PREPARING FOR A ZERO WASTE FUTURE

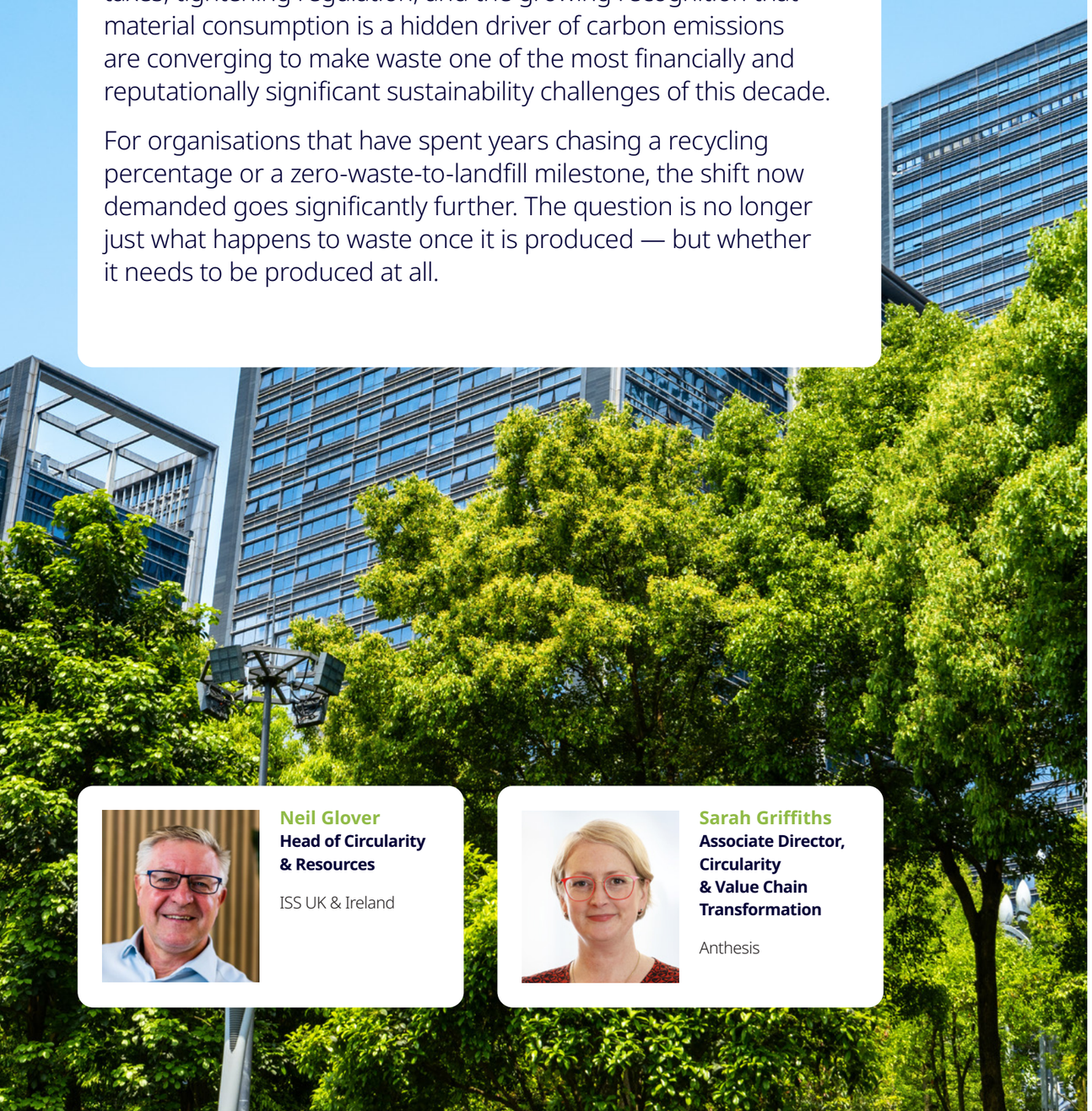
Why circularity is the next strategic imperative for business leaders

PEOPLE-FIRST FM

THE CONVERSATION ABOUT WASTE HAS CHANGED

What was once a back-of-house operational concern — a matter of bin contracts, disposal costs, and recycling targets — is rapidly becoming a more strategic priority. Rising disposal taxes, tightening regulation, and the growing recognition that material consumption is a hidden driver of carbon emissions are converging to make waste one of the most financially and reputationally significant sustainability challenges of this decade.

