# Executive Summary

This report presents our ideas for funding and revenue generation related to the introduction of Deposit Return Systems (DRS) in the UK. Our focus is on creating partnerships, identifying funding opportunities, exploring advertising strategies, and offering \*\*rental solutions for businesses\*\*. By using these approaches, we aim to improve recycling efforts and promote sustainability while generating income for everyone involved.

A Deposit Return System (DRS) is a recycling program where consumers pay a deposit on drink containers, which they get back when they return the containers for recycling. This method has been successful in countries like Germany, Norway, and Finland, where recycling rates have reached over 90%. Although DRS has been proposed in the UK, it has not been fully put into practice yet, creating a chance for us to take the lead in this initiative.

To support our project, we explore various funding sources. The \*\*Waste and Resources Action Programme (WRAP)\*\* is a government-supported organisation that promotes recycling and sustainable practices. They can provide valuable guidance and resources to help us succeed. Local councils across the UK are also looking into grant opportunities, which can be crucial for our project’s financial backing. Additionally, \*\*Innovate UK\*\*, part of UK Research and Innovation (UKRI), offers funding for innovative projects that aim to strengthen the UK economy, making them an important partner for us. We can also take advantage of the \*\*Enhanced Capital Allowance (ECA)\*\*, a tax incentive that allows businesses to write off the full cost of energy-efficient equipment, like reverse vending machines, in their first year of purchase, making it easier for them to invest in sustainability.

Our advertising strategy for DRS is designed to maximise visibility and engagement. In busy areas, advertising costs can reach up to £500 per week, while less crowded locations may cost between £50 and £150 per week. This flexibility allows us to reach a wider audience. We can also generate income through static and video ads, which can bring in between £100 and £500 per week, depending on their length and quality.

Partnering with well-known brands like Lidl, Tesco, and Coop can help us achieve our goals. \*\*Lidl has recently launched a recycling pilot program in Glasgow\*\* that rewards customers with cash for returning plastic bottles and aluminium cans. Since its launch in February 2024, the program has collected over a million items and raised £3,000 for local charities. \*\*Tesco\*\* has a comprehensive sustainability plan known as the 4Rs – Remove, Reduce, Reuse, and Recycle – aiming to cut down on waste and ensure all packaging is recyclable by 2025. They also introduced collection points for soft plastics, targeting the collection of over 1,000 tonnes of plastic each year. In addition, \*\*Coop\*\* has recycling stations for various materials and has achieved an impressive 81% recycling rate, showcasing their commitment to sustainability.

To further enhance our market position, we propose a \*\*rental solution for businesses\*\*, allowing them to have our recycling machines in their stores without having to buy them. This partnership is mutually beneficial: businesses can boost their eco-friendly image, while we keep ownership of our technology and earn revenue through a rental agreement. Companies will pay a one-time setup fee to customise the machines and the app to fit their branding. We’ll also charge ongoing maintenance and support fees, providing a steady revenue stream. If businesses choose to run ads on our machines, they can share 30-40% of the revenue generated from those ads with us.

This partnership not only provides branding opportunities but also encourages customer engagement through their own rewards systems. Additionally, it strengthens their \*\*corporate social responsibility (CSR)\*\* efforts, leading to measurable impacts on waste reduction and sustainability. We will also provide valuable data on recycling volumes, helping businesses with their sustainability reporting and decision-making.

In summary, implementing a DRS in the UK is a significant opportunity for growth and sustainability. By exploring different funding options and forming partnerships with leading organisations, we can promote a strong recycling culture while generating revenue through effective advertising and \*\*rental solutions\*\*. Together, we can create a cleaner, more sustainable environment that benefits both the community and the businesses involved.