's transition to a low-carbon and green economy, in order to meet Scotland's obligations to tackle the climate emergency and the biodiversity crisis. Material consumption and waste are primary drivers of nearly every

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environmental problem Scotland currently faces, from water scarcity to habitat and species loss. Estimates suggest around four fifths of Scotland's carbon footprint comes from the products we manufacture, consume and throw away and the services we use. A circular economy based on reducing waste, carbon emissions, and pressures on the natural environment, provides an alternative economic model.

6. Circular economy and waste policy is a complex landscape, with Scottish, UK, European and global dimensions to consider. The system for production of our products and materials involves supply chains that span the globe. The purpose of the Circular Economy (Scotland) Bill is to introduce measures as part of the transition to a circular economy that require primary legislation, and to modernise Scotland's waste and recycling services.

7. The Bill includes the following provisions:

- Circular economy strategy: placing a duty on Scottish Ministers to publish or refresh a circular economy strategy at least every 5 years.
- Circular economy targets: developing statutory targets for the Scottish Ministers.
- Restrictions on the disposal of unsold consumer goods: providing powers to limit the disposal of unsold goods.
- Charges for single-use items: creating a power to set a minimum charge for certain throwaway items.
- Fly-tipping: increasing the maximum amount at which the fixed penalty for a fly-tipping offence can be set in regulations, and giving Ministers a power to require information from councils and Loch Lomond and The Trossachs National Park Authority on fly-tipping.
- Householder's duty of care in relation to waste: making it a criminal offence for a householder to breach their existing duties of care under the Environmental Protection Act 1990, in relation to the transfer of waste, and creating a new fixed penalty regime to enforce these duties.
- Household waste: requiring local authorities to comply with a code of practice on collection and recycling and giving local authorities a package of new responsibilities and powers, including powers for the Scottish Ministers to set recycling targets for local authorities.
- Littering from vehicles: establishing a new civil penalty regime that will make the keeper of a vehicle liable to pay a civil penalty charge in respect of a littering offence committed from that vehicle.
- Enforcement powers in respect of certain environmental offences: improving enforcement against fly-tipping and other waste crime through a power allowing the Scottish Environment Protection Agency ("SEPA") and local authorities to seize vehicles involved in specified waste crime, and a power to allow fixed penalty notices to be issued for offences relating to environmentally harmful items.

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- Reporting on waste, surpluses, etc: obtaining information about where waste is occurring through a power to require information which would lead to public reporting of waste and surplus by businesses (the intention is for this initially to be applied to information about food).
- Zero Waste Scotland: confer on Zero Waste Scotland the relevant powers and duties which apply to other public bodies now that the Office for National Statistics has classified Zero Waste Scotland as a public sector organisation.

## Commentary on provisions

### Circular economy strategy

#### Section 1: Circular economy strategy

8. Section 1 of the Bill requires the Scottish Ministers to prepare a circular economy strategy for Scotland. Subsection (2) sets out the mandatory content of the strategy, with subsection (3) setting out particular aspects of the circular economy, and subsections (3A) to (3D) other additional factors, that Ministers must have regard to when preparing the strategy.

9. Subsection (4) provides that in considering the priorities for action for inclusion in the strategy, Ministers must have particular regard to sectors and systems that are most likely to contribute to developing a circular economy.

10. Subsection (5) requires that the circular economy strategy is consistent, so far as practicable, with the climate change plan prepared under section 35 of the Climate Change (Scotland) Act 2009, with the environmental policy strategy prepared under section 47 of the UK Withdrawal from the European Union (Continuity) (Scotland) Act 2021, and with any other strategy or plan which the Scottish Ministers consider to be relevant.

11. Under subsections (6) and (7), Ministers must have regard to the circular economy strategy in developing, making and revising national policy (including proposals for legislation). For instance, in developing national policy relating to transport or another other devolved area of competence, Ministers would have to take account of the objectives included in the strategy.

#### Section 2: Consultation on strategy

12. Section 2 of the Bill requires the Scottish Ministers to publish a draft circular economy strategy and to consult appropriate persons, and the general public, on the preparation of the strategy.

#### Section 3: Publication and laying of strategy

13. Section 3 of the Bill requires the Scottish Ministers to publish the circular economy strategy in such manner as they consider appropriate and lay a copy of this

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before the Scottish Parliament. Ministers are therefore afforded discretion as to how the circular economy strategy is published, but under subsection (2) the strategy must be published and laid before Parliament within 2 years of this section coming into force.

14. Subsection (3)(a) and (b) require the Scottish Ministers, as soon as practicable following the strategy's publication, to publish and lay before the Scottish Parliament a report on the consultation undertaken in connection with the strategy.

## Section 4: Review of strategy

15. Section 4 of the Bill requires the Scottish Ministers to keep the circular economy strategy under review, and gives them a power to revise the strategy as appropriate. Subsection (2) provides that Ministers must revise the strategy if they have not revised and republished the strategy in the last 5 years.

16. Under subsection (3), sections 1(2) to (5), 2, 3(1) and (3) of the Bill, regarding the content, consultation, publication and laying of the strategy before Parliament, apply to any process of revision under section 4(1).

