The Highland Council

Agenda Item	**10**
Report No	**CP/32/26**

Committee: **Communities and Place**

Date: **5 November 2026**

Report Title: **Reuse and Repair Fund**

Report By: **Assistant Chief Executive - Place**

1 Purpose/Executive Summary

1.1 This report details the current expenditure against the Reuse and Repair Fund to date.

1.2 The report also asks that Members agree to the allocation of up to £30,000 from the Reuse and Repair Fund to establish an opportunity for a project at the Nairn Household Waste Recycling Centre (HWRC) which will encourage the further separation of waste from recycling or treatment that is not otherwise undertaken.

1.2 The funding sought is the first step in the project and will help establish a base from which a third party will be offered the opportunity through contract to manage the facility in line with the principles set out in the feasibility study that has previously been carried out and which is attached at **Appendix 1**. Member approval is also sought to progress the procurement of a suitable operator, recognising that there has been some local interest in taking forward the proposal and that any operator may make further applications to the reuse and repair fund.

2 Recommendations

2.1 Members are asked to:-

i. **Note** the current projects that have been funded through the Reuse and Repair Fund;
ii. **Approve** the award of up to £30,000 from the Repair and Reuse Fund for the preparation of the site at the Nairn Household Waste Recycling Centre;
iii. **Agree** that the procurement of a suitable operator be commenced under the Council's procurement regulations; and
iv. **Agree** that further updates on the findings from the project be reported to a future Committee to evaluate the opportunity for expansion of the principles throughout the Highland area.

3 Implications

3.1 **Resource -** The Reuse and Repair Fund was set up in 2025/26 with an initial fund of £500,000 with an additional £300,000 having been approved for the fund in 2026/27. The total award to twenty-nine projects is currently £546,019 (excluding internal management costs).

In respect of the specific project covered in this report, it is estimated that the preparation of the site, including the provision of a suitable location and storage facility that can be accommodated with the wider site is expected to be no more than £30,000. To operate successfully an operative (funded externally) would be required to be present at the Nairn HWRC for each of the opening hours. This will be a matter to be determined within the procurement of an operator but there will be no additional cost to the Council in delivering this project. It will be for the successful tenderer to consider whether they wish to apply to the Reuse and Repair Fund in the future (subject to availability of funding and meeting the terms of any submission).

3.2 **Legal –** the lease of the space to a third party operator will be considered as part of the overall procurement process.

3.3 **Risk -** There is a risk that a suitable operator will not be found. However there has been local interest in taking the project forward, and there are examples of similar types of approaches that have worked elsewhere in Scotland and the UK. In addition, the feasibility study attached to this report demonstrates that it should be possible to deliver a successful outcome.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people) –** The Health and Safety of staff and members of the public will be an important element of the design and siting of the opportunity at Nairn.

3.5 **Gaelic -** There are no Gaelic implications.

4 Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is an update report and therefore an impact assessment is not required.

5 Reuse and Repair Fund

5.1 Following agreement of the 2025/26 budget a fund was set up to encourage the reuse and repair of items and avoid them being sent for recycling, treatment or disposal. The initial fund was set at £500,000 with initial applications being submitted in late 2025. Proposals could be submitted between values of £2,000 and £50,000.

5.2 A further £300,000 was re-invested into the fund for 2026/27 and combined the first two rounds have seen twenty-nine proposals awarded a total of £546,019. A third round is due to close on 16 October 2026. It is expected that this will utilise all remaining funds.

5.3 Proposals were awarded on the basis of the quality of the submissions, with no prioritisation unless the total value would have exceeded that allocated within the budget.

5.4 The process for evaluation and award of funds was delegated to the Assistant Chief Executive of Place in consultation with the Chair and Vice-Chair of the Communities and Place Committee on 21 May 2026.

6 Nairn Household Waste Recycling Centre Reuse Scheme

6.1 The Council has previously undertaken a study on the viability of reuse at the Nairn HWRC. A redacted version of this report is provided in **Appendix 1**.

6.2 The report makes a number of assumptions as to what was achievable focussed on other schemes within the region. The report indicated that the Nairn HWRC could achieve a diversion of approximately 200 tonnes per annum.

6.3 The report did not undertake any quantitative assessment of potential reuseable items within the waste. No compositional analysis of waste being delivered to the Nairn HWRC was undertaken, so the above figures represent an assessment based on broad generalised information.

6.4 Whilst the report is positive, there are a number of issues that may affect the amount of potential additional reuse tonnages. These are:

- Reuse of Electrical and Electronic items is already undertaken through the statutory requirement for these to be transferred to ILM on behalf of the Producer Compliance Scheme, Ecogenesys. It is therefore not feasible to include such waste within any new scheme.
- The site may be unable to be able separate larger bulkier items for reuse due to lack of storage capacity (e.g. wooden furniture) unless there is an off-site storage solution that will be provided by the third party operator.
- Upholstered items will have to be considered to be contaminated with Persistent Organic Pollutants (POPs) and unlikely to be able to be directed for reuse.

6.5 Reusing waste to defer when it is required to be recycled, treated or disposed of is preferred method of management of waste when feasible. It is however technically and logistically challenging. Sufficient space and market demand is required to ensure that suitable items can be rehomed.

6.6 The proposal is to implement a small reuse scheme in Nairn that can be utilised to determine whether a wider Highland reuse scheme is likely to be viable, especially given the large geographic area.

6.7 To achieve this, it is proposed that the Nairn HWRC is provided with a purpose marked reuse container/storage facility with appropriate racking. There is sufficient space available on the site and this work can be carried out in the very short term. Member approval is sought for the allocation of up to £30,000 from the Repair and Reuse Fund to allow this to happen. It is expected that the actual cost will be lower than that, but in order to ensure contingency is in place the higher amount is sought to ensure that the ambitions of the project can be supported at the outset. Any funding not used will be returned to the wider pot. The focus of the types of goods taken out of the waste stream will be carefully managed to make best use of the site and storage available.

6.8 There is likely to be some local interest from community organisations to operate the facility. As such a procurement will be undertaken to identify a suitable organisation for a number of years that could support the project. This will include assessing how the organisation can support the Council either through providing a share of any income for the sale of the reuse items or through providing staffing resource (e.g. a reuse assistant) to ensure only realistically reusable items are diverted. Member approval is sought for the procurement process to begin.

6.9 The outcome of the reuse scheme will be used to develop the future of reuse and in particular support the future development of the Highland Council's Waste Strategy. In this respect future reports will be brought to this Committee to demonstrate the outcomes of this exciting project for Nairn.

Designation:	Assistant Chief Executive – Place
Date:	21st October 2026
Author:	Ian Braker – Strategic Lead (Waste Strategy and Operations)
Background Papers:	None
Appendices:	Appendix 1 – Enscape Feasibility Study 08.11.2023 FINAL

Appendix 1

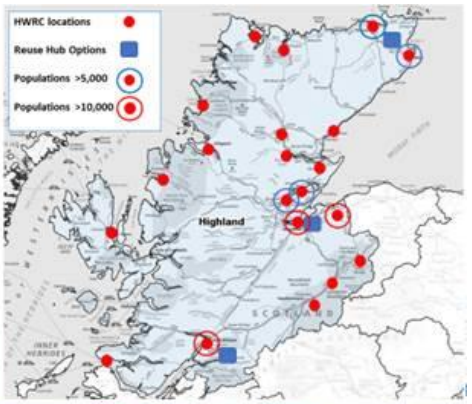
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ENVIRONMENTAL &
DEVELOPMENT SERVICES

THE HIGHLAND COUNCIL

Reuse, Repurposing and Recycling Feasibility Study

November 2023










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EXECUTIVE SUMMARY

OVERVIEW

This feasibility study has been carried out to progress and add impetus to the potential for incorporating reuse, repurposing and recycling into the Highland Council's waste services at the Nairn Household waste recycling centre (HWRC). This study has been carried out to identify amongst other things, an operational model that would be aspirational, yet achievable, for delivery of a reuse, repurposing and recycling site within current budgets.

The study has assessed the practicality and viability of the venture and identifies potential opportunities and challenges associated with it. This report provides the basis for developing a more detailed business development case built on the recommendations. The evidence gathered may be used to support an application for further funding at a later date. As well as developing what is a "pathfinder" model for the Nairn HWRC, the Feasibility study also provides a more general view on the potential application of this model at other sites across Highland region.

In respect of both these elements the feasibility study looks beyond just waste strategy and considers the wider benefits of adopting this model, including, but not limited to, local employment opportunities, green job development, contributions to net zero commitments and developing reuse/recycle concepts. An important element of this project has been to understand how the opportunities and options identified could support the existing circular economy which is already in place in Highland rather than competing with it.

SUMMARY OF FINDINGS

Examples of good practice reuse across Scotland the rest of the UK (RUK) have been identified through desk-based research and stakeholder engagement. There are many HWRCs with reuse activities happening at a significant scale, managed and operated nearly always by the Third Sector. A significant number of HWRCs have also been identified where local authorities have facilitated the Third Sector to develop onsite retail units and in one case the local authority (Hertfordshire) has built and is operating such a unit itself.

Stakeholder engagement has included one-to-one interviews with organisations delivering reuse across the Highlands and beyond, as well as many community and strategic organisations. A number of the reuse organisations engaged have expressed an interest in bidding for any future reuse project that develops at the Nairn HWRC. This option would deliver the maximum environmental and socioeconomic impact if it is established to provide collection, sorting and retail at a scale being delivered in reuse projects such as Moray Council's Forres HWRC and Dumfries and Galloway Council's Stranraer HWRC.

Reuse can provide an opportunity for inclusive upskilling within the community, through employment and/ or volunteering opportunities. This type of local initiative can provide residents with an opportunity to feel connected and valued by their community. However, it can also provide a structured approach to the provision of skills and work for residents that are furthest from the workplace. Reuse is naturally labour intensive and varied due to the number and type of items that are donated and need to be processed prior to sale. There will be a variety of roles from warehousing and driving, through to sales and marketing. Many reuse organisations will also offer opportunities to learn repair upcycling skills. Within many local authorities in Scotland there are close links between the reuse sector and Council Learning and Employability and/ or Justice or Education Teams.

A community survey was undertaken as part of this project, which had a significant level of interest in Nairn and more widely across Highland region, with 599 completed responses, with around half of these being in Nairnshire. Between 86% and 98% indicated that they were positive about the development of reuse models which mirror those of Moray Waste Busters or the Furniture Project (Stranraer). Most people were also positive, albeit at a reduced level (~63%) about an operational model involving reuse containers or a shed on site, with no retail or added value activities. The cost benefit analysis carried out on a potential reuse centre at the HWRC was based on reuse of furniture, bikes, electrical items and bric a brac. Textiles were not included because of the importance of these to existing charity shops in Nairn, and although there is a collection of waste electrical and electronic items from the HWRC at the moment, only a very small amount of this is reused (nearly all white goods).

Engagement with a wide range of Council officers and elected officials has demonstrated support for a reuse programme, but this also identifies that the opportunity is one which can deliver against a wider set of objectives than just waste management. For this reason an advisory group could be a vehicle for bringing in support, interest and activity, not just to facilitate the establishment of a large-scale reuse programme, but to support its financial sustainability on an ongoing basis.

THE VISION AND OPTIONS

There are two key features that can be described as underpinning a vision of reuse for Highland region:

- Reuse delivered in partnership with local communities for wider socio-economic benefit.
- Infrastructure and delivery models which maximise the potential for reuse, both in tonnes (reused), income generated, diversion from landfill and recycling streams, but also reducing carbon emissions associated with retail and waste management.

To deliver the above, the vision that has been discussed with stakeholders and local authority officers involves the following:

- The establishment of a reuse organisation at the Nairn HWRC, with potentially a satellite retail outlet in Nairn itself, with capacity and infrastructure to support a growth model associated with the objectives of The Highland Council and other organisations, including the Nairn community.
- The delivery of reuse more widely across Highland region, with expressions of interest in developing opportunities identified in communities such as Fort William, Ullapool, Dingwall, Inverness and beyond.
- Where the development of reuse projects entailing collection, sorting and retail within HWRCs is not possible, opportunities exist to support development on land adjacent to some HWRCs e.g. in Wick and Fort William.
- Where this level of complexity and the land requirement is not available, HWRCs would be assessed in terms of those ready to have reuse containers (materials and number to be defined) installed.
- In parallel, to the above, the potential for developing a large-scale, Reuse Hub and Retail Centre within Inverness should be understood in detail, associated with the Superdepot planning work being undertaken by the Council – forming an opportunity for development at the waste depot at Henderson Road.

Engagement with organisations and local authorities delivering reuse at significant levels consistently identifies the importance of strong relationships and partnership working. Without this, in particular where projects are developed on Council sites, operated by third parties, it will be difficult to build and sustain successful reuse projects and maximise their potential. An important example of this involves Dumfries and Galloway Council, who have developed a proactive approach to engagement, involving HWRC staff. For example, when there is down time at the HWRC, staff can work in the Re-use Shop adjoining the site, and vice versa with respect to the reuse organisation's staff. This has been described as a win-win scenario that generates interest, engagement and benefits that derive from strong partnership working. The Furniture Project and Moray Waste Busters have also been financially supported by their local authorities, particularly in the early years of their operation, although the cost benefit analysis work undertaken in this feasibility study has not factored such support into the modelling (which demonstrates what is required to generate a surplus).