For organisations that have spent years chasing a recycling percentage or a zero-waste-to-landfill milestone, the shift now demanded goes significantly further. The question is no longer just what happens to waste once it is produced — but whether it needs to be produced at all.



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THE COMPLIANCE WAVE IS ALREADY HERE

UK waste legislation is undergoing its most significant overhaul in a generation, driven by the Environment Act 2021 and an ambition to break the country out of the recycling plateau it has been stuck in for the past five years. In that time, for example, England's household recycling rate has essentially hovered around 44% — a stark contrast to Wales, where consistent long-term policy, legal targets, and standardised collection systems have pushed the rate to 57%.

For businesses, the immediate pressure points are the Government's Simpler Recycling legislation — now active across England following its April 2025 rollout, with plastic film inclusion coming in 2027 and enforcement already beginning — and a forthcoming Emissions Trading Scheme that will, from 2028, apply a direct financial penalty to residual waste sent for incineration. Just as landfill tax rose by over 20% last year, the cost of not diverting waste from the residual stream is set to climb sharply.

Digital Waste Tracking, due by the end of 2026 and expanding in April 2027, will replace paper-based records with a national system that follows the journey of waste from producer to processor — providing the visibility that has long been missing. The Deposit Return Scheme, launching in October 2027 at 20 pence per container, adds further structural change. Evidence from Ireland's scheme, which boosted container recycling rates from 49% to 91% within two years, illustrates just how transformative well-designed policy can be.

Organisations waiting for these changes to 'bed in' before acting are already behind. The cost of delay is not theoretical — it's quantifiable.

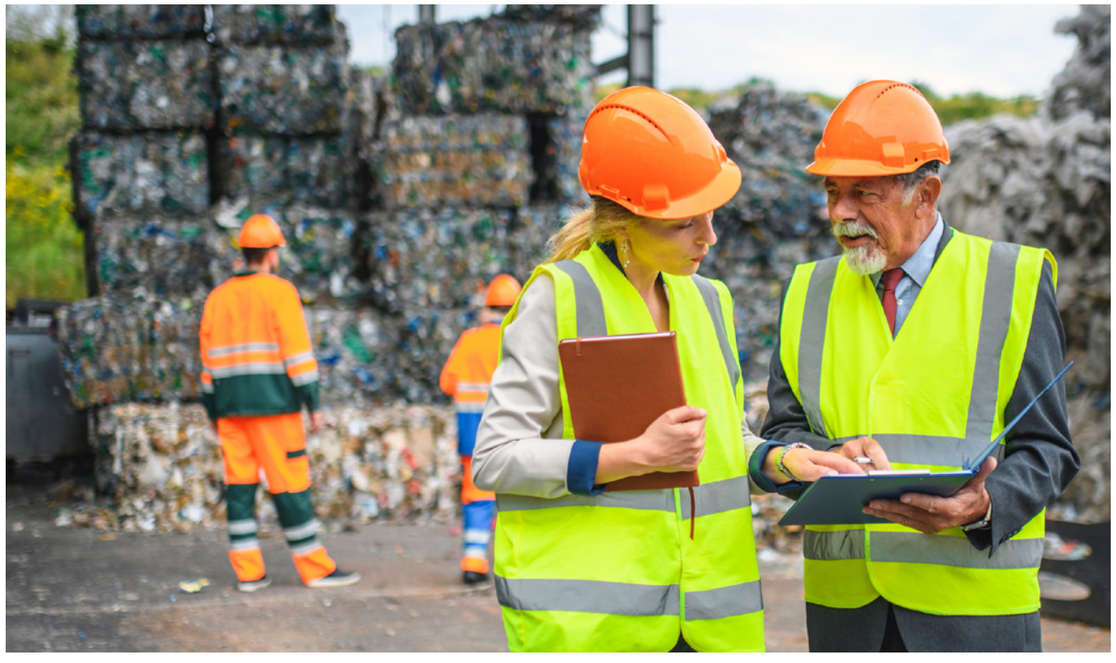
"Businesses can save 10 to 30 percent of waste costs through improved segregation alone — before a single capital investment is made."