## Section 5: Reporting on strategy

17. Section 5 requires the Scottish Ministers to report every 2 and half years (half way through the expected duration of a circular economy strategy) on the progress made in respect of the objectives and plans included in the strategy; where any objectives have not been met, the measures the Scottish Ministers propose to meet those objectives; and on the steps taken to keep the strategy under review. Under subsection (2) Ministers must publish the report in such manner as they consider appropriate, and lay a copy of it before the Scottish Parliament.

## Circular economy targets

### Section 6: Circular economy targets

18. Section 6 of the Bill requires the Scottish Ministers to impose targets on themselves by regulations relating to developing a circular economy. Regulations under subsection (1) will be subject to the affirmative Parliamentary procedure in general (section 6(4)). The first set of regulations will also be subject to the pre-laying procedure set out in section 7A.

19. Subsection (2) sets out particular aspects of the circular economy to which Ministers must have regard in considering imposing targets in regulations under subsection (1), with subsection (3) making further illustrative provision about subjects for the targets and allowing the regulations to make provision for review of the targets.

20. Subsection (5) requires the Scottish Ministers to consult appropriate persons, and the general public, before laying a draft of regulations under subsection (1) before the Scottish Parliament.

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21. Subsection (6) allows for regulations under subsection (1) to make the ancillary provision listed there, including e.g. different provision in relation to different areas of Scotland, and transitional and saving provision to manage the transition should the targets change.

## Section 7: Circular economy targets: monitoring and reporting

22. Section 7 of the Bill provides that regulations under section 6(1) must set out arrangements for monitoring and reporting on progress towards achieving the circular economy targets. Reports must set out progress the Scottish Ministers have made towards achieving the circular economy targets, along with any action Ministers are taking to achieve the targets. Reports must be published and laid before the Scottish Parliament.

## Section 7A: Circular economy targets: pre-laying procedure for first regulations

23. Section 7A of the Bill requires that the first set of regulations under section 6(1) setting circular economy targets are subject to a pre-laying procedure, which is as follows.

24. Under subsections (2) to (5), the Scottish Ministers must lay a copy of the proposed regulations before the Parliament, with a statement of reasons for proposing to make these regulations, and specify a period of not less than 90 days, of which at least 30 must be days on which the Parliament is not dissolved or in recess. During this period, the Scottish Ministers must publicise the proposed regulations and representations may be made to Ministers, the Parliament may make resolutions relating to the regulations, or a parliamentary committee may prepare a report on them. Under subsection (7), when the Scottish Ministers lay the draft regulations for approval they must provide a statement providing details of any such representations, resolutions or reports, and what changes (if any) they have made to the proposed regulations in the light of these.

25. Thereafter the procedure for making the regulations is affirmative, as provided for at section 6(4) of the Bill.

## Restrictions on the disposal of unsold consumer goods

### Section 8: Restrictions on the disposal of unsold consumer goods

26. Section 8 of the Bill inserts a new section 78A into the Climate Change (Scotland) Act 2009 (“the 2009 Act”). Section 78A(1) gives the Scottish Ministers a power to make regulations imposing prohibitions or restrictions on the disposal of unsold consumer goods. The term “consumer goods” is defined by section 78A(2) as those intended to be purchased, used or consumed by a consumer (as defined in section 78A(4)). Section 78A(3) provides that goods are unsold if they have not been sold to, or have been returned by, a consumer. Regulations under subsection section 78A(1) will be subject to the affirmative Parliamentary procedure by virtue of section 96(4) of the 2009 Act.

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27. Section 78A(5) makes further provision about the content of the regulations, with section 78A(6) making particular provision about enforcement of the regulations, including that they may create offences and make provision for the issue of fixed penalty notices for breaches of the restrictions in the regulations.

28. Section 78A(7) requires the Scottish Ministers to consult appropriate persons before laying a draft of regulations under subsection (1) before the Scottish Parliament.

29. Section 78A(8) provides that enforcement authorities must have regard to any guidance by the Scottish Ministers in relation to the functions conferred by the regulations.

## Charges for single-use items

### Section 9: Power to require imposition of charges for single-use items

30. Section 9 of the Bill introduces a new section to the Climate Change (Scotland) Act 2009 (“the 2009 Act”), section 87A, which gives the Scottish Ministers a power to introduce a charge for the supply of a single-use item.

31. Section 87A(1) allows the Scottish Ministers to make regulations which require suppliers of goods to (a) charge for specified items and (b) apply the proceeds from those charges for the advancement of environmental protection or improvement or other analogous purposes.

32. Section 87A(2) gives the Scottish Ministers the power to provide for further detail about the charging regime in various respects, which are set out in paragraphs (a) to (i).

33. Section 87A(3) sets down limitations as to the items which may be specified as chargeable. They must be (a) manufactured, (b) provided as a container or packaging for goods or be used in connection with the consumption or use of goods and (c) likely to be used for that purpose only once or for a short period. A single-use disposable beverage cup, for instance, would meet this description.

34. Section 87A(4) requires that the enforcement authority must have regard to any guidance given by the Scottish Ministers to it in relation to its functions under the regulations.

35. The remainder of section 9 is concerned with consequential amendments to other sections in the 2009 Act, changing the existing section titles and italic headings to be consistent with the new section 87A.