CONCLUSIONS

The Most Impactful Option for Nairn and the Highlands

Reuse projects involving the set-up of collection and retail infrastructure at HWRCs generate significantly higher levels of reuse, income generation, jobs and training within a local community, compared to options that involve establishing reuse containers.

The potential for establishing a reuse centre that processes 200 tonnes per annum at the Nairn HWRC has been described in this report. The opportunity more widely, if replicated across five additional communities (Fort William, Thurso, Wick, Alness and Dingwall) with populations ranging from 5,000 to 15,000 has been identified as 920 tonnes of reuse, generating 92 direct jobs. A further 1,275 tonnes generating 127 jobs could potentially be available from a large-scale development in Inverness.

Stakeholder engagement and desk-based findings

Stakeholder engagement involving council officers and reuse organisations (local and national) has identified significant levels of interest in both the development of a reuse project, with retail, at the Nairn HWRC as well as other locations across Highland region. At the moment, there is very little reuse activity with respect to HWRCs in the Highlands, although there are a number of Third Sector organisations delivering reuse services from direct donations to their shops and facilities. A number of these are now well established, with examples of innovation and complex supply chain systems e.g. involving organisations such as Blythswood and ILM Highland, the latter reusing circa 8% of WEEE collected from HWRCs as part of its contract with the UK organisation REPIC. Two reuse organisations engaged with expressed their interest in operating a future reuse centre at the Nairn HWRC, with another two preferring to see what the Council proposes in detail in the future. Another organisation expressed its interest in the reuse opportunity, but as part of an opportunity to operate a cluster of four/five HWRCs for The Highland Council.

Examples of innovative re-use have been identified across Scotland, the RUK and continental Europe, with opportunities for The Highland Council to support similar activities. These examples include projects supported by local authorities, such as Aberdeen City, Moray and Dumfries & Galloway Councils. The ReTuna reuse shopping

mall in Sweden has also been identified as a potentially large-scale opportunity for Inverness if the Superdepot planning initiatives results in the waste depot being vacated.

Socioeconomic Benefits

The socioeconomic benefits of reuse are clear. For a system in Nairn that generates 200 tonnes of reuse there is the potential to generate not only 18 direct FTE jobs (22 direct jobs in total, mixture of part and full time), but also another 4 FTEs in the supply chain providing a total economic value (GVA estimate) of £391K per year. However, the benefits go much wider than this with the training, inclusion and opportunities that can be provided through employability support that reuse projects can offer.

The capacity of the local authority to deliver and/or facilitate any project is most likely to be successful when a multi-departmental collaboration is taken forward, involving the waste team, sustainable development, economic development, education & learning and climate change/circular economy. This recognises the many different benefits and opportunities for innovation and community support that a reuse project delivered for the region as a whole can deliver. The development of reuse at a large scale across the Highlands has the potential to provide jobs, training and employment and if delivered carefully could facilitate such positive developments in a way that is accessible for areas with more challenging economic circumstances than Nairn.

The Infrastructure Options

The Nairn HWRC is a similar size (approximately 20% smaller) in terms of its overall footprint to Moray Council's Forres site, with the town also having a similar population. The viability of a reuse centre in the HWRC has been modelled in the Cost Benefit Analysis (CBA). complemented by a number of organisations indicating their interest in operating such a centre. Two other locations in the town itself have been identified which could offer similar potential. One of these is dependent on the Council moving existing waste, roads and amenities operations to a new location, which would be a challenge to secure. The other may be possible on a smaller scale, or could work as a satellite retail option that works hand in hand with reuse drop off (and smaller scale retail) at the HWRC.

A key factor in considering the development of a reuse centre at the Nairn HWRC will be how busy the site is from an operational perspective being co-located with a roads department depot. This has the potential to bring together an increasing number of householders and large vehicles serving the depot and HWRC. This is a challenge for the existing HWRC as well as a future reuse centre and a key question is whether this is a suitable location for maximising the utility of both.

Establishing a large reuse footprint of the kind operated at Forres would require a significant redesign of the Nairn HWRC, and the potential for doing this requires buy-in from the council as well as work to consider the design and layout of the site. A fundamental aspect of this would require a division of the site to separate users of a reuse centre from the recycling area and associated operational activities. The roads department (and Amey/trunk road operator), which has space and a range of activities immediately adjacent to the HWRC, could be an important facilitator for developing the potential for reuse. Consultees have commented that there are no opportunities for taking additional space, however, there has not been a wholistic assessment of the overall Roads and Waste infrastructure in the area, to consider how the site can be optimised to maximise benefit for the Nairn community.

For a region the size of the Highlands with twenty one HWRCs, there are opportunities to develop a number of reuse sites, for example to take advantage of ongoing local capacity, developments and initiatives that are benefitting local communities as well as delivering circular economy business models e.g. involving organisations as wide spread as Fort William, Dingwall, Ullapool etc, providing both reuse and socio-economic benefits from their activities.

Relationships and Partnership Working

The development of a reuse centre at the Nairn HWRC will require relationship building, the development of trust in a future working relationship, examples of which are demonstrated in other Scottish local authorities. The stakeholders involved would be the reuse organisation delivering the required services along with a number of council departments (e.g. waste, sustainable development, climate change/circular economy etc). The importance of a procurement process that both encourages and requires increasingly professional levels of service for reuse has been identified as an important aspect of any future development in this area.

Operational and Organisational Options

An action plan for taking forward the reuse options has been described in this report, an important aspect of which will require the council to view the opportunity as a multi-department one. Reuse activities are being taken forward widely across Scotland now, led and/or supported by waste management departments, however, there are clear benefits in terms of economic development and training, as well as significant carbon savings to be realised

and accounted for in future council reporting. The creation of a steering group that pulls together the different departments will assist in providing an impetus which individual departments may struggle with.

The community survey undertaken received 599 completed responses, with the most popular preferences identified being the delivery of a reuse centre with retail at the Nairn and other HWRCs, operated by local third sector organisations.

Cost Benefit Analysis (CBA)

The CBA considered a number of different scenarios based on the parameters for a successful reuse operation at the Nairn HWRC. Third sector organisations would not be able to pay for the costs associated with reconfiguring the HWRC, or the building of a dedicated reuse building. As a result, commercial and lower cost rental prices have been considered in the CBA, which would allow the council to recover the capital costs associated with a reuse centre development. For the option involving the establishment of reuse containers, and small scale reuse, the capital investment is much lower, and a number of associated, indicative capital costs are provided. Smaller scale reuse means that the tonnages of items involved and the job creation are also correspondingly much less significant.

RECOMMENDATIONS

Taking Forward a Reuse Model for Nairn and Highland Region

- The option which will deliver the maximum level of reuse and deliver the most employment is the type of project being delivered by Dumfries and Galloway Council (the Furniture Project, Stranraer) and Moray Council (Moray Waste Busters). Reuse drop off and retail on a HWRC, with a potential satellite unit in Nairn itself.
- To establish a large scale reuse project at the current Nairn HWRC the option proposed needs significant work to make the site suitable. Work is also required to understand how the overall site containing both the HWRC and the roads depot can be considered as a whole, to maximise the potential of the land available. This will require design and cost assessments, and work to identify how site redevelopment costs can best be met.
- The Council will need to be a committed supporter and partner for any reuse project if this is to have a viable and sustainable future, which needs to include an awareness of the challenges associated with operating complex reuse projects. For example, the Council's views on cherry picking of items should be developed to reflect the commercial realities that reuse organisations have to face i.e. unreusable items become a significant cost that decrease the viability of operations.
- The margins that reuse organisations operate to are very tight, but the potential benefits to a community are high, and therefore the development of a trusted relationship between the council and reuse partners should be an objective of future working arrangement.

Operational Plan For Developing Reuse in Nairn and Highland Region

- An advisory group should be set up to facilitate an engagement programme within The Highland Council itself. Its role should be to agree the council's preferred option for Nairn, and a strategy for how to develop reuse options more widely across the region.
- A reuse action plan for the council could be supported and overseen by the advisory group. This would set out how local opportunities could maximise community capacity building, involving volunteering as well as job creation opportunities.
- Potential future contracts for Nairn and more widely should include a range of KPIs. Depending on the preferred model, these could cover re-use targets, site operational performance levels, as well as setting requirements for socio-economic benefits e.g. training, employability places, furniture packs for disadvantaged people. The referral system could be a part of this.

Maximising Socioeconomic Impacts

- The council should consider the value of *distributed* social benefit which would involve aligning the location of a future reuse centre with the opportunities for workers and customers in areas with underserviced job opportunities.
- The Council and the proposed advisory group should work with other agencies and departments to facilitate actions that maximise social benefit.

Other Infrastructure Options

- The options for a Nairn HWRC reuse centre versus models involving infrastructure in Nairn itself require discussion and agreement within the Council. If concerns around how busy the area around the HWRC is,

being next to an operational depot, limit the desire to develop this as a reuse centre then the potential for identifying an alternative should be considered (the report discusses other examples in this respect).

- Other HWRCs in the region should be considered with respect to establishing re-use centres, with both storage and retail infrastructure, either on the site or at nearby/adjacent land, where available. Specific examples for Fort William, Wick and Inverness have been identified in this report. The Superdepot planning process has identified that the Inverness waste depot relocation could present a particularly attractive large-scale hub opportunity, which if accompanied by retail could result in a high profile exciting opportunity. The world's first reuse shopping mall in Eskilstuna, Sweden. has provided one vision in this respect.

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1.0 INTRODUCTION

1.1 Overview of the project

This feasibility study has been carried out to progress and add impetus to the potential for incorporating reuse, repurposing and recycling into The Highland Council's (THC's) waste services at the Nairn Household waste recycling centre (HWRC). This study has been carried out to determine amongst other things, an operational model that would be aspirational yet achievable for delivery of a reuse, repurposing and recycling site (RRR site) within current budgets.

The study has assessed the practicality and viability of the venture and identifies potential opportunities and issues. This report is structured to provide a basis for a further business development case based on the recommendations. The evidence gathered may be used to support an application for further funding at a later date. As well as developing what is a "pathfinder" model for the Nairn HWRC, the Feasibility study also provides a more general view on the potential application of this model at other non-specific sites across Highland region.

In respect of both these elements the Feasibility Study looks wider than just waste strategy and considers wider implications locally for the model including but not limited to local employment opportunities, green job development, contributions to net zero commitments and developing reuse/recycle concepts. The brief for this project required that there should also be a strong bias in terms of understanding how to support the existing circular economy which is already in place in Highland rather than competing with this.

1.2 Scope of the study

This Feasibility Study looks at a number of opportunities and models for Nairn, and more widely across Highland region. The areas covered in detail in this report are summarised under the headings below.

Research into similar projects

An assessment is made of a number of existing reuse projects in Scotland, the Rest of the UK (RUK) and continental Europe, describing how they operate, their scale and characteristics. These are considered with respect to the potential they provide for transferring approaches to a reuse project in Nairn and more widely across Highland region.

Operational models

Potential operating models are considered in this report, and in particular reference is made to the roles and responsibilities of the Council and potential partners. Consideration has also been given to the potential impact on existing waste contracts and the opportunity for the community to buy reusable items directly from a project (point of sale). Recommendations on the most appropriate operational model for a reuse project in Nairn are provided with justifications, informed by detailed stakeholder engagement involving a wide range of reuse and community organisations, along with many strategic policy and council stakeholders. A community survey with 599 responses also feeds into the findings and recommendations.

Material streams

As part of the study the type of items for reuse that could be included in an operational model are described. An important aspect of the study was not to compromise the ability of existing reuse organisations in Nairn to operate successfully. The quantities of these items that could be available have been estimated along with values and potential incomes. The proposed material streams do not become waste if managed on-site by a reuse organisation, and will only become a waste if collected in reuse containers prior to checking/uplift. The types of materials considered do not therefore require specialist knowledge for handling, other than for testing purposes to demonstrate product safety and functionality (e.g. for electrical goods).

Cost model

A cost benefit analysis (CBA) has been developed using indicative costs from other projects and research (e.g. from the development of guidance for Zero Waste Scotland). This shows cash flow performance over a three year period, and the conditions required to generate a surplus for the operational model in question.

Facilities

The facilities and space requirements for successful projects are described, with the indicative costs associated with this included in the cost model mentioned above.

Stakeholder engagement

The project involved extensive stakeholder engagement with reuse organisations in both Nairn and the wider Highlands, with representatives from across The Highland Council and members of the public through an online survey. The purpose of engagement with the organisations was to identify potential future partners, interest and views on collaborations, and preferences in terms of the materials, logistics and retail preferences for a reuse, repurposing and recycling (RRR) site.

Legal/regulatory considerations

The legal/regulatory requirement that should be considered by Highland Council are described in this report, with reference to the latest SEPA guidance on both reuse and persistent organic pollutants (POPS).

Project benefits

The potential environmental, social, and economic benefits are described for both Nairn and The Highland Council area more generally. The best practice models for achieving the most significant environmental, social, and economic benefits are identified and inform the recommendations made with respect to the options that could be taken forward and facilitated by THC. In addition, the assessment of the project benefits includes reference to the wider circular economy and community wealth building benefits.