FROM COMPLIANCE TO CIRCULARITY: A MORE USEFUL FRAMING

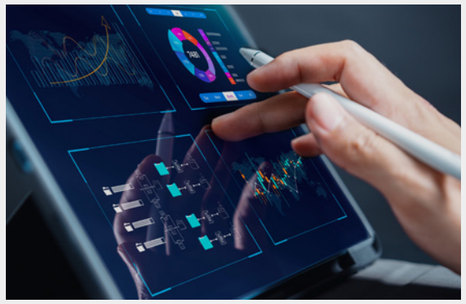
Most organisations currently sit somewhere on a spectrum between waste minimisation — reducing volumes and diverting from landfill — and zero waste, which raises the bar to diverting at least 90% of material from both landfill and incineration. Both represent genuine progress. But the circular economy model asks a fundamentally different question: not how do we better manage the waste we create, but how do we design systems in which waste is not created in the first place?

This distinction matters because the levers are different. First, waste minimisation primarily operates through operational improvements: better bin configurations, segregation training, collection route optimisation. Zero waste then adds behavioural change, reuse programmes, and composting. Finally, a circular economy actually reaches into procurement, product design, supplier relationships, and building fit-out decisions. It is a comprehensive, system-level model, and the organisations beginning to embed it are finding it unlocks value that operational waste management simply cannot reach.

The science underlines the urgency. The International Resource Panel has found that most environmental impacts arise not from final consumption, but from the extraction and processing of materials upstream. Even as renewable energy deployment accelerates, the volume of materials consumed for construction, consumer goods, and infrastructure keeps growing — offsetting the gains from cleaner power. Circular economy strategy, which reduces the demand for virgin materials entirely, is therefore one of the few levers capable of addressing the climate challenge at its root.



The practical starting point: data and the baseline



The instinct to reach for solutions before understanding the problem is one of the most persistent obstacles to waste performance improvement. Organisations regularly discover, on conducting a proper waste baseline and composition analysis for the first time, that their assumptions about what they are disposing of, and at what cost, are significantly off. Contamination rates of up to 50% are not uncommon. In some cases, 80% of waste is being channelled into the general stream, the most expensive to process and the most exposed to future regulatory cost.

A thorough baseline does three things simultaneously. It identifies where the most significant financial savings lie — removing food waste from the residual stream, for instance, can save around £115 per tonne. It reveals the proportion of recyclable material currently being lost to general waste, which in one global retailer audit was found to be two-thirds of all recyclable items. And it provides the data foundation from which a credible zero waste or circular economy roadmap can be built.

Critically, this analysis also informs procurement decisions. Understanding what is entering a building, and in what form, creates the evidence base for engaging supply chains to eliminate single-use items, switch to reusable alternatives, or require take-back schemes from vendors. In one documented programme, this approach led to eight distinct single-use plastic items being eliminated entirely, including shrink wrap and disposable catering serveware.

Where behaviour meets infrastructure

One of the most candid questions any organisation faces on its circular journey is this: how do you change what happens at the bin? Yes, guidance and signage help. But the research is clear that sustained segregation improvement requires more than instructions — it requires systems that make the right choice the easy choice, and cultures that make it the expected choice.

Simpler Recycling offers a structural tailwind here: as standardised collection systems become the norm in both residential and workplace settings, the cognitive burden of segregation decisions reduces. But structure alone is not sufficient. Organisations achieving really meaningful outcomes are those investing in awareness campaigns, gamification, and team-level competition — creating engagement rather than just compliance. On-the-ground FM teams, positioned daily within the spaces where waste decisions are made, are a significantly underused asset in driving this behavioural change.

The NHS provides a compelling proof of concept. Following the COVID-19 pandemic, ISS used captured baseline data to design a targeted programme combining new bin signage, an online Waste Wise training module, and direct engagement with both FM and clinical teams. The result was a material shift away from high-temperature incineration — the most expensive clinical waste stream — into lower-cost offensive waste segregation, with improved recycling rates as a secondary benefit. The programme was subsequently recognised at the NHS England Awards for Excellence.