## Fly-tipping offences

### Section 9A: Fixed penalty notices for fly-tipping offences

36. Under section 33(1) of the Environmental Protection Act 1990 (“the 1990 Act”) fly-tipping is a criminal offence. As an alternative to prosecution a person can be issued a fixed penalty notice under section 33A(1) of the 1990 Act, which offers the possibility of discharging any liability to criminal conviction for fly-tipping by payment of a fixed penalty (currently £500).

37. Section 9A of the Bill modifies section 33A of the 1990 Act to increase the maximum amount at which the fixed penalty for a fly-tipping offence can be set in regulations by the Scottish Ministers from level 2 to level 3 on the standard scale, thereby increasing the maximum fixed penalty amount that may be set by way of secondary legislation from £500 presently to £1000.

38. Additionally, section 33A is amended to give Ministers the ability to provide for different penalty amounts in different cases: for example, a higher penalty amount could be provided for where a previous fixed penalty notice has been issued to the same person; but the maximum amount may not exceed level 3 on the standard scale, i.e. £1,000.

## Information on fly-tipping offences

### Section 9B: Information on fly-tipping offences

39. Under section 33(1) of the Environmental Protection Act 1990 (“the 1990 Act”) fly-tipping is a criminal offence. As an alternative to prosecution a person can be issued a fixed penalty notice under section 33A(1) of the 1990 Act, which offers the possibility of discharging any liability to criminal conviction for fly-tipping by payment of a fixed penalty (currently £500).

40. Section 9B of the Bill would insert a new section 71A into the 1990 Act, giving the power to the Scottish Ministers to require information from local authorities and the Loch Lomond and the Trossachs National Park Authority about the exercise of any their functions in relation to an incident of fly-tipping under section 33(1)(a) or (c) of the 1990 Act; and, in relation to a local authority only, the exercise of its powers under section 59 of the 1990 Act in relation to the removal of unlawfully deposited waste.

41. In addition, subsection (3) of inserted section 71A specifies a non-exhaustive list of the kind of information that can be requested. Subsection (4) of inserted section 71A places a limit on the power to require information, providing that the Scottish Ministers may not exercise it in relation to a particular authority more than once annually.

## Household waste

### Section 10: Householder's duty of care

42. Section 10 of the Bill makes amendments to the Environmental Protection Act 1990 ("the 1990 Act"). Section 34(2) of the 1990 Act creates a duty of care on householders as respects the household waste produced on their property – that the occupier of a domestic property take reasonable steps to secure that any transfer of waste is to an authorised person, or to a person for authorised transport purposes (e.g. a householder transferring household waste to someone offering unrealistically cheap waste services, without making efforts to ensure that they are a registered waste carrier, would be in breach of this duty).

43. Section 10(2)(a) to (c) of the Bill restate the duty of care on householders and clarify that it is separate from the various duties related to the production, storage, collection, transport and disposal of waste by commercial actors under section 34(1) of the 1990 Act.

44. Section 10(2)(d) of the Bill makes failure to comply with the householder's duty of care in section 34(2) of the 1990 Act a criminal offence, inserting this provision into the list in section 34(6): this makes equivalent provision for Scotland as already exists in England and Wales.

45. Section 10(2)(e) of the Bill also adds the householder's duty of care in section 34(2) of the 1990 Act to the list of subjects for the Ministerial code of practice in section 34(7).

46. Section 10(3) of the Bill then creates a new fixed penalty regime for the new offence under section 34(6) of the 1990 Act, inserting a new section 34ZC into the 1990 Act. Where it appears to a constable or an authorised officer of a local authority or Loch Lomond and The Trossachs National Park Authority that a person has failed without reasonable excuse to comply with the householder's duty of care, a notice may be given offering the person the opportunity of discharging potential criminal liability for the offence by payment of a fixed penalty (section 34ZC(1) and (2)). Subsection (6) then deals with the legal effect of the notice. For instance a fixed penalty notice could be given to a householder for a breach of the duty of care in relation to fly-tipped waste which is traced back to that householder.

47. Section 34ZC(3) prohibits the giving of a fixed penalty notice under this section where one has already been given to the person in relation to the same circumstances, or a penalty or enforcement undertaking has already been imposed by SEPA in relation to the same circumstances using its powers under the Regulatory Reform (Scotland) Act 2014.

48. Section 34ZC(4) provides that where a constable gives a fixed penalty notice to a person under this section, they must at the same time give a copy of the notice to the local authority in whose area the failure to comply with the householder's duty of care in section 34(2) of the 1990 Act took place.



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49. Section 34ZC(5) provides that where it appears to an authorised officer giving a fixed penalty notice under this section to a person that the failure to comply with the householder's duty of care in section 34(2) took place in a different local authority's area, the officer must at the same time give that other local authority a copy of the notice. As with section 34ZC(4), the purpose of this provision is to prevent the same factual circumstances attracting multiple notices.

50. Section 34ZC(6) has the effect that where a person is given such a notice under subsection (2), the person has 14 days to pay the penalty. No criminal proceedings may be instituted for the offence before the end of that period, and if the penalty is paid then the person cannot be convicted of the offence under section 34(6) of the 1990 Act.

51. Section 34ZC(7) sets out the mandatory content of a fixed penalty notice, including the factual circumstances alleged to constitute the offence, and information on the 14-day period for payment and the amount of the fixed penalty.