Communications

The target audiences and methods of delivery for a communication campaign are described and how the operational model can reach the public, with the resulting benefits.

Facilitators, funding and barriers

The facilitators and potential impediments for developing and delivering a robust operational model for a re-use project in Nairn are identified along with commentary on the potential funding streams that could be accessible. Additionally, the report provides an analysis of the necessary skills and expertise required to deliver a project and how to manage potential skills gaps and provide training.

1.3 Overview of Nairn, Highland region and the HWRC

Nairn has a population of 10,190[1] or 11,613 including Auldearn[2]. In terms of the Scottish Index of Multiple Deprivation 2020 Nairn has areas that fall into the highest and lowest categories of deprivation, as derived from the Scottish Government tool which can be found here. It has been described in discussions with reuse organisations as a town which is well suited to a reuse project, since it has an affluent population able to donate high quality goods, and a population which would benefit from purchasing second hand goods which are heavily discounted compared to new.

Results from the 2011 Census show that the population of Highland on census day was 232,132, increasing to an estimated 238,060 in mid-2021,[3] which on its own made it the seventh largest local authority in the country by this measure, albeit this is on the basis of a large rural area and low population density as a result. Between 2001 and 2021 - population has increased by 13.9 per cent (Scotland-wide increase of 8.2 per cent).[4]

The geography of the Highlands is diverse ranging from fertile farmland around the Black Isle and Cromarty Firth; dramatic seascapes on the west and north coasts; the tallest mountains in the British Isles and the largest blanket bog in Europe (Flow country, Sutherland). The total land area including all islands at low water is 26,484 square kilometres which is 33% of the land area of Scotland and 11.4% Great Britain. It is 20% larger than Wales, and nearly the size of Belgium. This is important with respect to this reuse project and comparisons with projects taking place in other parts of the country and internationally.

The region's largest town is Inverness, estimated to have a population of ~47,000, with the Inverness and Culloden area a population of 63,730[5], representing 28% of the region's population. Another six towns, Dingwall, Alness, Wick, Thurso, Nairn and Fort William have populations between 5,360 and 10,260, together accounting for 20% of the region's population. These populations are a significant consideration when comparing the potential of

[1] Population data sourced from the Scottish Government here.
[2] https://www.hie.co.uk/media/5946/nairnplusandplusauldearnplusprofile.pdf
[3] https://www.highland.gov.uk/info/695/council_information_performance_and_statistics/165/highland_profile_-_key_facts_and_figures/2
[4] https://www.highland.gov.uk/info/695/council_information_performance_and_statistics/165/highland_profile_-_key_facts_and_figures/2
[5] https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates/settlements-and-localities/mid-2020

Nairn and other Highland communities with the outcomes in terms of reuse in other small towns. For example, Moray Waste Busters located in Forres (population of 12,000) diverted over 200 tonnes from landfill in 2021-2022 (anticipating that this will be 300 tonnes in 2022-23). This comparison is developed in detail later in this report.

The locations of all Highland Council's HWRCs are shown in the map below, along with communities with populations exceeding 5,000 people. Potential reuse hubs are indicated, with details discussed later in terms of the potential offered by these.

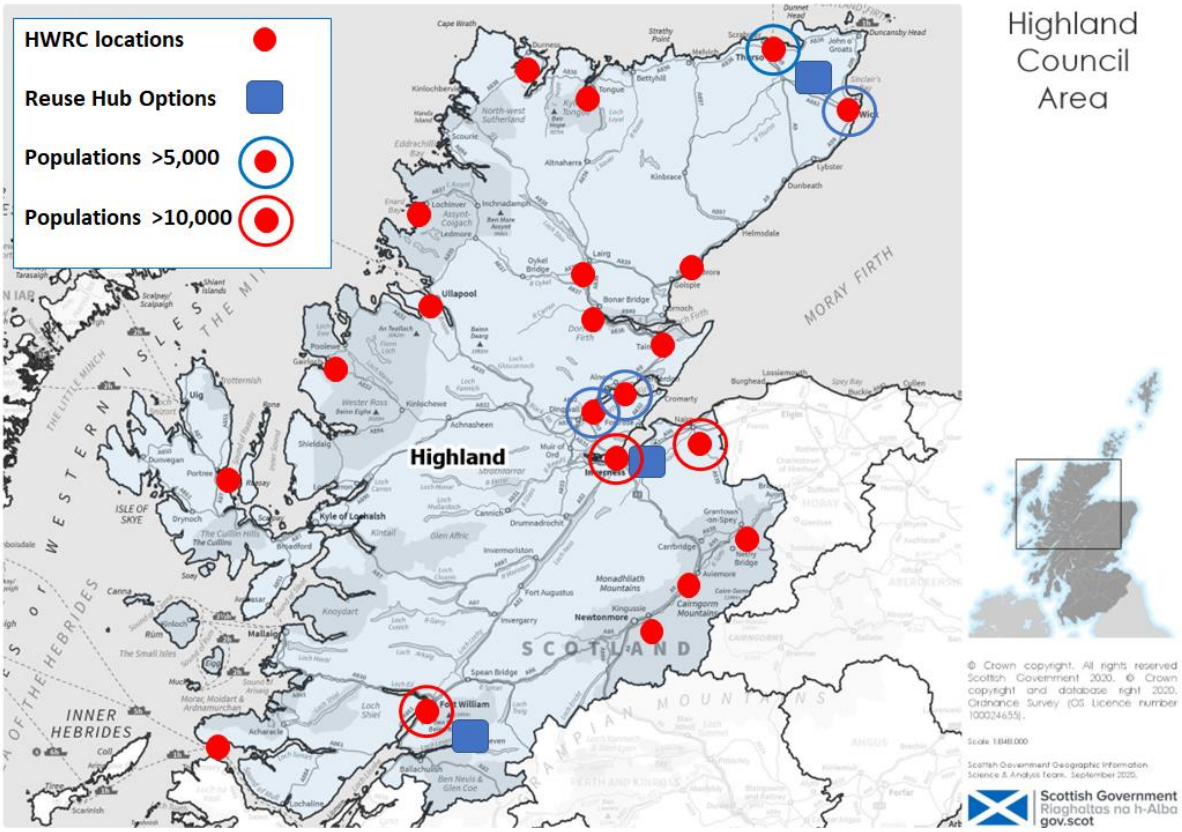


Figure 1. Map showing HWRC locations, potential hub options and largest communities

The Nairn HWRC is located 3.5 miles from the town centre, which could raise questions with respect to it not being located within the community, or town centre. It is therefore compared below with two other HWRCs where reuse projects are successfully being delivered:

- Moray Council HWRC at Forres: 1 mile from the High Street, accessed by crossing the A96, going through an industrial estate and an area of countryside.
- Dumfries and Galloway HWRC at Stranraer: 0.5 miles from the town centre, at the end of an industrial estate.

Like HWRCs across the country, the above locations require that people making donations travel using a vehicle. Both of these locations can more easily be accessed on foot or bike, for staff, volunteers and customers compared to the Nairn HWRC. This report comments later on how well the Nairn HWRC is used, with respect to tonnages of items deposited there (visitor numbers are not logged) and it can be seen to be comparable with other HWRCs in Highland region. The Community Survey reported on later in this report indicates that there is a lot of support for establishing reuse retail at the Nairn HWRC, with the example of Moray Waste Busters (MWB) being given in many cases – that the same type of opportunity should be available at the Nairn HWRC. Discussions with MWB identified that around one-third of their customers come from Nairn, a distance of around 10 miles, compared to the 3.5 miles from the centre of Nairn to the HWRC. The shorter distance, and the existing use of the site by people dropping off items could be viewed as a positive indication of the potential for people in Nairn and the surrounding area to buy items from a retail facility on the site, but this will depend on the nature of the offering, its attractiveness and how well it is marketed.



Figure 2. Locations of the Nairn options discussed in this report

A more significant question with respect to the attractiveness of Nairn HWRC could be the nature of the Highland Council road depot next to it, which means that there are large heavy vehicles coming and going with some frequency (this frequency is not quantified). Once inside the HWRC, the configuration of infrastructure, to manage the flow of vehicles and householders for a safe and pleasant experience is not ideal and would need to be improved through an element of redesign.

2.0 OVERVIEW OF THE REUSE SECTOR

2.1 Scotland

Market research carried out a number of years ago by Zero Waste Scotland on the reuse market and how to encourage greater participation found that people are motivated by (i) ease of being able to drop off items, (ii) knowing that being involved provides benefits to the local community, and (iii) participation brings benefits to the environment.

An important reason for making reuse happen is the carbon savings associated with avoiding unnecessary purchases of products and services i.e. 80% of our carbon footprint arises from consumption of products and services, with around half of emissions produced overseas – representing imports of many everyday things from countries that are typically poorer and more polluting than Scotland[6].

The 2014 Zero Waste Scotland "Scottish reuse mapping and sector analysis report"[7] identified that (at the time of writing) there were 1,527 reuse stores in Scotland, These were broken down as:

- 943 Charity
- 533 Private sector
- 51 Social enterprise

Modelling from the above report indicated that approximately 89,000 tonnes of material, representing a turnover of £244 million, was reused across Scotland, employing over 6,000 people (FTEs) with more than 13,000 people involved in a volunteering capacity (3,000 FTEs). The research also suggested that at that time there was around

[6] https://www.zerowastescotland.org.uk/content/everything-we-buy-has-carbon-cost
[7] https://www.zerowastescotland.org.uk/research-evidence/scottish-reuse-mapping-sector-analysis-report

150,000 tonnes of additional material that could potentially be reused in the waste stream. If just 25% of this material could be targeted for reuse, the reuse economy in Scotland would grow to:

- Reusing around 127,000 tonnes of material.
- A turnover of approximately £348 million
- Provide around 9,000 full time jobs and 4,000 full-time equivalent volunteer positions.

The report made a number of recommendations to drive the sector forward, including:

- Communications and marketing to promote reuse to the public and make it easier.
- Expansion of the Revolve accreditation system to promote consumer confidence.
- More local authority involvement, including increased partnership working.
- A feasibility study to assess the business case for a central repair and refurbishment hub.

2.2 Highland region

The Highlands has a number of large-scale reuse and recycling organisations operating, mainly in the Third Sector, such as Blythswood, ILM Highland and New Start Highland. A number of HWRCs have been operated with reuse containers in place, however it is understood that this has stopped in recent years, with ILM Highland now the only player collecting from these centres, as part of its contract with the compliance scheme, REPIC. The ILM Highland contract requires waste electrical and electronic equipment (WEEE) to be collected from the council's HWRCs, the vast majority of which is then hauled from ILM's depot in Alness for processing in other parts of Scotland and the rest of the UK (RUK). Very little, if any of this material is converted into valuable raw materials in Scotland or the RUK. This part of the recycling supply chain typically takes place in other European countries or further afield. ILM estimate that only around 8% of the WEEE it collects is reused.

The value of operating large scale enterprises will be fully realised when footfall, product turnover and sales incomes are at high enough levels to offset what may be increasingly high operating costs, as energy prices increase and online sales platforms make it much easier for shoppers to stay at home and make their purchases, of both new and second-hand items.

For reuse retail to become as thriving and in demand as it can possibly be, the factors that drive this need to be clearly articulated. Also, where reuse retail needs to be considered different, if at all, from ordinary retail experiences this needs to be understood.

3.0 THE POLICY CONTEXT

The delivery of reuse fits well in the context of many Highland Council and national policies and strategies. These are summarised in the table below.

