



5 steps to circularity

Resources playbook

**Your quick guide to achieving a
circular economy for your business**



Contents



A few words to all passionate sustainability activators

We don't need to tell you that we are in a climate emergency. We are at a critical tipping point in the global climate system and strategically we now have in place a target to limit global warming to 1.5°C. Anything above is likely to lead to irreversible, catastrophic consequences for existing and future generations.

What does this mean for businesses?

No matter the size of your business, we can all make a difference together. If you haven't already, you need to start moving your business from a linear (make, take, dispose) model, to a circular model that is regenerative by design and aims to decouple growth from the consumption of finite resources.

This means:

- Minimising the creation of waste
- Keeping raw materials in use for as long as possible
- Maximising material value
- Minimising your impact on the environment
- Promoting your brand ethics.

All of this should be delivered with the intention of saving your business money, as well as reducing both waste and carbon. Don't forget - these same principles also apply to water and energy conservation.



We have identified **5 simple steps** that you can take to transition your business from a linear to a circular model.



Using our 5-step approach will see your business flip the concept of waste disposal on its head. It will enable you to manage the complete journey that resources take through your business to identify waste minimisation opportunities, as opposed to considering what to do with resources once you have already classified them as operational waste.

Still unsure about the Circular Economy, check out this video



What is the Circular Economy?

Although a complex topic, we have found these bite-size stages really help with making fundamental changes that adapt the way your business sees and manages resources. The insights you gain from this process will help your business become more sustainable through shared learning and communication with your staff, supply chain, stakeholders, and the wider industry.

Ready to discover your journey to a sustainable future?
...Then let's get started.

Step 1:

Analyse

It is important to do some analysis to understand your current ways of working. This will allow you to know where the opportunities for change are.



Analyse



Review



Communicate



Collaborate



Innovate



Step 1:

The best way to do this is through a blend of desktop and physical auditing:

- 1.1 **Gather** all waste data you have from across the business (and from your waste contractors) to see volumes, frequency, bin types, being produced on-site. This should be done for all sites you run or manage. Insert this information into a spreadsheet for easy analysis later.
- 1.2 Next, you want to **verify** this data by doing a walk around of all locations producing waste. Look closely into bins to see what waste you are producing and check it is aligned to your waste data records. At this point you can add additional information on how well segregated it is. By breaking down all the waste you produce by type, we will then be able to see whether any of these are avoidable. Photograph and record your findings for future comparison.
- 1.3 Once you have collated all the data, **consolidate** it into one document. To give you an illustrative guide on your current performance try out Reconomy's Zerowasteometer to see your impact on climate change: [Click here](#). For a more detailed, multi-site baseline analysis speak to us about our Zero Waste Index.

Baselining your current waste performance completes your **step 1** and provides you with your starting point, or benchmark. This then takes you nicely into **step 2** where you can start to identify opportunities for positive change, adapt your business and monitor progress over time.



Did you know?
Reconomy offer consultancy services if you need help.



Step 2

Review

With the step 1 audit complete, you now have the data to be able to identify opportunities to move waste up the hierarchy.



Analyse



Review



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Step 2:

The waste hierarchy

At the lowest level, waste (general waste) is disposed of and sent to landfill. Next, recovery involves either burning waste for energy or sending it through a process such as anaerobic digestion, which converts food waste into biogas.

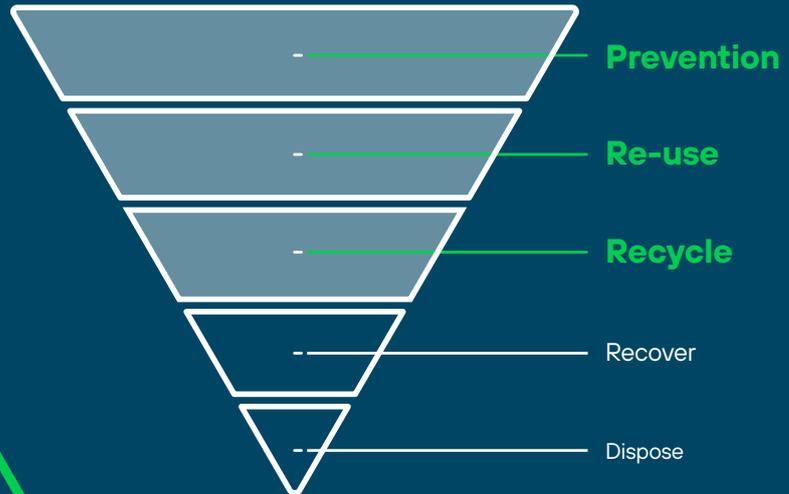
We need to at this stage understand by what route the waste goes and why, so we can seek to move up to the next levels on the hierarchy, enabling it to be either recycled, reused, or prevented entirely.