52. Section 34ZC(8) provides that the fixed penalty payable under this section is £200. This amount may be amended by the Scottish Ministers in regulations under section 34ZC(9), but the maximum penalty possible is to be level 2 on the standard scale for punishment fines (currently £500 – see section 225 of the Criminal Procedure (Scotland) Act 1995). Regulations under section 34ZC(9) are subject to the negative Parliamentary procedure by virtue of section 160A of the 1990 Act.

53. Section 34ZC(10) provides that a constable or an authorised officer may require an occupier of domestic property to give their name, address and date of birth if the officer proposes to give the occupier a fixed penalty notice: under section 34ZC(11) and (12), failure to comply with such a requirement or giving false or inaccurate details is an offence, punishable by a fine up to level 3 on the standard scale (currently £1,000 – see section 225 of the Criminal Procedure (Scotland) Act 1995).

54. Section 34ZC(13) sets out an evidential rule for court proceedings that a certificate which purports to be signed on behalf of the person having responsibility for the financial affairs of the authority to whom the fixed penalty is payable (e.g. the Chief Finance Officer of a local authority), and which states that payment of a fixed penalty was or was not received by a date specified in the certificate, is evidence of those facts for the purpose of those court proceedings. So for instance if a person was prosecuted for a breach of the duty of care and took the position that they couldn't be convicted as they had already paid a fixed penalty in respect of the same conduct, then they could rely on this evidential rule to support their position.

55. Section 34ZC(14) sets out to whom a fixed penalty under this section must be paid, depending on what kind of authorised officer issued it.

56. Section 34ZC(15) defines an "authorised officer" for this section, with section 34ZC(16) giving the Scottish Ministers a regulation-making power (subject to negative procedure) to add to that definition, and to apply this section with modifications as a consequence of adding to the definition.

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## Section 11: Household waste requirements

57. Section 11 of the Bill inserts five sections into the Environmental Protection Act 1990 (“the 1990 Act”), creating new enforcement provisions relating to the collection of household waste. Local authorities in Scotland are designated as waste collection authorities for the purposes of the 1990 Act: their principal function in that capacity is to arrange for the collection of household waste in their areas and, if requested by the occupier of premises in their areas, to arrange for the collection of any commercial waste from those premises.

58. Section 46 of the 1990 Act addresses receptacles for household waste, placing certain obligations on householders. Section 46(1) provides that where a local authority has a duty to arrange for the collection of any premises, it may require the occupier to place the waste for collection in receptacles of a kind and a number specified. Section 46(3) provides that the local authority may, as respects the provision of the receptacles, require the occupier to provide them. Section 46(4) provides that the local authority may, by notice under section 46(1), make provision with respect to, among other things, the substances or articles which may or may not be put into the receptacles and the steps to be taken by occupiers of premises to facilitate the collection of waste from the receptacles. Section 46(6) then makes it an offence for a person to fail, without reasonable excuse, to comply with any requirements imposed by a waste collection authority in Scotland under the section.

59. New section 46ZA, as inserted by section 11 of the Bill, creates a new civil sanctions regime to provide an alternative means of enforcement for section 46 of the 1990 Act.

60. Section 46ZA(1) gives power to authorised officers of waste collection authorities (i.e. local authorities) to give a written warning to a person if satisfied that the person has failed without reasonable excuse to comply with a requirement imposed by the authority under section 46(1), (3)(c) or (d) or (4) of the 1990 Act (a “section 46 requirement”), and that this failure either has caused or is likely to cause a nuisance or has been or is likely to be detrimental to any amenities of the local area. “Nuisance” here would take the common law meaning (that is an unreasonable interference with the comfort of others). The authorised officer must be satisfied about these matters on the balance of probabilities – the usual civil standard of proof. Section 46ZA(2)(a) sets out the mandatory content of a written warning under subsection (1) and section 46ZA(2)(b) provides that it may contain such other provision as the authority considers appropriate.

61. Section 46ZA(3) to (7) allows an authorised officer of a waste collection authority who has already given a written warning to a person to escalate the matter to the imposition of a civil penalty charge.

62. Subsection (3) allows a civil penalty charge to be imposed where the officer is satisfied that the person continued to fail to comply with the section 46 requirement identified in the warning after the end of the period for compliance specified in the warning.

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63. Subsection (4) provides that a further civil penalty charge may be imposed where the officer is satisfied that the person's failure to comply with the section 46 requirement is still ongoing during the period of 12 months from the written warning. For example, if a person is in breach of section 46(1) because they have lost or damaged the waste receptacle provided by the waste collection authority and failed to obtain or provide another suitable one, their ongoing refusal to do so would be a continuous breach which would allow a further civil penalty charge to be imposed under this subsection. Under subsection (5), however, a further civil penalty charge may not be required where there is an appeal pending against the decision to issue a civil penalty charge under subsection (3).

64. Subsection (6)(a)(i) provides that a civil penalty charge may be imposed where the person has again failed without reasonable excuse to comply with the section 46 requirement identified in the warning, before the end of a period of 12 months – this failure either must have caused or be likely to cause a nuisance, or to have been or likely to be detrimental to any amenities of the local area (the same criteria as in section 46ZA(1)(b)). This allows a civil penalty charge to be imposed for a repeated breach (in contrast to an ongoing breach as covered by subsection (4)).

