



CIRCULAR ECONOMY: WHAT IT IS, BENEFITS + IDEAS

Thanks to funding from the Mayor of London's Green New Deal fund, ReLondon are offering grants and free advisory support to help SMEs recover and prosper by adopting circular economy principles into their business.

This guide is designed to give you a quick introduction to the circular economy, the benefits it brings and provide you with some inspiration on how to make it a reality for your business, with help from ReLondon and the Green New Deal fund.

WHAT IS THE CIRCULAR ECONOMY?

A circular economy is one in which stuff is kept in use for as long as possible, delivering the highest value it can, for as long as it can.

So rather than making, using and then throwing stuff away (a linear system), a circular economy means looking at each of those stages for new ways of cycling materials and value back into the system – using materials and products again and again, in many different forms.

HOW COULD BECOMING CIRCULAR HELP YOUR BUSINESS?

Becoming more circular provides operational, commercial and environmental benefits that help businesses to be more resilient, competitive and resource-efficient.

Operational benefits:

- ♦ Reduce costs of sourcing and operating
- ♦ Improve resilience of supply chain
- ♦ Reduce compliance risk
- ♦ Retain and motivate talent

Commercial benefits:

- ♦ Customer loyalty and retention
- ♦ New revenue streams
- ♦ Strengthen brand position

Environmental benefits:

- ♦ Reduce greenhouse gas emissions
- ♦ Reduce waste
- ♦ Protect biodiversity

CIRCULAR ECONOMY BUSINESS MODELS

A circular business model is a way of designing, making, distributing, taking back and re-using or recycling materials within your business. The five business models are:

- **Using stuff wisely** – minimising waste through better planning, making the most out of every last scrap of material or not making things at all
- **Using stuff again** – recovering materials for recycling and reuse at the end of their first life, incentivising product take-back, making things from others' waste or recycled materials and reselling pre-loved stuff
- **Making things well** – designing things to last as long as possible making them durable and flexible, and ensuring that they can be maintained, reused and repaired; or ensuring they are recyclable, renewable or compostable at end of life
- **Renting, not buying** – offering items to lease, rent or through a subscription model, and as such managing the maintenance, repair, and recycling of products
- **Sharing** – peer-to-peer lending and borrowing to get maximum value and use out of under-utilised products, buildings and vehicles

INSPIRATION

Here are some examples of where businesses have adopted a circular economy business model.

Restaurants use [Winnow's](#) smart meter technology & software to improve kitchen preparation processes and tailor menu designs, typically saving 3-8% on food costs as a result

Cafes send their spent coffee grounds to [Bio-bean](#) who turn them into fire logs - a sustainable alternative to carbon-heavy coal. Retailers can introduce a resale scheme through [Reflaunt](#) and [Thrift+](#), so that others can continue to get use out of preloved clothes

Make your product useful to your customer for longer, by designing it to be built to last ([CauliBox](#)), adaptable ([Petit Pli](#)), easily repaired ([Fairphone](#)) or reusable ([SpiceBox's](#) tiffin takeaway scheme)

Renting instead of selling could increase the per-item profit margin by 50% while saving customers 80% on retail price. Lendobox helps retailers and 'experience providers' such as campsites offer rental products to customers

[Nu Wardrobe](#) is a clothes lending app. It allows people to swap pre-loved fashion instead of buying new clothes

USEFUL RESOURCES

[Routemap](#)

Actions for the built environment, food, textiles, plastics and electrical sectors

[Fashion that doesn't cost the earth](#)

How the retail industry can thrive by embracing circular economy business models

[Food that doesn't cost the earth](#)

Clear, practical steps for any restaurant or food business keen to adopt the circular economy

ACTIVITY: GETTING STARTED

1. Identify the waste streams you currently generate in your business today
2. Examine your processes - where might you prevent waste altogether by becoming more efficient?
3. Of the waste material that can't be avoided - how might you reuse or recycle it?
4. Consider your customer - would they like to access products differently, such as through renting, reuse or second hand?

SOLUTION PROVIDERS

Here are some examples of SMEs who help businesses to implement circular business models.

