Jack denies the UK Government are to blame for collapse of deposit return scheme

At the Royal Highland Show the Secretary of State for Scotland, Alister Jack, has denied that the collapse of the Scottish Government's Deposit Return Scheme is anything to do with him or the UK Government.

He said to assembled journalists: "What happened was on 6 March the Minister asked for an exemption from the UK Internal Markets Act. That's been around — that act has been here since 2020. We used it for plastic cutlery successfully. So they knew the system, they knew the formula. What they've done, The Scottish Government, is they've gone ahead effectively and built a house and then asked for planning permission at the end — Circularity Scotland being part of that house.

"And they knew they needed an exemption, they knew that there were complications within the UK integral drinks market, We'd seen Tesco say it should be a UK wide scheme, because they wanted it to be a seamless drinks industry across the UK. Obviously, we couldn't have barriers to trade, because 60% of Scotland's trade is with the rest of the UK.

"Particularly important in this, of course, is the Scotch Whisky Association, who also backed a call for it to be a UK wide scheme. So we did offer the exemption, many had predicted

that we wouldn't. A lot of industry said to me don't offer the exemption. But in the discussions, we offered an exemption, but it had to be one that made the scheme seamless.

"So your deposit charge in Scotland had to be the same as everywhere else in the UK. Because obviously if you're going to buy product in Glasgow, get on the train and get off at Euston and then recycle your product and get less money, you're not going to be happy. Equally, if I get off the train at Carlisle and buy stuff at Tesco and go home to Dumfries and recycle I shouldn't get more money, or vice versa.

"It had to be across the UK and The Scottish Government was slow to come to that realisation that as you have in Australia if you have paid up to one scheme, it should be that you should have reciprocal arrangements with all the other schemes.. There should be one bar code and it should work seamlessly across the United Kingdom. And that was all very obvious to me. But as I say they never asked for an exemption formally until our ministerial meeting on 6 March. And at that point, we moved very quickly. And we got an exemption, Circularity Scotland said they could work with that exemption, if you remember, they changed their position and said that would work for them.

"So the idea that we destroyed the scheme is for the birds."

Asked about the vote of no confidence in Lorna Slater the Circular Economy Minister, (which failed earlier in the week), and whether he considered Ms Slater to be a competent minister, Mr Jack was circumspect in his reply.

He said: "I think that's for Humza Yusaf to decide. I'm not going to interfere in the structure of The Scottish Government.

But I've made very clear that I think the handling of the deposit return scheme was poor at best.
The right thing to do and it's within the framework protocol

is that they make clear they need an exemption, Whitehall departments work out if they can give an exemption then negotiations begin after that. They did it the wrong way. Right.

"As I said they built a house and then they asked for planning permission."

Lorna Slater the Lothians MSP and Circular Economy Minister and during the debate on Tuesday at The Scottish Parliament she blamed the UK Government for Circularity Scotland the non-profit which was set up to run the scheme calling in administrators.

Ms Slater said: "We have learned today that the process is under way to appoint administrators to CSL (Circularity Scotland Ltd), leaving their staff in an extremely difficult position.

"This is an unforgivable consequence of the UK Government's 11th-hour intervention, which undermined our deposit return scheme, made progress impossible and is now resulting in these jobs being lost."

The Royal Highland Show continues at Ingliston until Sunday.