Table 1. Key Highland and national policies/strategies that support RRR centres

Coverage	Description
Highland	
The Highland Council Draft Net Zero Strategy, July 2023	This strategy is an important driver of RRR centres across Highland region, stating: *The steps to reduce waste should be based on the waste hierarchy which gives top priority to preventing waste in the first place. When waste is created, it gives priority to preparing it for re-use, then recycling, then recovery (e.g., energy), and last of all disposal.* *Reuse Opportunities – preparing for reuse:* • *Raw materials, resources and funds are more and more limited. With the need for a more circular economy to preserve resources, the Council needs to extend the lifetime of assets through redistribution and/or repair. Now more than ever, it is important to limit procurement within the organisation, where possible, in favour of reuse.* • *Specific actions are likely to be identified as part of the review of the Local Authority Circular Economy Framework.*
The Highland Council's key waste strategy documents	A significant development for Highland Council, in February 2023, was the announcement of new arrangements for the disposal of mixed (black bag) waste from households. This waste

Coverage	Description
	from some areas of Highland will now be delivered to the Viridor Energy Recovery Facility (ERF) in Dunbar, East Lothian[8]. At the 2022 (August) Communities and Place Committee the "Waste Management Service Update" referred to the ongoing and future plans for waste delivery. In terms of the HWRCs, a significant development concerns the Fort William waste transfer station and the new lease for the existing Household Waste Recycling Centre. Significant, additional land will be developed for a waste transfer station (mixed recyclates and food waste) – any reuse opportunities supported by the council could also be considered as part of this development. Other strategic documents, from a decade or more, include the following: • Managing waste in new developments – Supplementary Guidance, 2013 • Highland-wide Local Development Plan, 2012 • Waste Minimisation Policy, 2009 There are no strategic plans in place with respect to reuse and repurposing, in terms of published documents. The council waste team delivered a workshop at the end of August 2023 - a Highland Reuse and Repair stakeholder workshop, to identify areas for potential future development.
The Inverness & Highland City-Region Deal	This began in 2016, covering a 10-year period. This strategic programme is in the final phase of its delivery, with the focus being on: *"creating new well-paid jobs in the private sector that will help retain and attract young people to the region; promote innovation, internationalisation and new partnerships between the region's relatively large number of small businesses; and facilitate the development of skills in the resident workforce that will match the future requirements of business."*
The Highland Council, Highland Indicative Regional Spatial Strategy to 2050	A core part of this strategy supports the aim of establishing a network of RRR centres across Highland region: *"Highland will have transitioned to a green, circular economy which maximises the value of existing core industries, helps attract new and emerging sectors and diversifies jobs and skills. This will maintain and enhance Highland's role as a global centre of excellence for renewable energy innovation and generation and one of the most attractive sustainable leisure, recreation and tourism destinations in the world."*
A Sustainable Highland – Change Strategy for 2019-2022	This strategy set out plans for the council to become "*more commercial in its approach*". The impact of this in terms of reuse included the removal of the grant paid to Newstart and Blythswood for the servicing of re-use containers at HWRCs (the organisations would still be able to access donations at recycling centres). The last amount paid to each organisation in 2019-20 was £75K (£150K total cost for Highland Council).
Highlands and Islands Enterprise, Action for Jobs and Communities, Operating Plan 2022	The HIE operating plan has ambition and objectives that resonate strongly with the opportunities associated with developing a reuse, repurposing and recycling centre at Nairn and other locations across the Highlands. The plan comments on the major potential that exists in offshore wind and green hydrogen development/deployment, and comments on the need to maximise Circular Economy opportunities. Under the heading "capacity and growth", actions identified are: • Increase client and sector awareness of fair work, net zero, the circular economy and innovation as key drivers of competitiveness and growth. • Support and promote community led approaches to net zero. In terms of Caithness and Sutherland, there is a focus on the need to address the challenge of a declining population by: • Supporting the acquisition/enhancement of community assets; • Building community capacity and resilience From the community perspective there is an overarching objective to support 40 community led organisations with delivery resources as well as delivering new / improved income generating green community assets.

[8] Press release available here.

Coverage	Description
	The plan states that there is a need to: • Evolve a community wealth building approach for the region in conjunction with partners; • Support social enterprises to create new opportunities; • Extend Fair Work practices, increase incomes and tackle rural disadvantage; • Adapt and develop a skilled workforce which can support our new market opportunities and meet the needs of existing sectors; • Ensure appropriate enabling infrastructure and connectivity throughout the region to support growth and community sustainability; and crucially • Stem the population decline and grow our population which has been significantly impacted by the exit from the EU and the pandemic.
National	
Scottish Government, Delivering Scotland's circular economy - A Route Map to 2025 and beyond	Proposed new actions: • Facilitate a process to co-design high quality, high performing household recycling and reuse services, with appropriate communications standards, with COSLA, local authorities and service operators • We propose to investigate the feasibility and impact of setting reuse targets in Scotland by 2025 • We will explore the creation of reuse hubs and 'superstores' that bring together repair and resale facilities for a range of products and services, with fully integrated services and alternative business models that encourage re-use
Scottish Government, Circular Economy Bill, 2023	This Bill consultation includes a number of legislative provisions that would help deliver some of the interventions explored in the Route Map to 2025 described above.
Scottish Government, Making Things Last: a circular economy strategy for Scotland, 2016	We will support local authorities and local reuse organisations to improve reuse collection, storage, retail and communications, including at Household Waste Recycling Centres and through bulky waste services

4.0 RESEARCH INTO SIMILAR PROJECTS

Research undertaken to identify projects which are delivering outcomes similar to that desired for Nairn is detailed in Appendix A. This describes how reuse is being developed at HWRCs in Scotland, England and Wales in some detail, but also how complementary projects are being delivered. The most well-known project associated with HWRCs near to Nairn is the Moray Waste Busters (MWB) reuse facility in Forres, just outside of the Highland Council region, but only 10 miles away and a site which receives many visitors from Nairn, both to donate and purchase second-hand items. This project is currently (Autumn 2023) employing 28 people, 16 of whom are full-time, with circa 300 tonnes of items expected to be reused in year 2022-23. At this site MWB accepts items that it believes have reuse potential (known as cherry picking), checks and stores them for subsequent retail within the HWRC.

Other models associated with HWRCs have been considered in this feasibility study, with the Furniture Project (Stranraer) Ltd social enterprise in Dumfries and Galloway providing a similar, but different service to MWB, with a site next to the Stranraer HWRC operated under the name "Community Reuse Shop". Supported by the Council, this site was earmarked for the Furniture Project when the HWRC was being developed, with the shed (shop, sorting and warehousing facility) and car park located adjacent to it. Residents therefore have the option of turning left into the HWRC to drop off items for recycling, or to turn right into the reuse centre. The organisation also operates reuse containers at a number of HWRCs and is permitted to cherry-pick from these to ensure that the reuse potential is maximised, and costs minimised (by not having to take items that do not have resale potential).

Retail units are located within a number of HWRCs in England and Wales, operated by various third sector organisations in partnership with local authorities and, in one case, by the local authority itself. One example described is Bryson's, a Northern Ireland-headquartered charity which operates a number of Welsh HWRCs (all materials received). Reuse shops are located within these HWRCs and operated by a different charity, St David's hospice, which tendered for this opportunity. The retail infrastructure required in these HWRCs was funded by the Welsh Government, and represents a model which Bryson's believes has great potential for HWRCs more widely.

Another example is the Transition Stirling Reuse Hub, operated within a 2,300m^2 (~25,000 square feet) shed located a 20 minute walk from Stirling city centre. Most donations are received directly at the Hub, with 10% coming from collections at the nearest HWRC, with the support of the council. An important aspect of this model is that it supports 20 self-employed "Makers", 41 volunteers and 9 FTE members of staff, with 4.5 of these funded through job creation schemes (approximately 50% of the staff). Having recently also acquired space within the city's main shopping centre, it is demonstrating creativity and innovation, providing a mainstream outlet for Makers' products.

5.0 POTENTIAL QUANTITIES THAT COULD BE MANAGED AT THE HIGHLAND COUNCIL'S NAIRN AND OTHER HWRCs

There is very little reuse in terms of the tonnage of items dropped off at The Highland Council HWRCs at the moment. 8% of electrical and electronic waste (WEEE) items collected through the REPIC-ILM Highland contract are estimated to be reused. Although data was not available, it is understood from textile collections, generally, that a significant percentage of these will be reused and this includes those collected from organisation-specific containers (e.g. Nathans) at HWRCs.

Two different ways of estimating the potential quantities that could be generated at the Nairn and other Highland Council HWRCs are set out in Appendix B. One is based on data from the Flanders region of Belgium, the other on available data from Scottish case studies.

The Belgian region of Flanders (population of 6.6 million) has the world's only weight-based reuse target for local-authorities, working in partnership with social enterprises. In 2022 this target was 7 Kg of items per inhabitant, measured as sales from reuse shops across the region. In reality, the Flemish regulator (OVAM) has estimated that for four key household items[9] the actual reuse performance, based on a wider range of unregulated supply chains (not required to meet targets), is 33.3 Kg per inhabitant. Applying the latter level of reuse to the populations of Nairn and Highland region, would give 339 and 7,927 tonnes of reuse potential respectively, although only a part of this could be expected to come through HWRCs. In Flanders it is estimated that 20% of items reused have come from HWRCs.

In terms of Scottish case study data, Appendix B shows the result of comparing two different models of reuse associated with HWRCs: (i) colocation of retail and (ii) the use of containers for collections only (resold elsewhere). On a per capita basis the sites where there is colocation of retail results in significantly higher levels of items being collected and reused. These higher per capita levels of reuse (circa 20 Kg per capita) are again used for indicative purposes, to estimate the potential for Nairn and seven Highland region towns/city with populations above 5,000 people. This gives 204 tonnes of reuse from a Nairn HWRC and a total of 2,195 tonnes for the seven largest towns and city (including Nairn).

The study has also considered the levels of donations made to The Highland Council's HWRCs for recycling/disposal, considering the same seven largest towns/city above. Available data (council returns to SEPA) indicates that there is a significant variation in the **total waste** donated per inhabitant, ranging from a maximum of 771 Kg per inhabitant in Dingwall to a low of 202 Kg per inhabitant in Inverness and 226 Kg in Nairn (Appendix B provides the detailed information). The reasons for this may merit further investigation, but the implication for reuse could be significant, if this variation would result in some communities being more likely to drop off waste and items for reuse at some HWRCs compared to others. There may also be value in understanding if a HWRC in Nairn could match the higher levels of donations seen elsewhere (e.g. in Dingwall), and whether this could translate to more items being donated for reuse at the same time.

6.0 STAKEHOLDER ENGAGEMENT

6.1 Overview

A multi-faceted stakeholder engagement scope of work was delivered through this project and is reported in detail in Appendix C. This engagement was delivered by a combination of face to face interviews of organisations and an online survey of the community (householders and organisations). Engagement with strategic stakeholders took place, which included a number of different departments in Highland Council as well as Highlands and Islands Enterprise (HIE). This also included organisations with a strategic role at a local or sectoral level, for example Highland and Islands Climate Hub, Applied Arts Scotland etc.

The total extent of this engagement through face to face interviews and the online survey is described below:

[9] Furniture, electrical appliances, textiles and household items (leisure, books, music and multimedia)

- Enterprises (mostly social enterprises): 20 organisations contacted with 17 engaging.
- Strategic organisations: 9 departments within The Highland Council and HIE, and 8 organisations with sectoral and geographical roles.
- Online community survey: 599 responses received from across Highland Region to understand in more detail householder and organisational views on different reuse models.

Opportunities associated with a RRR site in Nairn or elsewhere are wide ranging. Potential outcomes (depending on the scale) could be significant in terms of net zero, the circular economy, job creation, training and waste reduction. A summary of the discussions with the strategic stakeholders within THC and Highlands and Islands Enterprise (HIE) are presented below:

THC, Climate Change: the importance of the circular economy and the reuse of goods/items, as part of this, Highland region have been identified as a significant opportunity for the region – this supports the move to net zero. This was further emphasised through the release of the draft Net Zero Strategy in June 2023.

THC, Economic development and community regeneration: discussions are ongoing in the council regarding a people-centred approach, retaining wealth and supporting people in the Highlands. An economic development strategy will be developed over the coming period, at the moment the HIE strategy (see below) is important and the council and HIE's strategies will complement each other.

THC, Waste: the department is open to opportunities and recognises that existing models should be continuously considered, to identify if alternative approaches provide new opportunities.

THC, Employability and Prosperity: 400 people are referred to this department annually, which is particularly interested in opportunities for employment that offer young people soft and interpersonal skills. Very interested in the ideas of community workshops, repair cafes etc and the opportunities that a reuse centre can offer. Reuse sites that are developed should be accessible by public transport – independent travel is really important.

HIE: Moving away from new to second hand items is an opportunity that has been identified by younger generations and HIE sees that local use, supply chains, reduced carbon footprint, with less haulage are key factors that go with this interest. This has massive potential, with other synergies such as lending libraries.

6.3 Nairn

Reuse and Recycling Organisations

Of the enterprises engaged in face to face interviews, two operate only in the Nairn area (Green Hive and MacMuddles), and two others (Blythswood and Highland Hospice) operate small shops in the town as part of their network across Highland region and Scotland more widely. A number of others, such as ILM Highland and New Start Highlands provide services in the area, the former servicing the HWRC by collecting electricals, while the latter occasionally provides uplift services of items with reuse potential from people's houses in the area.

The two Nairn-based organisations described their support for the project (both currently use MWB), with Green Hive focussed on two types of plastics for recycling, with new infrastructure at the HWRC potentially making more available. MacMuddles both drop off unwanted items at MWB and buy items there for subsequent retail at their shop. A more local version of MWB was described as a positive development. Blythswood were non-committal in terms of the potential development of a RRR Centre at the HWRC, commenting that they would be interested in seeing the details of any proposals for a reuse project at Nairn or more widely across Highland region. Highland Hospice very much support the concept of reuse and diverting more from landfill but have concerns about competition, in particular from MWB.

ILM Highlands indicated that if a Nairn RRR Centre was to be developed then they would be interested in bidding to run the service. This would be a diversification of what the organisation does, but they would consider bidding by themselves or in partnership with another Highland organisation. They are particularly focussed on this approach to keep MWB out of the region, viewing them as competition. New Start Highland also have concerns about competition, with organisations coming into the Nairn area and removing items that they currently collect. However, they commented that if a financial model indicated that a RRR Centre could operate and sustain itself financially, without ongoing grant support, they would be interested in also bidding to become an operator.

Council and HIE Engagement

THC, Waste Management: The Nairn HWRC is an operationally busy location, sharing road infrastructure with the council's roads department. There are concerns about being able to safely develop and maintain safety if increasing numbers of people use it for both recycling and reuse services (e.g. retail in terms of the latter).