Unsure about what the waste hierarchy is? Check out this video:



What is the waste hierarchy?



Step 2:

With this approach in mind, carry out the following within this review stage:

- 2.1 Evaluate your environment** by taking a look beyond the bins. What waste processes do you have in place. How is waste moved and stored around your facility and what equipment is used to aid the process? What signage do you have to help direct people to the right bin? How well trained are staff to handle waste properly and do they know how best to segregate it for recycling afterwards?
- 2.2** You have already identified what waste you produce. So now you need to **work backwards** to identify where that resource originates from. What was its use, is it fit for purpose?
- 2.3** Delve into this 'fit for purpose' point further to get an **understanding of all waste** – What is it, when, where, why, and how did it become waste? Then work out the cost of that resource.
- 2.4** Is there an option within your site or business to **'close the loop'** by setting up a system where materials can be returned for reprocessing, be repaired, or be reused?

After gathering these pieces of information, you are now in a position to put forward the business case to start implementing change. Map out the findings, the gaps, and the opportunities – from short-term (quick wins) through to longer-term ambitions.



Step 2:

Waste can often be a significant 'discreet' cost to businesses and have a major impact on the commercial bottom line. Internal effort spent in waste minimisation can produce benefits equivalent to substantially increased sales (1% turnover in addition to the obvious improvement in your brand environmental footprint).



Let's put this into context for a retailer.

One mini bale of card impacts profit by **+£4.25**. An average basket of shopping in store sells for **£9**, with a **net profit of 7.5%**. The business would have to sell seven baskets to make a similar impact on the profit and loss (P&L).



Assessing your performance

Valpak, a Reconomy Group company, has created **The Insight Platform**, which provides users with a clear view of their business' product and supplier data, enabling them to report on and manage performance, make informed decisions, and demonstrate due diligence relating to compliance and sustainability.

For a free trial of the platform, or for more information, [click here](#).

Step 3

Communicate

Take your stakeholders on this journey with you



Step 3:



Identify

Now is the time to engage everyone on this. Firstly, you need buy-in from the top. Engage the leadership team on the importance of waste minimisation and what it means for your business from a financial, environmental, and potential social, perspective. Secondly, plot your business against the industry to see if you are lagging, when you could be leading the way, by carrying out some market analysis.



Agree

It is important at this stage, before communicating too far and wide, that you ensure you have mapped out your plan. Set some time aside to build a strategy with goals, targets, and a pathway of how to get there.



Train

Creating a focus on sustainability might be new to some businesses and teams so get the right training in place, whether that is in-house or external, to ensure everyone is engaged and aware of what their role is in the strategy. It is the same job you have always done, but just looking at it through a different lens that is more inclusive of social and environmental values. If you need any guidance, please do get in touch with Reconomy, we support our customers with this type of training across a number of sectors.



Did you know?

Sustainability of a business means more than a healthy profit.

Step 3:



Measure

In addition to training there needs to be some measurement parameters set up that capture performance and progress. KPIs, targets and objectives are all great ways to keep teams, suppliers and partners engaged in the process and familiar with the overarching goal and steps to get there.



Share

Last, but by no means least, is your communications plan – ensure that everyone hears and sees the great work you are doing. Promote your aspirations, your timelines and even your challenges. Don't be afraid of failure. Many businesses prefer to keep quiet until a goal is achieved, but the journey to zero waste and to a circular economy is long (2030). Collaboration and sharing of best practices are needed to support each other in the industry to get there as well as publicly committing to try. This prevents the perception of 'green-wash' and promotes trust with your customers and stakeholders.