65. Subsection (6)(a)(ii) provides that a civil penalty charge may be imposed for failure without reasonable excuse to comply, before the end of a period of 12 months, with a factually similar section 46 requirement – this failure either must have caused or be likely to cause a nuisance, or to have been or likely to be detrimental to any amenities of the local area (the same criteria as in section 46ZA(1)(b)).

66. Section 46ZA(7) clarifies that an authorised officer may require a person to pay a civil penalty charge under subsection (4) or (6) each time that the authorised officer is satisfied of the matters mentioned in the subsection: so multiple charges can be given under those provisions if the relevant criteria are fulfilled.

67. Section 46ZA(8) limits the operation of the civil penalty charge regime so that a requirement to pay a charge cannot be imposed where a person has already been given a fixed penalty notice under the new section 46ZD(2) (as also inserted by section 11 of the Bill) in relation to the same factual circumstances. In addition a requirement to pay a civil penalty charge cannot be imposed on a person who has already been prosecuted under section 46(6) in relation to the same circumstances. So as a means of enforcement, a civil penalty charge here is barred if more onerous methods of enforcement have already been attempted.

68. An authorised officer imposing a civil penalty charge under any of subsections (3), (4) or (6) must also act in accordance with section 46ZB on prior notices (section 46ZA(9)).

69. Section 46ZA(10) allows a waste collection authority to pursue the debt from a penalty charge notice as if it was an extract registered decree arbitral bearing a warrant for execution issued by the sheriff for any sheriffdom, meaning it can be enforced by way of diligence – i.e. as if a court action had been won in respect of the money, and without the necessity of any further court proceedings.

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70. Section 46ZA(11) sets out key definitions for the purposes of the new enforcement measures in the 1990 Act.

71. Section 46ZB sets out an initial step that an authorised officer of a waste collection authority must take before requiring a person to pay a civil penalty charge under section 46ZA: they must serve on the person notice of intention to do so, or a “notice of intent”, under section 46ZB(1) containing the information set out in section 46ZB(2), and a person on whom a notice of intent is served may under section 46ZB(3) make representations to the authorised officer as to why payment of a civil penalty charge should not be required.

72. In addition, section 46ZB(4) provides that an authorised officer must serve a “final notice” on a person in order to require the person to pay a civil penalty charge under section 46ZA. A final notice may not be served until 28 days after the notice of intent was served. Section 46ZB(6) provides that an authorised officer must consider any representations made by the person under subsection (3) before serving the final notice, and section 46ZB(7) sets out the mandatory content of the notice.

73. Section 46ZC gives a power to the Scottish Ministers to make regulations setting out various aspects of the civil penalty charge scheme, including the amount of the charge, the periods for payment, and other procedural matters such as appeals. Regulations under section 46ZC(1) are made subject to the affirmative Parliamentary procedure by section 11(3) which inserts reference to them into section 160A(2) of the 1990 Act, which lists regulations in that Act subject to the affirmative procedure.

74. Section 46ZD creates a new fixed penalty regime for the offence under section 46(6) of the 1990 Act. Where it appears to an authorised officer of a waste collection authority that a person has committed an offence under section 46(6) of the 1990 Act, a notice may be given offering the person the opportunity of discharging potential criminal liability for the offence by payment of a fixed penalty to the waste collection authority (section 46ZD(1) and (2)).

75. Section 46ZD(3) has the effect that where a person is given such a notice under subsection (2), the person has 14 days to pay the penalty. No criminal proceedings may be instituted for the offence before the end of that period, and if the penalty is paid then the person cannot be convicted of the offence under section 46 of the 1990 Act.

76. Section 46ZD(4) places the fixed penalty regime in the context of the other enforcement measures for breach of section 46 of the 1990 Act. It provides that where a person has already been given a final notice in relation to a civil penalty charge under section 46ZB (as inserted by section 11 of the Bill) and has paid any subsequent charge in full, no fixed penalty notice under this section may be given to that person in relation to the same circumstances. In addition, that person cannot be prosecuted under section 46(6) of the 1990 Act in relation to the same circumstances. The effect of the section is to prevent those two other means of enforcing section 46 requirements as long as a civil penalty charge under section 46ZA has been paid in full.

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77. Section 46ZD(5) sets out the mandatory content of a fixed penalty notice, including the factual circumstances alleged to constitute the offence, and information on the 14-day period for payment and the amount of the fixed penalty.

78. Section 46ZD(6) gives a regulation-making power to the Scottish Ministers to set the amount of fixed penalty payable under this section and the form of fixed penalty notice. The maximum penalty possible is to be level 2 on the standard scale for punishment fines (currently £500 – see section 225 of the Criminal Procedure (Scotland) Act 1995). Regulations under section 46ZD(6) are made subject to the affirmative Parliamentary procedure by virtue of section 11(3) of the Bill which inserts reference to them into section 160A(2) of the 1990 Act, which lists regulations in that Act subject to the affirmative procedure.

79. Section 46ZD(7) provides that an authorised officer may require an occupier of domestic property to give their name, address and date of birth if the officer proposes to give the occupier a fixed penalty notice: under section 46ZD(8) and (9), failure to comply with such a requirement or giving false or inaccurate details is an offence, punishable by a fine up to level 3 on the standard scale (currently £1,000 – see section 225 of the Criminal Procedure (Scotland) Act 1995).