THC, Commercial and Efficiency and **Transformation Services:** The key purpose of this engagement was to identify potential council properties in Nairn that could be used as an alternative or be complementary to an RRR Centre at the HWRC. Two council properties were identified from discussions, the Balblair Road depot and the Nairn Finance office. These are significantly different in scale, ease of access, parking etc, as described later.

THC, Roads Department: Having a depot, salt shed and access road for a road planings storage area, a reason for this engagement was to understand the potential for expanding the adjoining HWRC, into land currently used or earmarked for operations by the roads department. No such opportunities were described as being available.

THC, Economic regeneration and employability. If there are opportunities for potential employees in the Nairn area this would be viewed as highly beneficial. The reuse sector provides many entry level employment opportunities, something which the council is looking for – would be very beneficial for many people.

HIE: Interested in a RRR model that can be expanded across the Highlands - creating employment positions, including part-time, is a core objective. Nairn is important as a part of the wider picture.

6.4 Highland Region (outwith Nairn)

Reuse, Environmental and Development Organisations Operating across Highland Region

18 organisations from across Highland region have been engaged on a one to one basis, including a number that specifically serve communities in their local area, ranging from communities in the west coast (Fort William and Ullapool), to others in the north (Wester Ross, Caithness and Sutherland), the Black Isle, Dingwall, Inverness-shire etc. This engagement identified a significant appetite for the development and growth of reuse projects at HWRCs across these different regions/localities, with the range of views, specific comments, caveats and alternative preferences summarised below:

- Lochaber: very interested in seeing re-use expanded. When the HWRC in Fort William was set up, the Lochaber Environmental Group (LEG) pressed for inclusion of re-use. This was described as being not possible at that time, but they would welcome any development in this direction now. Restart Lochaber would be interested in having direct road access from the HWRC, to allow people to make donations easily, in the same way as happens with the Furniture Project in Stranraer.
- Ullapool: there is an opportunity at the HWRC and the Ullapool Community Trust are keen to be involved, but needs careful management as there is a struggle for space.
- Inverness: Velocity Cycle would be happy to collaborate an initiative at Inverness with a focus on bikes where they might be able to attract funding via active travel funds.
- Badenoch and Strathspey: Caberfeidh Horizons is more interested in capturing items before they get to HWRCs and feels that this should be its focus.

Council and HIE Engagement

THC, Waste Management: Plans are in place for the Fort William HWRC which will be developed in size and nature of operations, to become a waste transfer station for recyclates and food waste. The Inverness and Wick HWRCs and depots were discussed and opportunities identified by the council, "in principle".

THC, Economic development and community regeneration: The RRR opportunities resonate with master planning projects (e.g. in Fort William), where the traditional retail model for town centres is under pressure, and more creative opportunities, involving community capacity building have significant potential.

THC, Transformation Services: Super Depot planning is underway and Inverness and Dingwall are key areas being considered. Wick has also been identified as a quick win when it comes to rationalisation of depots, with the building of a new all-purpose depot to cover the area. Sites have been identified which are discussed later in terms of their pros and cons.

HIE: The ReTuna reuse mall model was discussed, from an Inverness perspective. HIE commented that Inverness does not have a reuse hub of this kind, which is of great interest – such a development would create niches for smaller enterprises to benefit from.

6.5 Outwith Highland Region – Reuse and Recycling Organisations

Although not based in Highland Region, MWB is operating a reuse centre in Forres, 10 miles away from Nairn and has expressed its interest in running a RRR Centre at the HWRC. The organisation has the systems and experience to hit the ground running and would expect to employ a number of local people in the delivery of the service. It may also be interested in having a satellite retail unit in the town centre, operating in tandem with the RRR Centre.

Another organisation engaged, with a different approach, is the Northern Ireland charity Bryson's, described earlier in this report. Their interest would be in securing a contract from The Highland Council to manage the entirety of a cluster of four or five HWRCs in reasonable proximity to each other, where a RRR Centre would be an integral part of the service offering. It believes that to be able to generate economies of scale and deliver a viable operation it would need to develop this scale of operation in Highland region. Although not discussed in detail, a cluster of four HWRCs could be considered to include the Nairn, Inverness, Alness and Dingwall areas.

6.6 Community Survey Response – Nairn and the Wider Highland Region

The results from this survey, with 599 completed responses (290 completed from the Nairn area), showed significant levels of support for initiatives at the Nairn and other Highland HWRCs that could lead to more reuse. 89% respondents in the Nairn area provided "very positive" views for secure weatherproof donation points for all household items, including bulky goods, and 78% were very positive about having an onsite retail shop selling the goods donated. This compared with 89% and 74% for all responses from across the Highlands (including Nairn).

79% of people in the Nairn area and 80% of all respondents were very positive about having a location within HWRCs for Makers where they are able to repair and create new products and materials from items donated. The lowest "very positive" response rate was 51% in Nairn (and 55% for all respondents), for the option of having a location where items donated could be stored and made available for organisations to collect from, instead of a shop being built on the site.

In terms of what type of organisation should run a reuse centre at Nairn and other HWRCs, the clear favourite was a local charity with 74% in Nairn (and 75% all respondents), very positive. The private sector business option secured the lowest "very positive" response with 10% in Nairn (11% all respondents).

6.7 Key Findings Summary

- The Highland Council departments/services engaged are supportive of developing RRR Centres at HWRCs generally. In terms of Nairn specifically, the waste management team has concerns about development at the HWRC because of the current level of operational activity. The other services have expressed their support generally, with specific examples given in terms of a Nairn RRR Centre which could create jobs and training opportunities. A people-centred approach (with socioeconomic benefits) to future development should be fostered, since this creates opportunities for local retail, supporting regeneration and delivering carbon savings.
- HIE has indicated that the identification of an opportunity for Nairn that can translate to other Highland communities is a positive outcome, and has indicated that the potential for a large scale reuse centre at the Inverness waste depot in the future (as part of Superdepot planning work) is of particular interest.
- There is very little difference between the views expressed by the Nairn and wider Highland community, in terms of preferences and views on developing HWRCs for reuse. Widespread support has been demonstrated by those completing the community survey, for the development of the local HWRC to become a location for dropping off items for reuse, resale and both recycling and repurposing of items that cannot be resold.

7.0 OPTIONS ASSESSMENT FOR THE LOCATIONS AND INFRASTRUCTURE IDENTIFIED

7.1 Overview

Although the aim of the feasibility study is to consider the Nairn HWRC (and the potential for viable models identified there to be applied to different Highland locations), a number of other locations have been considered as well, in case the HWRC option proves difficult to deliver. These are described below, identified and have been discussed with council officers (unless otherwise stated) working in commercial and efficiency, transformation services and waste management:

The buildings considered in Nairn include the following:

- The Highland Council buildings - the finance office and the Balblair Road depot (identified by council officers).
- The privately owned St Ninian's church (identified by an elected representative at The Highland Council).

Across Highland region more widely, HWRCs and adjoining depots in Nairn, Inverness, Fort William and Wick are considered. Appendix E provides aerial views of all the sites above with comments provided in the table after the figures with respect to their footprints, locations etc. Appendix F provides information and data on the types of

considerations that are made when assessing the suitability of sites for reuse, repurposing and recycling. The pros and cons of each of the sites and buildings above, are considered in the following sections, first of all for Nairn, and then for the other Highland locations.

7.2 Considering the Options for Nairn

7.2.1 Overview

The development of a drop off/donation and retail facility at the Nairn HWRC has been identified by a number of reuse organisations engaged (ILM Highland, MWB and Bryson's, the latter as part of a cluster of HWRCs managed) as an operational model of interest to them. This is, in effect, the Moray Waste Busters model at Forres. Options 1, 2 and 4 below are applicable to Nairn as well as many other highland communities, and this is reflected on in a later section.

- Option 1: Onsite drop-off and retail at the Nairn HWRC.
- Option 2: The use of the Nairn HWRC as a drop off location with storage infrastructure, potentially with a small retail unit, and a second retail option in the town centre e.g. the finance office.
- Option 3: A dedicated reuse hub in Nairn, rather than the HWRC. This could be supported by the infrastructure described for Option 4. The Balblair Rd site (council-owned) and St Ninian's Church site have been proposed as having potential for this.
- Option 4: Managed reuse shed(s) or containers for the collection of segregated, target materials with retail at existing Nairn reuse shops/units or a new reuse centre in the town (Option 3).

If the council's aim is to prioritise and focus its activities on the development of the Nairn HWRC first, options 1, 2 and 4 could form part of a Phase 1 scope of works, with Option 3 taken forward in Phase 2.

7.2.2 SWOT Analysis of the Different Options

The SWOT[10] analysis shown in the following table includes Options 1 & 2 grouped together – the distinctions between each of these are subtle and discussed separately after the table.

[10] SWOT = Strengths Weaknesses Opportunities and Threats

Table 2. SWOT Analysis of Different Options

Category	Options 1 & 2 - Onsite drop-off and retail/shop at Nairn HWRC (potential for satellite retail in the town)	Option 3- A dedicated reuse hub in Nairn, rather than the HWRC	Option 4 – Reuse shed and/or containers at the HWRC (no retail/shop)
Strengths	A one-stop shop for both donations and retail. Copying proven, successful models in place in Forres and Stranraer. Demand from the community for this option is strong as demonstrated by the survey - the most highly rated option. There have been two potential sites in town identified (St Ninian's and the Finance Office), which could act as satelite sites for smaller items or as 'Makers Units' or to sell upcycled products, which are likely to sell at a higher price if located within the town centre.	Proximity to the central retail area and residential areas, could increase footfall, visibility and accessibility. With an exemplar being the Transition Stirling Reuse Hub model (2,300m^2 footprint), it should be recognised that St Ninian's and the finance office are significantly smaller (e.g. 960m2 and 146m2 resp Demand from the community is strong for a reuse centre in Nairn as demonstrated by the Community Survey.	If reuse containers rather than a shed were required, these would provide the lowest capital cost option. The containers should be located in such a way that drop offs/donations by householders and movement of material into the containers are under cover to prevent items from being damaged. From an operational perspectove, a shed for storage would be a preferred option, with storage racking, and a drop off area under cover associated with this.
Weaknesses	The distance to the Nairn HWRC may reduce the attractiveness of the site to residents. The level of operational activity of the adjacent roads department depot may present itself as a reason for concerns about the project by council officers, but if this is the case it should also be applicable to the current HWRC operation. Opportunities to host events/ workshops, etc may be more limited at an operational site, which is not open in the evenings.	Not a one stop shop in the way that the HWRC is - less space for dropping off items and materials for RRR. The purchase cost for St Ninian's church may be relatively low (circa £80K, anecdotally), however refurbishment costs are likely to be significant and parking spaces, at least for dropping off items, would need to be created. The Balbair Rd site is currently used by the council and an alternative location would need to be found for this to be a viable option. Refurbishment costs are estimated at circa £1 million. The Finance Office is very small and would not have the space to process larger items or tonnages at the level of a Moray Waste Busters-type operation.	Reuse containers have, on the whole, had limited success in terms of providing sustainable and satisfactory outcomes. On their own, without being managed/staffed many experiences have resulted in these having lots of contamination and issues of theft (and trust problems developing from this).
Opportunities	Job creation – 28 jobs at MWB in Forres and 20 in Stranraer, including entry level, creative, technical and management level. Potential to capture items and materials for	The three sites identified are significantly different in scale, style and accessibility. The common features are that they represent town centre opportunities, wth the church in the retail	Reuse Scotland in East Lothian have delivered successful reuse projects covering the region's four HWRCs (the views of the Council and organisation itself). In 2022 they reused a total of 333 tonnes of

Category	Options 1 & 2 - Onsite drop-off and retail/shop at Nairn HWRC (potential for satellite retail in the town)	Option 3- A dedicated reuse hub in Nairn, rather than the HWRC	Option 4 – Reuse shed and/or containers at the HWRC (no retail/shop)
	repurposing and recycling – following the Makers model. Potential to provide two different scales of reuse project, one at the MWB scale, the other similar to Bryson's HWRCs in Wales.	part of the centre. The church could be an iconic opportunity for a reuse opportunity. The internal space, through creative architectural input, could provide an appealing destination. The Balblair Road site has many of the characteristics that a large-scale reuse project needs – significant warehousing space and parking areas, easy drop off points, offices for staff. The retail area would need design input as part of the refurbishment work required for the building. The finance office is an aesthetically pleasing building and could be converted into a Maker's space. An opportunity to locate a container at the site may add more storage space, but this would take up parking space in an area that is already space constrained. The viability of this would require further work.	items, out of 400 tonnes collected from these HWRCs. This averages out at 100 tonnes collected, and ~95 tonnes reused per HWRC, which if mirrored at the Nairn HWRC would be a significant outcome, although less than is likely to be achieved using the MWVB model (200 to 300 tonnes).
Threats	The Nairn site will need to be reconfigured if the preferred option is to establish a scale of operation similar to MWB in Forres – this will require capital funding which may not be available from THC, so external funding support is likley to be required.	Capital funding required may not be available from THC and may require external funding support.	A positive relationship between the Council and reuse organisations would need to be fostered and developed to maximise the potential of a project of this kind. This would require engagement and support involving HWRC staff and the reuse operator, with a memorandum of understanding (MOU) or contract needed to ensure that the service level required is clearly understood, managed and monitored. Key performance indicators (KPIs) would likely be required to support the development of a professional service over time. Cherry picking from containers would maximise the viability of this model.