Reset

By this point it is worth spending a bit of time re-reviewing and recalibrating to make sure the targets that you have set are aligned and stretching to your operation. Some milestones may already be in sight, some already achieved. Continue to check your strategy and adjust as developments are made.



At a Country level the UK Govt. has set a target in law to slash emissions by 75% by 2035. The UK's Carbon Budget will incorporate the UK's share of international aviation and shipping emissions for the first time, to bring the UK more than three quarters of the way to net zero by 2050.



This year the Govt. called for small businesses to take small, practical steps to cut their emissions. A campaign is being launched in line with COP26 Summit called 'Together for our Planet' to encourage businesses to commit to cutting their emissions in half by 2030. [Click here](#) to find out more.

Step 4

Collaborate

Now you have established a plan, widely communicated it, and started to drive change within your business, you can look beyond your own operation by engaging and collaborating with your supply chain.



Analyse



Review



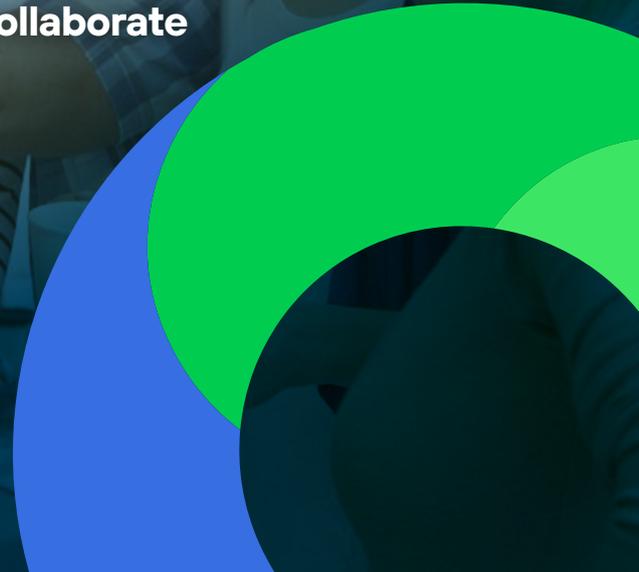
Communicate



Collaborate



Innovate



Step 4:



Working with Reconomy means...
we take care of managing the performance of all suppliers that work on your site.



Suppliers

- 3.1 Take a look over supplier contracts and their agreed (if any) sustainability criteria. This could help to reduce your Scope 3 emissions.
- 3.2 Review what improvements are possible to support your goals by engaging your suppliers and setting up regular performance reviews with SMART objectives and actions.
- 3.3 Monitor your services to ensure quality assurance and specification is met in line with what you agreed.



Stay close to your suppliers and explore new routes and ways of working that target areas which are carbon or waste hungry.

If your current suppliers are unable to support your aspirations, seek alternative suppliers to see if they are closer aligned to your goals and aspirations.

Step 4:



Working with Reconomy means...

we provide an instant knowledge hub with networks into the industry

Procurement

- 3.4 Agree with your procurement teams what sustainability specification criteria is required from your primary suppliers
- 3.5 Specify to develop policies and specifications that support the prevention of wasted resources such as single polymer packaging. **>30% recycled content**, recyclable - *i.e. not multi-layer*
- 3.6 Include performance metrics with contracts that demand continuous improvements in line with agreed sustainability measures - *i.e. reduced embodied CO2e*
- 3.7 Seek advice from sector specialists, forums or consultants.

Industry



- 3.8 Start to engage with industry bodies and associations to find forums where you can learn and share best practice.
- 3.9 Find networking events where you can meet like-minded individuals that are also navigating a similar path to you.



Did you know?

Tools are available online to estimate carbon dioxide emissions of your supply chain.

Step 5

Innovate

**At this point
you will have
audited your:**

- Operation ✓
- Procurement ✓
process
- Supply chain ✓

You have also...