80. Section 46ZD(10) sets out an evidential rule for court proceedings that a certificate which purports to be signed on behalf of the person having responsibility for the financial affairs of the waste collection authority, and which states that payment of a fixed penalty was or was not received by a date specified in the certificate, is evidence of the facts stated on its face. So for instance if a person was prosecuted for a breach of the section 46(6) offence and took the position that they couldn't be convicted as they had already paid a fixed penalty in respect of the same conduct, then they could rely on this evidential rule to support their position.

81. Section 46ZE(1) requires the Scottish Ministers to issue guidance about how sections 46ZA to 46ZD operate. Waste collection authorities (and their authorised officers) must have regard to ministerial guidance issued under this section (under section 46ZE(2)) and must be consulted in its preparation (under section 46ZE(1A)).

## Section 12: Code of practice on household waste recycling

82. Section 12 of the Bill amends the Environmental Protection Act 1990 Act by inserting a new section 44ZZA and adjusting section 44ZA. These changes introduce a code of practice about household waste collection and recycling functions.

83. Section 12(2) inserts section 44ZZA. Section 44ZZA(1) requires the Scottish Ministers to prepare and publish a code of practice, the purpose of which is to set out the standards expected of, and steps to be taken by, local authorities in carrying out their household waste collection and recycling functions. Section 44ZZA(1A) allows the code to make different provision for different purposes or different local authority areas. Section 44ZZA(2) then makes further provision about the content of the code.

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84. Sections 44ZZA(3) to (6) set out the procedure for the publication and revision of the code. The Scottish Ministers may revise the code (section 44ZZA(3)). Before publishing the first or revised version, they must consult local authorities and SEPA (section 44ZZA(4)). They may not publish a version of the code until after the expiry of the period of 40 days beginning with the day that a draft of that version of the code is laid before the Parliament (section 44ZZA(5)). In calculating the period of 40 days mentioned in subsection (5), no account is to be taken of any time during which the Parliament is dissolved, or in recess for more than 4 days (section 44ZZA(6)).

85. Section 44ZZA(7) provides that the definitions of “local authority” and “waste management functions” in the existing section 44ZA apply also for the purposes of the new provision; and also sets out a definition of “recycling” for the purposes of the new provision.

86. Section 12(3) amends section 44ZA in various respects such that local authorities’ integrated waste management plans must set out how the local authority in question intends to perform its functions consistently with the code.

### Section 13: Targets for waste collection authorities relating to household waste recycling

87. Section 13 of the Bill inserts a new section 47B into the Environmental Protection Act 1990 (“the 1990 Act”). Section 47B(1) gives a power to the Scottish Ministers to make regulations imposing targets on local authorities relating to the recycling of household waste; these regulations will be subject to the affirmative Parliamentary procedure as section 13(3) adds reference to them to section 160A(2) of the 1990 Act. The effect of section 47B(2) is that targets can only be imposed from 1 April 2030.

88. Section 47B(3) makes further provision about the content of regulations under subsection (1). The regulations may, among other matters, specify targets to be achieved by local authorities, make provision about the enforcement of the targets, and confer functions on SEPA in relation to monitoring the achievement of the targets.

89. Section 47B(4) requires the Scottish Ministers to consult local authorities and SEPA before laying a draft of regulations under subsection (1) before the Scottish Parliament.

90. Section 47B(5) provides that regulations under subsection (1) may make different provision for different purposes, including for different local authorities; may modify any legislation, including the Bill itself; and may make the ancillary provision listed in subsection (5)(c).

## Littering from vehicles: civil penalties

### Section 14: Littering from a vehicle

91. Section 14 of the Bill amends the Environmental Protection Act 1990 (“the 1990 Act”) by inserting two new sections, 88C and 88D. They add a new enforcement power in respect of an offence of littering under section 87 of the 1990 Act, where the act of littering is from a vehicle. This enforcement power is already available in England and Wales and the new provisions are designed to extend it to Scottish litter authorities (defined in section 88C(6)).

92. Section 88C(1) gives a litter authority a power to impose a civil penalty charge on the registered keeper of a vehicle in certain circumstances. An authorised officer of the authority must be satisfied on the balance of probabilities, the usual standard of proof in the civil context, that an offence of littering has been committed from the vehicle (section 88C(1)(a)) and that the vehicle was on land within the litter authority’s area at the time that the littering occurred (section 88C(1)(b)).

93. Section 88C(2) defines the keeper of a vehicle for the purposes of this section. This is the person who keeps the car at the time of the act of littering in question: for a registered vehicle the presumption is that this will be the person in whose name the vehicle is registered, but that presumption can be rebutted if there is evidence to the contrary, e.g. if the registered keeper proves that they had loaned the vehicle to someone else at the time of littering.

94. Section 88C(3) sets out the trigger for the keeper’s liability to pay the civil penalty charge, which is the giving of a notice to the keeper to that effect.

95. Section 88C(4) provides for two limitations on the authority’s ability to impose a civil penalty charge. First, there is a backstop of three months from the date of the offence (section 88C(4)(a)). Second, if criminal action or a fixed penalty is being pursued against the person who committed the offence, no civil penalty charge can be given to the keeper (section 88C(4)(b)), even if that person is not the same person as the keeper, and whether or not the criminal action is ongoing or was successful or whether the fixed penalty was paid.