In terms of Option 3, three different buildings have been identified, as highlighted earlier in this report, St Ninian's Church, the Finance Office and the Balblair Road depot owned by The Highland Council. The pros and cons associated with each of these buildings are highlighted below. The figures (visuals) in the appendix provide an illustration of the infrastructure represented by these options.

Table 3. Further details on the options outwith the HWRC

Category	Pros	Cons	Questions
Balblair Road Depot	With a GIA of 1,1416m^2 the building is a significant size, providing a similar footprint to the MWB site at Forres (1,200m^2) and significantly larger than the Furniture Project building in Stranraer (700m^2), delivering 200 tonnes of reuse. The building size, the provision of offices and area for parking are all supportive of a large-scale reuse centre development.	Engagement with the waste, amenities and roads teams has indicated that the site is key to operations in Nairn - with the other option, of the above services moving to the Park Quarry site (HWRC and roads depot) considered unrealistic as it is too far from Nairn. The Balblair Rd depot building repair costs are significant (£1.2 to £1.5 million estimated for Priority 1 and 2 repairs).	An alternative site/location for the existing council operations would need to be found for this to be a viable option. Site access using the local road network would need to be understood. The interaction with a retail unit and/or reuse containers at the HWRC would need to be confirmed wrt to potential site operators.
St Ninian's Church	Its central location and iconic architectural features mean that this has potential to be a highly visible centre which supports bringing people into the centre of Nairn. The visibility of any retail offering can be key to its success in generating footfall.	The external footprint of 960m2 will provide a significantly smaller GIA for reuse purposes, and it is likely to be at most 50% of the Balblair Rd building. Parking for the dropping off of items is not currently easily achievable and would likely require a modification to the external wall and pavements, to enable this. An assessment of parking provision more generally, for customers of the reuse centre will be required. A reuse centre of this kind may be considered a threat by local organisations.	Building refurbishment costs are not understood and would need detailed evaluation. Views of planning needed on the modifications needed for the change of use, the building refurbishment, wall and pavements. The interaction with a retail unit and/or reuse containers at the HWRC would need to be confirmed wrt to potential site operators.
The Finance Office	Benefits from carparking and being in close proximity to the centre of Nairn. There may also be opportunities for a community transfer. Could operate as a satelite retail unit, or to retail either smaller items or Makers Items.	The size of the property will be very limiting in terms of the amount of goods that can be diverted away from landfill, in addition storage and processing are likely to be difficult at the site, due to the space available.	Questions regarding installing additional storage within the adjacent carpark. Requirement for capital costs associated with refurbishment need to be understood. How much car park space could actually be available in what is a built up area?

The Finance Office and St Ninian's Church represent potential opportunities for smaller-scale retail units within the town centre, either as a satelite store or as a stand-alone unit. Due to the location of the Church and the size of the Finance Office, it may be easier to focus on the re-sale of smaller items rather than bulky furniture and white goods. In addition, the Council may wish to consider whether any of the following opportunities would match the aspirations of the Council:

1. Staff based at either of these sites implement a 'brokerage service' (similar to Remake Scotland in Creiff), so that unwanted items are matched directly with a customer without the goods needing to enter the unit. This is a service offered by Crieff Remakery, particular for commercial donors e.g. local hotels who purchase large numbers of mattresses during refurbishments and need an outlet for tens of mattresses within a short period of time.
2. Developing the buildings as an option for an in-town unit, to act as a potential collection point for residents that do not have cars, or to view items that are online.
3. Either site could be used to offer small Makers Units and/ or as a retail unit to sell niche, upcycled products, which could command a higher price in a town setting rather than at the HWRC. The Stirling

Reuse Hub, for example, provides 20 self-employed Makers with a supply of 'rescued' items, which can be upcycled or repaired. The Hub provides a space for upcycling, access to tools and a shopfloor space. When goods sell, the SRH takes 20% commission. Makers are expected to volunteer 4 hours of time to staff the shop. It should be noted that due to the small size of the Finance Office (in particular), it is unlikely that there would be space for more than two or three Makers. The Stirling Reuse Hub also has a space for workshops and events to draw potential customers into the unit, and this is unlikely to be a possibility at the former Finance Office.

It would be important carry out a detailed business case to ensure that there is sufficient demand from both creatives/ repairers and potential customers for this type of retail outlet.

7.3 Considering the Options for Other Parts of the Highlands

The results of engagement with stakeholders have been described previously, with opportunities specifically identifed for the following locations:

- Fort William: The development of land next to the HWRC, to create a waste tranfer station, is planned in the near future. Restart Lochaber is located near the HWRC and could be connected to it through the creation of road access. The organisation would welcome this development, providing a similar opportunity to the Furniture Reuse project next to the Stranraer HWRC.
- Ullapool: The Ullapool Communiity Trust has expressed an interest in establishing a reuse centre of some kind, but needs careful planning (not considered in detail in this project).
- Wick: The HWRC and depot are located in an area of land owned by The Highland Council. There is room for expansion and the identification of an organisation/stakeholder interested in taking a project forward would be a key next step.
- Black Isle and Dingwall: Transition Black Isle would be interested in looking at a local solution as reuse is core the organisation's objectives.

In terms of Inverness, a large-scale reuse hub opportunity identified could involve the development of:

- A drop off/donation and large sorting, warehousing and retail facility at the Henderson Road depot. This could be complemented by having a satellite retail unit in/near the town centre.
- Scotland's first reuse shopping mall, taking forward an ambitious infrastructure and operating model that leans heavily on the ideas of the Swedish ReTuna mall referred to earlier in this report.
- The development of a large-scale reuse hub, operated by one organisation, but following the Transition Stirling Reuse Hub model, where spaces and opportunities are created for self-employed makers.

Each of the above are valid options in their own right, and the potential for developing them will be informed by the drive and interest of key stakeholders. The scope of work for this project is focussed on identifying a model that could work for the Nairn HWRC, and to then consider this for the rest of the Highlands. For the smaller communities that represent so much of Highland region, there may be opportunities to implement the recommended model for Nairn at a smaller scale. However, alternative models could also be considered for these communities, for example, the ILM Highlands amnesty model, which involves a van arriving for a scheduled time slot at designated locations (once per month) providing residents with an opportunity to donate unwanted electrical items. There may be value in considering the potential to extend this to include other items such as textiles, bric a brac, and small furniture items, etc.

8.0 REPURPOSING AND RECYCLING

In addition to reuse there are opportunities associated with repurposing and recycling. The extent to which these will be important aspects of a future reuse project at Nairn and other Highland locations will depend on the option(s) that are eventually identified as preferred and instigated/supported. For example, a model like Moray Waste Busters in Forres is completely focussed on reuse, with non-reusable items put into appropriate recycling containers within the HWRC. In other models such as Transition Stirling's reuse hub, the items taken from reuse containers are cherry picked, but once taken to the hub itself have to be managed independently by the organisation if direct reuse is not an option e.g. the items are difficult to sell as they are. In this case, opportunities for repurposing are explored, using the Maker model referred to in other sections of this report. This is a particulary important opportunity for creative people, who can bring their own style and creative skills to upcycling and repurposing. The Nairn HWRC reuse centre option, if taken forward, may not have the space for maker places but could still provide a hub for people with this interest to collect items that can then have value added to them.

Any larger scale opportunity, for example in Inverness, is where the Stirling Reuse Hub model may have more relevance with repurposing through the adoption of the Makers model. As well as providing the items, a large scale hub could provide workshop spaces, lending libraries for tools etc to support repurposing activities.

With respect to recycling, discussions with an exsting local organisation in Nairn, Green Hive (described earlier in the report) highlighted that they have an interest in two plastic streams which could potentially support the expansion of their recycling activity, although they also have limited capacity. A Nairn-based organisation delivering a reuse project would likely gain access to a wide range of plastics, many of which will not be reusable and could therefore provide a feedstock.

More widely, engagement with organisations such as Applied Arts Scotland (Vice Chair, based in Grantown on Spey) identified synergies with their activities supporting Makers, often self-employed or micro businesses widely distributed across the Highlands on a cottage industry basis. Such businesses are often looking for materials such as wood, plastics, metals (e.g. corrugated sheeting) to use for their creative work, and reuse centres could provide a hub that makes such materials available. Applied Arts Scotland has significant interest in sustainable and responsible material procurement and delivers/supports activities in this area through its "Closing the Loop" group – for the application of repurposed materials for artists and craftspersons. An example given of a group that could have synergies with a Highlands initiative is "Scrap Antics" in Dundee, which takes waste and uses it to create items that can be used in schools, provide awareness raising and support for craft skills development. It has now repurposed over 100 tonnes of waste back into the community as resources for creative and play-based projects. Other models/organisations referenced included the Circular Arts Network (CAN) in Glasgow, an arts focussed materials exchange website which is working with a wide range of materials. CAN partners with construction companies and connects them with those working in the creative industries. It describes its model as making excess materials produced by construction companies available to creative people giving them good quality, reliable materials to access for free.

9.0 THE VISION AND RECOMMENDED OPTIONS

9.1 Overview

The Community Survey described previously provides the information and basis for developing a vision for reuse in Nairn and more widely across Highland Region. With respect to Nairn there is strong local support for reuse at the HWRC and in the town more generally, delivered by a local charity (first choice).

A number of organisations have expressed their interest in operating a reuse centre at the Nairn HWRC (e.g. ILM Highland and MWB) while others have indicated their interest in taking forward similar/related opportunities in communities such as Ullapool, the Black Isle and Fort William.

The capacity of the local authority to deliver and/or facilitate any project will benefit most when a multi-departmental collaboration is taken forward, involving the waste team, sustainable development, economic development, education & learning and circular economy. This will recognise the many different benefits and opportunities for innovation and community support that a reuse project delivered for the region as a whole can deliver.

9.2 The Recommended Options/Models for Nairn and Highland Region

The models that provide the maximum opportunities for reuse (quantities) and social impact (jobs and volunteering opportunities) for Nairn and across Highland region are those set out below:

- Model A: Delivery of a Nairn Reuse Centre providing drop off and reuse retail on site.
- Model B: Delivery of reuse centres at/adjoining HWRCs around Highland Region.
- Model C: Delivery of a large scale reuse hub (including retail), e.g. in Inverness next to the HWRC at Henderson Road.
- Model D: Delivery of a cluster of Reuse Centres as part of a contract managing a cluster of HWRCs e.g. at Nairn, Inverness, Dingwall and Alness.

The opportunity for Nairn could involve the following options, as described previously in this report:

- The use of the Nairn HWRC exclusively, with the site updated to create significant areas of space in line with the Moray Waste Busters model.
- The use of the Nairn HWRC as a reuse centre, with potentially reduced retail space, in addition to a town centre location (e.g. the St Ninian's church if available at an affordable cost).

Model C has been explored briefly in discussions with Highland Council (waste team) and is different in nature to the others, in that it would involve the management of a cluster (geographically close) of HWRCs by a third party rather than Highland Council. This is a model of working that the charity Bryson's have tendered for in Wales and are now operating, as described previously in this report. It is a significant departure from the other models and is described briefly, for information only at this stage. For these reuse options, the importance of having a large-scale retail offering is that this maximises the range of items being sold to encourage people to view the location as one that is likely to sell the items being looked for. Other important considerations include:

- Quality of the experience for mainstreaming: consideration of the quality, look, smell and feel. There may be a desire for this to be comparable with new retail outlets, however, the quirky retail environment of Moray Waste Busters, which is very different from new retail, could be viewed as a unique selling point.
- The potential to deliver training and education related to the operation e.g. the circular economy, with repair, upcycling etc will bring people to a reuse centre, or hub, increase sales and raise awareness of it.
- Location is crucial and a range of factors need to be considered.

An implementation plan for the delivery of the options described in this visioning section is shown in Appendix G.

10.0 THE INTERACTION OF REUSE OPTIONS IDENTIFIED WITH THE HIGHLAND COUNCIL'S OPERATIONS

10.1 Overview

The Highland Council has the potential to play a part in reuse project opportunities identified in a number of ways. It could be the organisation, managing all aspects of reuse operations, parts of it, or the facilitator of it. Desk-based work/research and interviews with a wide range of stakeholders operating in this sector (across Scotland, the RUK and continental Europe) has identified only one local authority that has installed and is managing reuse retail on an HWRC site (Hertfordshire). In the case of ReTuna in Sweden the development of the mall was driven by the local authority, and is supported by the council providing staff for goods reception, warehouse sorting, and management of the mall. In Flanders, local authorities are required to contract with social enterprises to deliver on reuse targets set for the region (population of 6.6 million).

Any approach for taking forward large-scale reuse could be based on delivering against policies and strategies, for example:

- The Council's draft net zero Strategy which currently emphasises the importance of circular economy business models.
- The HIE Economic Development Strategy, with objectives associated with (i) Investment in Infrastructure; (ii) Innovation; and (iii) Inclusive Economic Growth.