- Set goals ✓
- Engaged and ✓
trained
stakeholders



Step 5:

This is a huge achievement, so well done. You now have a baseline to really get going and start ticking off even more achievements. With the data you gathered from your analysis and review stages you can now explore further opportunities to introduce renewable methods of resource management.

As we said at the beginning, this is a journey that requires ongoing commitment and dedication to achieve continuous improvements. The initial cycle of the 5-Steps process should help achieve some quick wins, but it does not stop there. The closer you get to Zero Waste, the greater the effort is required to achieve the last 20%.

As your business grows, the target may feel like it continues to move further away, but planning and preparation will help you to forward think, whilst being aware of environmental legislation will also enable you to consider what innovations to introduce. Some examples of legislation to take a look now are Extended Producer Responsibility (EPR), Net Gain, and Plastic Tax.



Step 5:

Eliminating non-renewables



Did you know?

General waste is only created when you have one bin to put waste into.

Disposal

This is a non-renewable route for lost resources. It is where resources are sent for incineration or to landfill. No further value can be recovered from that material. If you have disposal data, engage with your waste partner to find out how to stop this and to achieve zero waste to landfill. Understand what you must do to prevent it occurring in the first place - can the material be segregated or prevented from being produced in the business at all?

Zero waste to Landfill is defined as all waste, apart from those elements (no more than 1% of waste volume) that are technically non-recyclable (due to legislation, lack of facilities or material type) or hazardous, that avoids landfill.



Step 5:

Recovery

Recovery is where materials that cannot be segregated for recycling are sent to anaerobic digestion or to an energy from waste facility where energy is recovered from the incineration process.

It is advisable to look at what waste is going for recovery to see if there are recycling routes available or if reuse or prevention is an option to cut out waste going down this route. Recovery is a non-renewable route for your waste, as thermal destruction means it can no longer be reused or recycled.



Step 5:

Introduce and increase renewables – **Recycling**



Recycling and above in the waste hierarchy is where we want all resources to be, to reduce both the extraction of virgin materials and CO2 emissions. Recycling is renewable, as the material can go on to be used in new products.

Resource end of life



Ensure you segregate recyclable materials so they can be sent for recycling and continue to explore better renewable options, such as reuse or reduce.

Resource start of life



What is also important is looking at products and packaging coming into your business being passed onto your customers (if you manufacture products or sell products that come in packaging). You should, to align with the upcoming Packaging Tax legislation, be introducing and using packaging that contains at least 30% recycled content and is easily recyclable. Or alternatively look to see if this can be reduced at all.

Step 5:



- 100% RECYCLABLE
- REUSABLE

PLEASE REUSE & RECYCLE THIS BAG



Did you know?

You can recycle food waste if using a PAS110 facility.

When products and packaging are designed in a business, the waste that will eventually be produced at the end of its life must be assessed and the benefits of additional packaging for life preservation, protection etc. be considered and balanced appropriately. We should be moving away from the usage of packaging purely for aesthetic reasons. This is materialistic and is now angering consumers by its wasteful nature.

Keep in mind the recycling challenges that can occur when materials are adapted. For instance, combining different material types, surface finishes such as varnishes and coatings can cause challenges at the recycling stage. There is guidance available that is worth exploring or gaining the support of a waste partner to help advise.

Problematic plastics continue to be used in businesses, particularly in packaging. Seek to remove these, as once they are on the marketplace, they become problematic to collect, process and recycle. When packaging and single-use materials are put out onto the marketplace, recycling responsibility is placed onto the consumer. EPR is coming into force in 2023 and will shift that responsibility and cost onto brand holders and importers. This will enforce a Full Net Cost Recovery system and require the producer to consider circularity.

Compostable packaging is being used as a plastic alternative. Compostable refers to goods that can biodegrade in under 12 weeks in commercial composting conditions, to become nutrient rich fertiliser. It should not be mistaken for biodegradable which does not inform us of timescales or conditions for an item to break down.

Step 5:

Think about using waste as a resource for an onward product within your business, for example:



Single-use coffee cup recycling schemes

where used cups can be recycled and turned back into reusable cups

.....