96. Section 88C(5) gives the Scottish Ministers the power to make regulations which provide further detail about the civil penalty regime in various respects, which are set out in paragraphs (a) to (k). Such regulations are subject to the affirmative Parliamentary procedure by virtue of section 14(3) of the Bill, which adds reference to them to section 160A(2) of the 1990 Act.

97. Section 88C(6) provides definitions that apply for the purposes of section 88C, including defining “litter authority” to mean a local authority, the Loch Lomond and the Trossachs National Park Authority or such other person as may be specified in regulations by the Scottish Ministers.

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98. The second of the two new sections, section 88D, sets out the consequences of a civil penalty charge notice having been given. Section 88D(1) prevents criminal action in respect of the act of littering which was the subject of the civil penalty charge notice, so long as the charge has been paid in full. This limit on prosecution applies regardless of whether or not the person who paid the charge is the vehicle's keeper.

99. Where any civil penalty charge is outstanding after 28 days from the date the notice was given, section 88D(2) allows the authority to pursue that debt as if it was an extract registered decree arbitral bearing a warrant for execution issued by the sheriff for any sheriffdom, meaning it can be enforced by way of diligence – i.e. as if a court action had been won in respect of the money, and without the necessity of any further court proceedings.

## Enforcement powers in respect of certain environmental crimes

### Section 15: Powers to search and seize vehicles, etc.

100. Section 15 of the Bill introduces four new sections to the Environment Act 1995, sections 110A to 110D, which give to persons authorised by SEPA and to constables various powers in respect of the search and seizure of vehicles believed to be used in the commission of certain environmental offences.

101. Section 110A(1) sets out the two circumstances which must both be present for the official to exercise the powers. First, that the official reasonably believes that a vehicle has been, is being or is about to be used in the commission of a relevant offence (section 110A(1)(a)). Second, that criminal proceedings have not already been brought against any person in respect of the offence (section 110A(1)(b)).

102. Section 110A(2) sets out the powers in respect of the search and seizure of vehicles which are available at paragraphs (a) to (e).

103. Section 110A(3) provides that information a person gives in response to a requirement imposed under the power in section 110A(2)(b), to require any occupant of the vehicle to give the name and address of the occupant and keeper of the vehicle, is inadmissible in evidence against that person in criminal proceedings save for in respect of one of the offences under the subsequent section 110B(1). The offences under section 110B(1) concern failing to cooperate with an official in the exercise of the powers under section 110A.

104. Section 110A(4) sets out on behalf of whom a vehicle is seized: this depends on the identity of the "relevant official" carrying out the seizure and whether they are acting alone ("relevant official" is defined in section 110A(6) as either a constable or a person authorised by SEPA or by a waste collection authority to exercise the powers conferred by this section).

105. Section 110A(5) sets out what is meant by a relevant offence, that is, the type of offence which must be believed to have occurred in order for the powers to be engaged.



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An offence is relevant if legislation states that the section 110A powers may be exercised in relation to it.

106. Section 110A(6) provides various definitions that apply for the purposes of sections 110A to 110C.

107. Section 110B(1) creates offences concerned with failing to cooperate with an official in the exercise of the powers under section 110A. Section 110B(2) provides that such an offence is liable on summary conviction to a fine not exceeding level 5 on the standard scale (currently £5,000 – see section 225 of the Criminal Procedure (Scotland) Act 1995).

108. Section 110C regulates the handling by SEPA and waste collection authorities of seized property.

109. Section 110C(2) requires the authority on whose behalf the vehicle was seized to deal with it in accordance with regulations made by the Scottish Ministers under this subsection, having regard also to any Ministerial guidance.

110. Section 110C(3) deals with the content of regulations under subsection (2). Paragraph (a) requires any regulations to set out the duties of SEPA and waste collection authorities in relation to their handling of seized property; the circumstances in which such property must be returned; the circumstances in which a responsible authority may sell, destroy or otherwise dispose of seized property; and the uses to which the proceeds of any sale may be put.

111. Section 110C(3)(b) mandates the regulations to require a responsible authority to publish a notice in such form, and to take any other steps, as may be specified in the regulations for informing persons who may be entitled to the seized property that it has been seized and is available to be claimed.

112. Under section 110C(3)(c) the regulations must require a responsible authority to wait for a period specified in the regulations before disposing of seized property, with that period beginning only once the authority has taken steps specified in the regulations to inform anyone who may be entitled to the seized property in question that it has been seized and how a claim for its return may be made.

113. Section 110C(3)(d) gives the power for the regulations to provide for exceptions and make any other provision considered appropriate.

114. Section 110C(4) provides that such regulations are subject to the affirmative Parliamentary procedure.

115. Section 110D gives the Scottish Ministers a power to make regulations to provide for an offence to be, or to cease to be, a relevant offence for the purposes of section 110A. These regulations are subject to the affirmative Parliamentary procedure.