10.2 Potential Actions to Support the Options and Models Described

There are a number of ways that THC could support the delivery of the options and models described in the previous section, as described below:

- Facilitate the delivery of infrastructure and operational models that deliver reuse by placing reuse at the top of the waste hierarchy.
- Support the growth of reuse capacity in Nairn and Highland region that is explicitly linked with socio-economic benefits.
- Support growth in reuse opportunities at other Highland locations, in particular those described in this report, at Inverness, Fort William, etc.
- Identify how council assets can be used in a way which supports the above.
- Provide support funding where possible, and work to identify and access external funding (e.g. the Zero Waste Scotland Recycling Improvement Fund), where required, depending on the preferred reuse outcomes and project.
- Develop procurement and contractual agreements that promote and encourage reuse:
    - Define the roles of the different partners, operational methods, incentives and penalties for not meeting required performance levels relating to reuse and socio-economic impacts.
    - Define which parties would be responsible for managing waste and recycling streams, and which parties would be responsible for reuse.
- Identify financial incentives/payments for delivering both reuse and recycling services.
- Produce key performance indicators (KPIs) to ensure that socio-economic impacts result from the contracts. This could include providing employment and training places, the provision of support to minimum numbers of vulnerable families/people, which in some cases could be defined as homelessness packs for people getting back into accommodation (do not have basic items such as furniture, kitchen equipment, etc).

The roles of partners would be to deliver the desired reuse and socio-economic impact outcomes that are driven by the council's strategies and resulting procurement terms and conditions. The appropriate lead organisation for delivery will depend on the operational or infrastructure model developed for different locations.

In terms of the agreements referred to above these can be set up in a progressive way, where the direction of travel is understood, but where the capacity of local organisations is also taken into consideration – that these may require time to develop, to deliver increasingly complex service level agreements. Without a gradual approach this

may become a barrier for local reuse organisations to develop their business models in the region. It should be noted that this gradual approach was one which was adopted in North Ayrshire, where the council had a prior relationship with Cunninghame Furniture Recycling Project (CFRP) and engaged with it and others, before it was awarded the council contract for all four HWRCs.

Appendix H provides more details on the opportunities, and the implications, with respect to the potential impact on existing waste services, with respect to:

- Implications for specific materials streams and triaging (checking and sorting) from reuse containers.
- Payments for reuse contracts at HWRCs.

10.3 Potential for Cost Savings from Reuse

According to THC around 125,000 tonnes of waste produced by households and business waste customers is currently collected and disposed of each year and at present 35% of this material is recycled (data source here). The Council's contract with Viridor, which started in January 2023 will result in 72,000 tonnes of waste being sent to an energy recovery facility by 2025. As such, items collected for reuse will reduce cost impacts associated with having less waste that needs to be either sent to this facility, or managed through recycling or landfilling.

On the basis of a RRR Centre reusing 200 tonnes per annum (see next section), if it is assumed that all of this was going to landfill the total cost saving from avoided landfill tax would be £20,420 (200 tonnes x £102.10/tonne tax). If half of this went to landfill the tax saving would be circa £10,000 per year. If this were to be representative of actual cost savings associated with HWRCs, then the potential for Highland region as a whole is correspondingly higher. Appendix B provides data on waste arisings from seven HWRCs (including Nairn) and the populations being served – 109,750 people (47% of the Highland total). For illustrative purposes, with the cost saving per capita at Nairn amounting to approximately £1 per capita per year, using the same assumptions for all seven communities would indicate that circa £100K (£109,750) per annum could be saved.

10.4 Carbon Impacts

For illustrative purposes only, the methodologies available for estimating potential carbon impacts of reuse (using/purchasing second hand items instead of new) are described in Appendix H in some detail. However, it should be noted that there are challenges associated with calculators developed for reuse, with respect to the transparency of methodologies, the categories of items that can be modelled and how well the results of different tools compare with one another. The carbon savings in the appendix show the results of using two of the most comprehensive calculators available (from the Netherlands and Spain) and describe that the carbon benefits associated with reusing 200 tonnes of items per year from a RRR Centre in Nairn are estimated to lie between 562 and 1,556 tonnes of CO_2. If these carbon savings are considered on a per capita basis, this translates to 0.055 and 0.153 tonnes. Using this data for the seven HWRCs referred to in Section 10.3 above this gives a range of between 6,036 and 16,759 tonnes of CO_2 saved per year for the wider population considered (109,750 people).

11.0 OUTLINE COST BENEFIT ANALYSIS

11.1 Overview

The Outline Cost Benefit Analysis (CBA) is provided on the basis of establishing a Reuse Centre at Nairn HWRC, or other suitable premises in the town (as discussed previously). A number of scenarios are used to illustrate the potential, as set out in the next section. The CBA assumes that activity would be at a scale comparable to the infrastructure footprint operated at the Moray Council HWRC in Forres. This has been used as the reference point for the CBA as there is a significant level of data available from this site to inform the analysis. Other features of the scenarios forming the CBA, with respect to scale are:

- They involve the development of a shed with a 1,200m2 footprint (matching the warehouse, sorting and retail area at Forres).
- Car parking area of a similar size (1,200m2) made available on the site.
- An operating throughput of 200 tonnes reuse in Year 2 of operation, matching MWB in 2021-22.
- The same level of employment is used to provide the operational costs associated with the operation. i.e. 18 full-time equivalent (FTE) employees derived from 22 people actually working on the MWB site in 2021-22. They include 11 full time workers, 5 x 0.8 FTEs (part-time workers 4 days per week) and 6 x 0.5 FTE part-time workers.
- How a different range of rental costs impact on the viability of the operation.
- The scenarios consider that items can be cherry picked in the same way as MWB and if not reusable, can be put into the HWRC recycling containers at no cost. The impact of applying a cost to non-reusable items has also been considered where it has been assumed that there is a cost for disposal of 10% of the items. This would become a more complicated model for a Reuse Centre which is not located at HWRCs because waste materials would then need to be hauled there for disposal/recycling.

11.2 Outcomes and Scenarios Considered

Large-scale reuse at the HWRC

Typical metrics from a CBA in determining the viability of a potential business model include:

- The payback period.
- Cumulative cashflow over the period considered.
- The internal rate of return.

However, to provide a clearer understanding of the options facing any organisation that would deliver a reuse centre at a HWRC such as Nairn's or other suitable premises, the following table focusses on the cashflow position over a three-year period, doing so without including the capital cost, the latter excluded because it is unlikely that reuse organisations will be able to provide all of this type of funding (applies to all of the scenarios). The CBA therefore looks only at the likely operational performance of each of the scenarios and assumes that investment in the necessary infrastructure has been obtained prior to operation and takes the form of funding that does not need repayment. Potential funding sources include Zero Waste Scotland, The Highland Council or other bodies, to set up the site and then, if required, to recover costs through a rental agreement. The CBA therefore provides an indication of cash flow once the operation is established.

The scenarios considered in the CBA are structured and described as shown in the following table, with the detailed cost and income provided in the Appendix I (the Excel CBA spreadsheet is also provided). All of these scenarios share the same number of employees (18 FTEs), the same reuse throughput (120 tonnes in year 1 and 200 tonnes in years 2 and 3), but in some scenarios have different storage, sorting and retail footprints, as follows:

- 700m^2 – the floor space used by the Furniture Project (Stranraer).
- 1,200m^2 – the Moray Waste Busters (MWB) footprint, using basic construction sheds/polytunnels.

The distinctions between each of the scenarios modelled are summarised below:

- Scenario 1 – the baseline (700 to 1,200m^2 footprint), with a low rental cost (£30K per year) that provides a cumulative cash flow which is just positive, after three years (a marginal financial position).
- Scenario 2 – same as the baseline (Scenario 1), but with 3 employees having employability funding support – 50% of salaries each year.
- Scenario 3 – same as scenario 2 except a commercial level rent is charged for a 700m^2 facility.
- Scenario 4 – same as scenario 2 except a commercial level rent is charged for a 1,200m^2 facility.
- Scenario 5 – same as scenario 2 except cherry picking is not allowed by the council, with a 90% reuse level achieved (similar to Transition Stirling's Reuse Hub) and therefore disposal cost for 10% of items is included.

It should be noted that scenarios described do not include business rates, which could be a significant cost (e.g. circa 50% of rental cost). These are charged on non-domestic properties held by the private, public and third sectors[11] and are excluded on the basis that the site will be leased by a charitable organisation (or collaboration of such organisations), which provides the opportunity to apply for 80% rates relief[12]. This is only possible if a property is mostly used for charitable purposes. Councils can also offer up to 20% additional relief on top of the 80% and it is assumed in the analysis that this would be the case. A key feature of the CBA model and scenarios is that no grant funding is assumed once the facility is operational. The scenarios are presented to illustrate what is required for a financially self-sustaining business model.

Table 4. Cashflow position for each of the scenarios modelled

Scenarios	£, Yr 1	£, Yr 2	£, Yr 3	£, Cumulative for 3 years
Reuse Centre - Scenario 1	11,424	-350	-6,350	4,723
Reuse Centre - Scenario 2	11,424	39,371	33,371	84,166
Reuse Centre - Scenario 3	-34,176	-6,229	-12,229	-52,634
Reuse Centre - Scenario 4	-88,176	-60,229	-66,229	-214,634
Reuse Centre - Scenario 5	-23,674	-19,126	-25,126	-67,926

The above shows the impact of rent levels on the financial position after three years, but also the potential benefits associated with having employability support for a small number of staff, which in turn provides training and career benefits for those individuals. A number of volunteers would be involved in each of the scenarios (6 volunteers

[11] https://www.mygov.scot/non-domestic-rates-guidance
[12] https://www.mygov.scot/non-domestic-rates-relief/charitable-rate-relief

assist MWB). Scenario 5 where organisations have to manage items which do not have reuse value, and which therefore have to be stored, assessed and disposed of shows that this would impact the ability of the facility to meet their costs. The waste management cost associated with disposing of these is small (£2,769 in Years 2 and 3), however, the loss of sales and time associated with managing these has a significant impact.

Reuse Containers at the HWRC

Appendix I provides a summary of indicative capital costs for setting up smaller-scale collections using reuse containers at the Nairn HWRC, with a potential, small-scale bolt on retail unit – to provide insights on an alternative scenario which needs lower investment than that associated with the scenarios described in the previous section. The indicative cost estimates are shown in the table below, where the 4-container and 1-container options are based on data from Scottish case studies, while the Welsh data is based on a unit established for a HWRC generating 115 tonnes of reuse per year (see desk-based research/case studies information for more details).

Table 5. Estimates of capital costs for reuse containers & small scale retail infrastructure at HWRCs

	Reuse Drop-off Container* Options		Small Retail Options (plus drop off containers)		
	4 containers	1 container	4 Containers	1 Container	Welsh Case Study
Total Costs	**36,000**	**18,150**	**62,000**	**44,150**	**£188,000**

*40' new high cube container(s).

The figure over the page shows the Nairn and Aberdeen-Hazlehead HWRCs for comparison purposes. Two areas are highlighted for the Nairn site, one with a footprint of 315m^2, the other 300m^2. The latter HWRC in Aberdeen (footprint circa 6,700m^2), was reconfigured in 2022 to have small-scale reuse infrastructure added (retail and drop off area), built using remanufactured containers. The figure is not presented with any recommendations, and is provided for illustrative purposes only.

When considering the reconfiguration of HWRCs it should be noted that reuse drop off points and retail should be the first option for householders when they enter a site, with safe and accessible parking and walking areas provided (can be seen in the Aberdeen example). The 315m^2 space at Nairn does not lend itself well to having both containers, parking and retail – the other 300m^2 location appears better suited, but the details would need careful consideration. However, this demonstrates the importance of careful design and planning when considering how a site should be reconfigured. A wholistic approach, involving consideration of the whole site will result in an outcome which provides the largest scale reuse and recycling configurations.

Another example referenced in the table is the Welsh case study, which refers to a Bryson site described previously in this report (and described in more detail in Appendix A). This has a 10m x 12m modular retail unit, which with separate storage together gives a footprint of 163m^2 – additional space for parking is also provided.



Figure 3. Aerial view of the Nairn (left) and Aberdeen-Hazlehead (right) HWRCs with areas indicated for potential small-scale reuse infrastructure considerations/options (requires site assessment).

12.0 REUSE: SOCIOECONOMIC IMPACTS, COMMUNITY WEALTH AND CAPACITY BUILDING

Nairn's population of around 10,000 and its location is sufficient to support a reuse model associated with the HWRC, based on comparator reuse initiatives set out elsewhere in this report. The Highland Council could harness reuse models to achieve a number of socioeconomic goals. The economic impacts of employment, remuneration and Gross Value Added (GVA) are estimated in the table below. While the nature of reuse may suggest quite local jobs, particularly direct jobs in the reuse initiative, the jobs among suppliers of services and equipment, and the wider economy, need not be created in the Nairn town locality, but can be attributable to their initiative (the method for calculating the values below is described in Appendix J).