PPE Recycling

where single-use masks can be recycled and turned into new products such as recycling bins. Reconomy already offers this service:

.....



Paper waste

generated by your business can be recycled back into copier paper

Step 5:

Introducing renewable methods of resource management - **Reuse**

You should by now be familiar with the waste that your business is producing and how it is split in terms of material type.

Although recycling does allow for materials to be returned and converted into new products, creating or providing a reusable alternative will help to reduce CO2 emissions by not having to process them each time. Extending the life of a product/item is far better for the planet and our pocket.

This applies to your own operation and the products and materials you use, as well as the products you provide your customers. **Start to explore the following:**

- Leasing options
- Deposit returns
- Take back options



Circularity isn't new...

Think back 50 years and there were excellent examples of circularity in practice. **Quality clothing lines, milk delivered in glass bottles by electric vehicles, deposit return machines for used glass cola bottles.**

Unfortunately, convenience and greed took over and as a society we need to think differently and change our behaviour and buy-in to a different way of living.

Step 5:

Reduce to prevent

Do you have products, either within your business or that you sell to customers, that have a short life span? If so, explore ways to remove these and replace them with a longer lasting alternative.

Also, consider whether you can sell second-hand items that have been refurbished. Look at other waste streams such as food – can surplus food be redistributed to charities or for animal feed that enables it to be used and not wasted? If you are continuing to see high levels of food waste, try developing a more efficient way of ordering stock to reduce frequently wasted items.

Waste in an office is an easy one to start tackling. Do your teams have under desk bins? It is likely the waste isn't separated for recycling, which is generating more non-renewable general waste. Remove the bins and replace with some centralised bins around the office.



Durability

Product durability is also important to preventing waste. The longer a product lasts the less frequently replacements are needed. Set up testing to prove the longevity and reparability of products you use or sell to customers.

Introduce product care, maintenance and advice to help your customers to live more circularly rather than leaving them without an alternative to throwing a product away. The Department for Food, the Environment and Rural Affairs (DEFRA) claims that the UK 'right to repair' package could extend the lifespan of products by up to 10 years and save in repair, replacement and energy bill costs when compounded by the new energy efficiency rules for appliances. The EU notably published its Circular Economy Action Plan last year; a policy package that includes 'right to repair' mandates. The UK agreed to develop mandates in line with the EU before BREXIT.



Well done

Congratulations, you have made it to the end. Although with all things circular, this is by no means the end as we encourage you to go back to step one and continue to analyse, review, communicate, collaborate, and innovate. Be sure throughout your journey to report, so you develop a more transparent and consistent view of your resources. Building best practice yourself is great, but lean on partners to help you on that journey too.

If you would like support on your journey, please do get in touch. Reconomy is the environmental sector's leading provider of outsourced waste services and sustainability-driven solutions. Having recently been awarded a highly prestigious Queen's Award for Enterprise, we continue to demonstrate excellence in the field of innovation with market-leading digital technology.

We are adept at delivering the day-to-day operational side of waste and resource management, but where we're truly unique is in our ability to also provide consultancy led sustainability and circular economy solutions. We work in close partnership with thousands of businesses across numerous industries and sectors.

Inspiring them to think differently and embrace new concepts to create measurable business advantages. To achieve this, we utilise a nationwide network of over 1,000 supply chain partners that are focused on minimising waste and promoting a circular economy. Reconomy has grown significantly in recent years, with the aim of adding to our breadth of capability and service deliverables, as well as a more circular approach when meeting your needs.

*Thanks
for reading.*

About Reconomy

Reconomy works with businesses of all sizes to develop practical and cost-effective sustainability strategies, which deliver substantial and long-lasting value.

However, it is of critical importance to us that we practice what we preach, which is why we have developed and communicated our own strategy, documenting the ways in which we are striving to achieve our own sustainability ambitions.

Hear more from Diane Crowe,
Reconomy's Group Head of Sustainability



Our sustainability strategy



Get in touch

Are you ready to start your sustainable business future? Contact us today:

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