Stock products that reduce waste:

- ♦ [Article No.25 Ltd](#)
Mushrooms grown underground in London
- ♦ [Nibs etc Ltd](#)
Granola made using waste juice pulp
- ♦ [Toast Ale Ltd](#)
Beer made from waste bread
- ♦ [Rubies in the Rubble Ltd](#)
Conserves and condiments made from wonky fruit and veg
- ♦ [Spruce](#)
Cleaning products in tablet form and reusable bottles
- ♦ [GetHomeThings](#)
Cleaning products in tablet form and reusable bottles
- ♦ [Planet Minimal Ltd](#)
Refillable cleaning products

Replace single-use plastic:

- ♦ [CauliBox](#)
Reusable food container scheme
- ♦ [Aeropowder Ltd](#)
Thermal packing made from waste feathers instead of polystyrene
- ♦ [NotPla Ltd](#)
Fully biodegradable packaging made from seaweed
- ♦ [Unpackaged](#)
Reuse and refill system for retailers
- ♦ [Envopap Ltd](#)
Paper and packaging made from agricultural waste

Make better use of what you buy:

- ♦ [Winnow Solutions Ltd](#)
Scales that help you track waste and over-purchasing
- ♦ [Kitche Ltd](#)
An app to track food purchases and waste

Use clean transport:

- ♦ [Pedal Me](#)
E-cargo bike logistics and pedicab

Redistribute uneaten food:

- ♦ [Too Good To Go Ltd](#)
Sell leftovers that would usually end up in the bin
- ♦ [OLIO Exchange Ltd](#)
Share surplus food with the community
- ♦ [Plan Zheroes](#)
Share surplus food with the community

Save waste from the bin:

- ♦ [Bio-bean Ltd](#)
Recycle coffee grounds into fire logs
- ♦ [UpCircle Beauty](#)
Recycle coffee grounds into cosmetics
- ♦ [Biohm Ltd](#)
Use food waste to create mycelium building materials
- ♦ [IntelliDigest Ltd](#)
Preventing edible food waste and recovering nutrients from inedible food waste
- ♦ [LEAP micro AD Ltd](#)
Convert food waste to energy
- ♦ [The Recycled Candle Company Ltd](#)
Recycle waste candle wax into new candles
- ♦ [Clean Conscience](#)
Recycle soap and shampoo from hotels

Fit out interior spaces wisely:

- ♦ [Adaptavate Ltd](#)
Material made from crop waste that can be composted
- ♦ [ALDStone](#)
Modular flooring enabling reuse
- ♦ [Rype Office Ltd](#)
Refurbished office furniture
- ♦ [PIE Factory](#)
Building materials for events from plastic waste
- ♦ [Smile Plastics](#)
Panels made out of waste materials

Plastic and toxic-free cleaning:

- ♦ [Spruce](#)
Cleaning products in tablet form and reusable bottles
- ♦ [GetHomeThings](#)
Cleaning products in tablet form and reusable bottles
- ♦ [Planet Minimal Ltd](#)
Refillable cleaning products

Redistribute unwanted items:

- ♦ [Community Reuse](#)
Reuse and redistribute household items
- ♦ [Globechain \(UK\) Ltd](#)
Marketplace to redistribute items to charities, small businesses and individuals
- ♦ [RAWK Co.](#)
Collect and refurbish electrical items
- ♦ [Freegle Ltd](#)
Platform for local free peer-to-peer reuse

Lease your products:

- ♦ [Lendobox](#)
Technology to help you lease your products to customers



CIRCULAR PILOT GRANTS

Do you have an idea for how to incorporate circularity into your business and reduce waste? Apply for a grant of either £10,000 or £15,000 to help you get your new circular initiative off the ground.

Application should be submitted by **18th July**

APPLY NOW

BUILD BACK BETTER ADVICE

If you're not quite ready and would like our help to explore circular economy opportunities for your business to reduce waste, cut costs and tap into new revenue streams, you can apply for our one-to-one advisory support.

APPLY NOW