Table 6. Summary of direct Highland employment potential and national employment/value

Economic summary	Tonnage reused	Turnover at Target Tonnage (at £2.74m / 1,000t)	Direct employment potential	Total employment (supply chain, wider economy)	Direct remuneration in area/region (£) at Living Wage	Total remuneration nationally (£)	GVA of activity (£)
Potential impacts for Nairn at 20kg per inhabitant	204	558,412	18	22	£235,872	£353,808	£390,888
Potential Impacts across Highland Council Reuse Programme	3,079	£8,435,775	256	307	£3,350,615	£5,025,922	£5,905,043

Appendix J provides a much more detailed analysis of the socioeconomic impacts and describes the value of distributed social benefit which would involve aligning the location of a future reuse centres with the opportunities for workers and customers in areas with underserviced job opportunities. Also discussed in detail are a wide range of opportunities, including:

- The potential for small, dispersed populations.
- Experience from Stirling.
- Self-employment opportunities.
- Education opportunities.
- Digital inclusion/ social inclusion/homeless considerations.
- Community wealth building benefits - sustainable livelihoods approach - generating positive impacts.
- Local empowerment.
- Job creation access and value of job creation in the sector.
- Livelihood strategies for capital accumulation.
- Total economic benefit.

13.0 LEGAL, COMMUNICATION AND FUNDING FACTORS

13.1 Overview

The appendices provide detailed information on the legal requirements and considerations associated with a RRR Centre in Nairn and elsewhere in the Highlands. Information is also provided on how to develop communications (marketing) to support success, as well as the facilitators, funding and associated barriers. A summary of each of these is provided in this section.

13.2 Legal Factors

SEPA has produced guidance which gives examples of how items deposited at HWRCs can be managed through a reuse centre. Key to any future project will be the fact that donated items involve a middleman (the RRR Centre) between the donator and recipient. In this situation checks have to be put in place to show the condition, functionality and market for the items. If these all demonstrate a level of certainty that the items will actually be reused, then they are not considered to be waste, and the regulations associated with this do not apply. Where items do become waste, for example when there are opportunities for recycling and repurposing, waste management exemptions can be applied for by the RRR Centre.

Persistent organic pollutants (POPs) also need to be considered. These are chemicals which can be in some items, with SEPA guidance and rules only applying to WEEE and upholstered domestic seating - mattresses, curtains,

carpets are out of scope (domestic type upholstered furniture from an office environment are included). Checks again need to be made, which also extends to house/office clearances and bulky collections. For the latter, in transit, there will need to be segregation in place within vans, separating reusable items from others deemed waste.

13.3 Communications to Deliver Successful Projects

Positive, imaginative and clear communications are vital to delivering any business, including reuse, although in the case of the Nairn HWRC and projects at other Highland locations, this will depend on what options are being communicated. For example:

- A reuse centre involving drop off and retail infrastructure.
- Reuse drop off containers.

The delivery of a project without awareness raising activity around, who the partners are, who the beneficiaries are, etc, will result in a poorer performing project than may otherwise have been the case. Although the contexts may differ, examples of communications from other projects are presented in Appendix A. In one example, the involvement of a regional membership organisation (De Kringwinkel, Flanders), that supports reuse activity has been key, as they provide high frequency communication across a wide range of channels (e.g. social media, newspapers). This allows the individual reuse centres to focus their more limited marketing budgets on the local communities they serve. In Scotland, The Highland Council will have a key role for a future RRR Centre located within the Nairn and other HWRCs, where communications can be created and used to change the narrative to promote reuse over recycling.

13.4 Facilitators, Funding and Potential Barriers

The development of a HWRC reuse project in Nairn, other Highland communities, or the development of commercial premises will require funding for capital investment associated with the design and reconfiguration of a site - to incorporate reuse infrastructure (hard standing, utilities, sheds, racking, parking and fencing etc). The costs associated with this, as described previously could be paid back through a rental agreement for a reuse organisation operating the site. Operational funding support could be provided through:

- Employability support funding, to assist people back into employment.
- Payments from the local authority for diverting waste from disposal streams.

The CBA's described previously assume modest support through employability funds (three employees, at a 50% of salary level). There is no other grant funding incorporated in the model. However, if required, a number of funding opportunities do exist (see Appendix M) to support the development of a Nairn and other RRR Centres across the Highlands. These include specific funds targetting net zero actions, developments that support creativity (the arts, e.g. to support the development of Maker spaces) and other that provide socioeconomic benefits. The Stirling Reuse Hub is an example of how opportunities with respect to the latter, with many different funding sources supporting a wide range of activities.

14.0 CONCLUSIONS

The Most Impactful Option for Nairn and the Highlands

Reuse projects involving the set-up of collection and retail infrastructure at HWRCs generate significantly higher levels of reuse, income generation, jobs and training within a local community, compared to options that involve establishing reuse containers. The potential for establishing a reuse centre that processes 200 tonnes per annum at the Nairn HWRC has been described in this report. The opportunity more widely, if replicated across five additional communities (Fort William, Thurso, Wick, Alness and Dingwall) with populations ranging from 5,000 to 15,000 has been identified as 920 tonnes of reuse, generating 92 direct jobs. A further 1,275 tonnes generating 127 jobs could potentially be available from a large-scale development in Inverness.

Stakeholder engagement and desk-based findings

Stakeholder engagement involving council officers and reuse organisations (local and national) has identified significant levels of interest in both the development of a reuse project, with retail, at the Nairn HWRC as well as other locations across Highland region. At the moment, there is very little reuse activity with respect to HWRCs in the Highlands, although there are a number of Third Sector organisations delivering reuse services from direct donations to their shops and facilities. A number of these are now well established, with examples of innovation and well developed supply chains e.g. involving organisations such as Blythswood and ILM Highland, the latter reusing circa 8% of WEEE collected from HWRCs as part of its contract with the UK organisation REPIC. Two reuse organisations engaged expressed an interest in operating a future reuse centre at the Nairn HWRC, with another two preferring to see what the Council proposes in detail in the future. Another organisation expressed an

interest in the reuse opportunity, but as part of an opportunity to operate a cluster of four/five HWRCs for The Highland Council.

Examples of innovative re-use have been identified across Scotland, the RUK and continental Europe, with opportunities for The Highland Council to support similar activities. These examples include projects supported by local authorities, such as Aberdeen City, Moray and Dumfries & Galloway Councils. The ReTuna reuse shopping mall in Sweden has also been identified as a potentially large-scale opportunity for Inverness if the Superdepot planning initiative results in the waste depot being vacated.

Socioeconomic Benefits

The socioeconomic benefits of reuse are clear. For a system in Nairn that generates 200 tonnes of reuse there is the potential to generate not only 18 direct FTE jobs (22 direct jobs in total, mixture of part and full time), but also another 4 FTEs in the supply chain providing a total economic value (GVA estimate) of £391K per year. However, the benefits go much wider than this with the training, inclusion and opportunities that can be provided through employability support that reuse projects can offer.

The capacity of the local authority to deliver and/or facilitate a reuse project is likely to be most effective if it is done through multi-departmental collaboration, involving the waste team, sustainable development, economic development, education and learning and climate change/circular economy. This approach recognises the many different benefits and opportunities for innovation and community support that a reuse project delivered within the region can deliver. The development of reuse at a large scale across the Highlands has the potential to provide jobs, training and employment and if delivered carefully could help support areas with challenging economic circumstances.

The Infrastructure Options

The Nairn HWRC is a similar size (approximately 20% smaller) in terms of its overall footprint to Moray Council's Forres site, with the town also having a similar population. The viability of a reuse centre in the HWRC has been modelled in the CBA and has shown that it could be operationally viable if given the right support. In addition, a number of organisations have indicated an interest in operating such a centre. Other locations in the town have been identified that could offer similar potential, for example, the Balblair Road depot and to a lesser degree, the St Ninian's church site. The former is dependent on the Council moving existing waste, roads and amenity operations to a new location, which would be a challenge to secure. The latter may be possible on a smaller scale, or could work as a satellite retail option that works hand in hand with reuse drop off (and smaller scale retail) at the HWRC.

A key factor in considering the development of a reuse centre at the Nairn HWRC will be the operational busyness of the site, which is co-located with a roads department depot. This has the potential to bring together an increasing number of householders and large vehicles serving the depot and HWRC. This is a challenge for the existing HWRC as well as a future reuse centre and a key question is whether this is a suitable location for maximising the utility of both.

Establishing a large reuse footprint of the kind operated at Forres would require a significant redesign of the Nairn HWRC. This would require buy-in from the council as well as work to consider the design and layout of the site. A fundamental aspect of any redesign would be a division of the site to accommodate a reuse centre which is separate from the recycling area and associated operational activities. The roads department, which has space and a range of activities immediately adjacent to the HWRC could be an important facilitator for developing the potential for reuse. One opinion is that there are no opportunities for taking additional space, however, there has not been a wholistic assessment of the overall Roads and Waste infrastructure in the area which considers how the site can be optimised to maximise benefit for the Nairn community. For a region the size of the Highlands with twenty one HWRCs, there are opportunities to develop a number of reuse sites, for example to take advantage of ongoing local capacity, developments and initiatives that are benefitting local communities as well as delivering circular economy business models e.g. involving organisations as wide spread as Fort William, Dingwall, Ullapool etc, providing both reuse and socio-economic benefits from their activities.

Relationships and Partnership Working

The development of a reuse centre at the Nairn HWRC will require relationship building, the development of trust in a future working relationship, examples of which are demonstrated in other Scottish local authorities. The importance of a procurement process that both encourages and requires increasingly professional levels of service for reuse has been identified as an important aspect of any future development in this area.

Operational and Organisational Options

An action plan for taking forward the reuse options has been described in this report, an important aspect of which will require the council to view the opportunity as a multi-department one. Reuse activities are being taken forward

widely across Scotland now, led and/or supported by waste management departments, however, there are clear benefits in terms of economic development and training, as well as significant carbon savings to be realised and accounted for in future council reporting. The creation of a steering group that pulls together the different departments will assist in providing an impetus which individual departments may struggle with.

The community survey undertaken delivered 599 responses, with the most popular preferences identified being the delivery of a reuse centre with retail at the Nairn and other HWRCs, operated by local third sector organisations.

Cost Benefit Analysis

A cost benefit analysis on a number of different scenarios has identified the parameters for a successful reuse operation at the Nairn HWRC. The CBA has focused on understanding the cashflow for a site once operational and has assumed capital infrastructure funding will be obtained from other sources. It is unlikely that third sector organisations would be able to raise the capital to pay the costs associated with reconfiguring the HWRC, or the building of a dedicated reuse shed. Instead, rental value from reuse operators has been considered in the CBA, which would allow the council to recoup the costs associated with investment in infrastructure redevelopment. For the option involving the establishment of reuse containers, the capital investment is much lower, however, the potential for reusing significant tonnages of items, and job creation are also correspondingly much less significant.

15.0 RECOMMENDATIONS

Taking Forward a Reuse Model for Nairn and Highland Region

- The option which will deliver the maximum level of reuse and deliver the most employment is the type of project being delivered by Dumfries and Galloway Council (the Furniture Project, Stranraer) and Moray Council (Moray Waste Busters). Reuse drop off and retail on a HWRC, with a potential satellite unit in Nairn itself.
- To establish a reuse project at the Nairn HWRC the option proposed needs significant levels of work at a site level, to understand how both the HWRC and potentially the roads depot can operate together to optimise the use of land available. This will require design and cost assessments, and a way to fund the work.
- The Council will need to be a committed supporter and partner for any reuse project to have long-term success. , As part of this the challenges associated with operating complex reuse projects have to be understood. For example, the Council's views on cherry picking of items needs to consider the commercial realities that reuse organisations have to face i.e. unreusable items become a significant cost that decrease the viability of operations.
- The margins that reuse organisations operate to are very tight, but the potential benefits to a community are high, and therefore the development of a trusted relationship between the council and reuse partners should be an objective of future working arrangement.

Operational Plan For Developing Reuse in Nairn and Highland Region

- An advisory group should be set up to facilitate engagement within The Highland Council. Its role should be to confirm the council's preferred option for Nairn, and establish a plan to develop reuse options more widely across the region.
- A reuse action plan for the council could be overseen by the advisory group which supports the reuse programme. The plan would describe how local opportunities could maximise community capacity building, involving volunteering as well as job creation opportunities.
- Potential future contracts for Nairn and more widely should include a range of KPIs. Depending on the preferred model, these could cover re-use targets, site operational performance levels, as well as setting requirements for socio-economic benefits e.g. training, employability places, furniture packs for disadvantaged people (e.g. as part of the referral system).

Maximising Socioeconomic Impacts

- The council should consider the value of *distributed* social benefit which would involve aligning the location of a future reuse centres with the opportunities for workers and customers in areas with underserviced job opportunities.
- The Council and the proposed advisory group should work with other agencies and departments to facilitate actions that maximise social benefit.

Other Infrastructure Options

- The options for a Nairn HWRC reuse centre versus models involving infrastructure in Nairn itself require discussion and agreement within the Council. If concerns around the operational busyness of the HWRC limit the desire to develop this as a reuse centre then the potential for identifying an alternative (e.g. similar to the Balblair Road depot), or developing a site such as St Ninian's Church should be considered.

- Other HWRCs in the region should be considered with respect to establishing re-use centres, with both storage and retail infrastructure, either on the site or at nearby/adjacent land, where available. Specific examples for Fort William, Wick and Inverness have been identified in this report. The Superdepot planning process has identified that the Inverness waste depot relocation could present a particularly attractive large-scale hub opportunity, which if accompanied by retail could result in a high profile exciting opportunity. The world's first reuse shopping mall in Eskilstuna, Sweden, has provided one vision in this respect.