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## Section 16: Offences in respect of which powers may be exercised

116. Section 16 of the Bill amends other pieces of legislation so that they allow the section 110A powers to be exercised in respect of the offences for which they create. These are as follows:

- the offence of transporting controlled waste without registering in section 1 of the Control of Pollution (Amendment) Act 1989;
- the prohibition on unauthorised or harmful deposit, treatment or disposal of waste in section 33 of the Environmental Protection Act 1990;
- offences relating to the duty of care as regards waste in section 34(1)(a), (aa), (b) and (c) and (2l) of the Environmental Protection Act 1990;
- offences under regulation 67(1)(a) or (b) of the Pollution Prevention and Control (Scotland) Regulations 2012 (S.S.I. 2012/360).

## Offences relating to the use etc. of injurious articles or substances: fixed penalty notices

### Section 16A: Offences relating to the use etc. of injurious articles or substances: fixed penalty notices

117. Section 16A of the Bill inserts new provisions into section 140 of the Environmental Protection Act 1990, which contains a regulation-making power to prohibit or restrict the use, storage or supply of environmentally harmful items. As amended by the Bill, section 140 would enable the use of a fixed penalty notice (FPN) procedure in relation to offences created in the regulations, such as the prohibition on the supply of certain single-use plastic items under the Environmental Protection (Single-use Plastic Products) (Scotland) Regulations S.S.I. 2021/410).

118. Inserted subsection (10A) allows the Scottish Ministers to create regulations to allow for an enforcement officer to issue a FPN where they are satisfied that an individual or business has committed an offence in regulations made prohibiting or restricting the use, sale or supply of environmentally harmful items.

119. Inserted subsection (10C) allows for regulations to provide for the amount of the fixed penalty to vary in different cases; to require persons to whom a notice is given to provide their name, address and date of birth; and to create offences for failure to comply with such a requirement.

120. Inserted subsection (10D) requires regulations to require certain information on the face of the FPN, including the circumstances of the alleged offence; the amount of the fixed penalty and any relevant discount; the period during which it must be paid; and the effect of paying or not paying the penalty.

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## Reporting on waste, surpluses, etc.

### Section 17: Duty to make information publicly available

121. Section 17 of the Bill modifies the Regulatory Reform (Scotland) Act 2014 (“the 2014 Act”) by adding a new purpose for which regulations under section 18 of that Act may make provision. Subsection (2) inserts a new paragraph, paragraph 14A, to schedule 2 of the 2014 Act. This sets out the purpose of imposing duties on persons of any specified description to make publicly available information about anything stored or disposed of by them or on their behalf, except in relation to their domestic activities. The manner of making the information available and the type of information and type of thing that information must be made available about is to be specified in the regulations.

## Zero Waste Scotland: application of public bodies legislation provisions

### Section 17A: Zero Waste Scotland: application of public bodies legislation

122. Section 17A of the Bill introduces a schedule at the end of the Bill, which modifies certain pieces of legislation relating to public bodies so that their provisions apply to Zero Waste Scotland (“ZWS”). ZWS was originally established as a non-profit organisation to provide expertise on the circular economy, but was formally classified by the Office for National Statistics as a public sector organisation on 28<sup>th</sup> April 2023.

123. The schedule ensures that public bodies legislation applies to ZWS as follows:

- ZWS will be under a duty to produce and submit for Ministerial approval a Code of Conduct for members of its Board under the Ethical Standards in Public Life etc. (Scotland) Act 2000;
- ZWS will be required to provide access to information held by it under the Freedom of Information (Scotland) Act 2002 (and this will also bring ZWS within the scope of the Environmental Information (Scotland) Regulations 2004);
- Any appointments by Ministers to ZWS will be public appointments and will be regulated by the Commissioner for Ethical Standards in Public Life in Scotland under the Public Appointments and Public Bodies etc (Scotland) Act 2003;
- ZWS will be required to provide information on expenditure and exercise of functions under the Public Services Reform (Scotland) Act 2010;
- ZWS will be required to prepare and implement a records management plan under the Public Records Scotland Act 2011;
- ZWS will be required to adhere to statutory procurement requirements under the Procurement Reform (Scotland) Act 2014);
- ZWS will be required to maintain women’s representation on its board under the Gender Representation on Public Boards (Scotland) Act 2018;

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- ZWS will be required to carry out impact assessments for island communities when exercising its functions under the Islands (Scotland) Act 2018.

## Final provisions

### Section 18: Ancillary provision

124. This section gives the Scottish Ministers a freestanding regulation-making power to make any incidental, supplementary, consequential, transitional, transitory or saving provision that they consider appropriate for the purposes of, or in connection with, giving full effect to the Bill or any provision made under it. Subsection (2) allows such regulations to modify any legislation, including the Bill itself: in doing so the regulations would be subject to the affirmative Parliamentary procedure. Otherwise they are subject to the negative procedure.

### Section 19: Commencement

125. This section provides that sections 18 and 20 (along with this section itself) come into force on the day after Royal Assent. All other provisions are to come into force on a day appointed by regulations made by the Scottish Ministers. These regulations may make transitional, transitory or saving provision related to commencement and may make different provision for different purposes. These regulations would require to be laid before the Parliament under section 30 of the Interpretation and Legislative Reform (Scotland) Act 2010, but they are not otherwise subject to any Parliamentary procedure.

### Section 20: Short title

126. This section provides that the Bill, once enacted, will be referred to as the Circular Economy (Scotland) Act 2024.



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# Circular Economy (Scotland) Bill

## [As amended at Stage 2]

### Revised Explanatory Notes

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