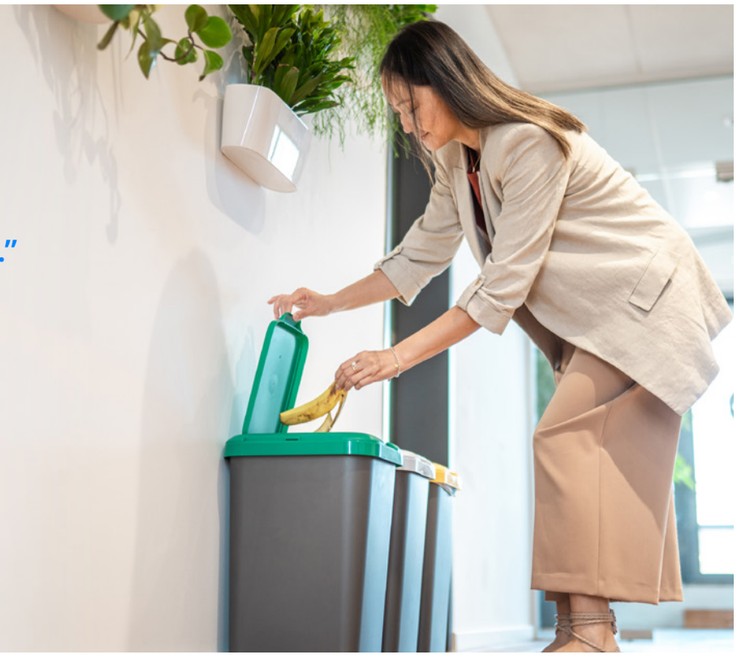
CIRCULARITY AS COMMERCIAL STRATEGY

There is significant potential to create real business opportunity if circularity is treated not simply as a compliance programme dressed up in new language, but rather as a commercial model — one that reduces material risk, builds supply chain resilience, and opens new revenue streams.

One US retailer, working towards a target of 100% of own-brand products designed for a circular future by 2040, developed three distinct circular business models across electronics, toys, and apparel — validated through customer focus groups, competitor analysis, and financial modelling of payback periods. The programme is now in pilot phase, offering resale and refurbishment of electronics and leasing options for high-value appliances. The insight is instructive: circular models, when properly designed and tested, create revenue rather than simply reducing cost.

For facilities management and workplace operations specifically, the opportunity is substantial. Building interiors, including fixtures, fittings, furniture, represent one of the richest areas for circular intervention. Secondary markets, modularity, design for deconstruction, and refurbishment partnerships all reduce whole-life cost and material footprint. Extended Producer Responsibility, already reshaping packaging, is widely expected to extend to textiles, furniture, and construction materials in the coming years, which can only strengthen the case for circularity in building management.

"Circular models, when properly designed and tested, have the potential to create revenue — not simply reduce cost."



THE ONLY QUESTION LEFT

Waste costs are rising. Regulatory obligations are multiplying. The carbon logic for addressing material consumption is becoming impossible to ignore. And yet the playbook — baseline your waste, engage your people, redesign your procurement, build towards circular models — is entirely practical and delivering results today.

Sir David Attenborough captured the spirit of the matter simply: "Live the way you want to live, but just don't waste." The organisations that internalise this — not as a slogan, but as an operating principle embedded in the way they buy, build, and manage — will find they spend less, report better, and face the incoming wave of regulation from a position of advantage rather than exposure.

In an era when the cost of waste is finally being priced into every balance sheet, the organisations that act decisively today will not merely cut their disposal bills — they will build the circular operations that define the decade ahead.

ABOUT ISS

ISS is a leading workplace experience and facilities management company. With a presence in more than 30 countries worldwide, and with more than 27,000 employees across the UK and Ireland alone, ISS provides innovative workplace solutions that contribute to better business performance aimed at making life easier, more productive, and enjoyable for all — delivered to high standards by people who care.

Since 2025, ISS has partnered with Anthesis to deliver sustainability solutions to customers across the UK & Ireland. Through this innovative partnership, ISS leverages its extensive operational expertise in managing and maintaining complex facilities across diverse industries alongside Anthesis' deep sustainability knowledge in managing risk and adding value for organisations on their transformation journeys.

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