SME-nvironment 2007: Scotland

The SME-nvironment 2007 survey was undertaken for NetRegs, a unique website that guides small and medium-sized enterprises (SMEs) through their environmental obligations. The free site – www.netregs.gov.uk – includes specific information for more than 100 industry sectors and guidance on general environmental topics that apply to most businesses. NetRegs is run by the Environment Agency in England and Wales, the Environment and Heritage Service in Northern Ireland and the Scottish Environment Protection Agency.

Introduction

In 2005 and 2003, NetRegs conducted surveys of SMEs across the UK to reveal their environmental attitudes and behaviours. The SME-nvironment 2007 survey has been undertaken to assess what changes there have been since. The survey was conducted using a random sample of SMEs across the UK, stratified by country, business sector, and size of business. Response to the survey was good and out of a total of 4,489 telephone interviews, 1,121 (25%) were achieved in Scotland. A summary of key findings from the surveys undertaken in Scotland is presented below.

Key Findings

- 17% of Scottish businesses thought that they undertook activities that could cause harm to the environment. This is an increase of 8% since 2005.

- When prompted with a list of activities that are potentially harmful to the environment, 52% of Scottish business stated that they undertook at least one of them.

- Just under half of Scottish businesses (49%) in the survey stated that they had introduced practical measures to reduce harm to the environment. Since 2005, 7% more businesses have introduced a practical measure to reduce their environmental impact.

- Almost two thirds of Scottish businesses (61%) who had taken some action to address their environmental performance were influenced by a general concern for the environment. Other influences were the need to comply with legislation (28%) and to reduce costs (16%).

- Only 7% of Scottish businesses had heard of the NetRegs website, which is the same as the UK average. However, when described in outline, 68% of Scottish businesses stated that they would find the website useful.

- Businesses in Scotland find the most useful source of environmental information to be the Environmental Regulator, although in practice slightly more go to their Local Authority for guidance than their Environmental Regulator. In future their preferred method of receiving information on environmental matters would be via the internet.

- Overall, levels of environmental awareness and activity amongst SMEs across the UK were low, particularly among micro SMEs (0-9 employees). However the performance of Scottish businesses in terms of their environmental awareness has improved between 2005 and 2007.

Activities Harmful to the Environment

Seventeen percent of Scottish businesses thought that they undertook activities that could cause harm to the environment. Between 2005 and 2007 there has been an increase in awareness (8%) of how business activities could cause harm to the environment. Businesses in Scotland along with those in England were found to be most likely of the four countries to consider that their activities could cause harm to the environment. Of those businesses that stated that they conduct activities which potentially cause harm to the environment, just under a third (30%) stated that they emit smoke or fumes to the air and 29% mentioned storing chemicals, fuels or oils.

When prompted with a list of activities that are potentially harmful to the environment, 52% of Scottish businesses stated that they undertook at least one of them. This is slightly higher than the UK average (49%). The activities that businesses in Scotland were most likely to undertake were storing chemicals, fuels or oils (44%), and producing or importing packaging (44%). Figure 1 presents these findings.
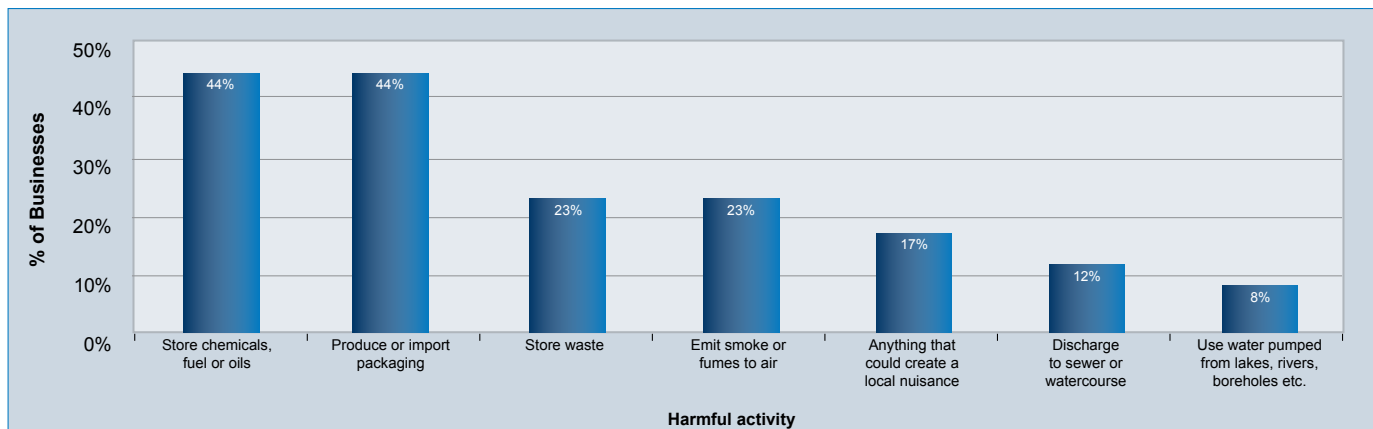
Of those businesses who mentioned storing chemicals, fuels or oils, 49% stated that they had bunded an oil tank or chemical store.

Measures to address environmental issues.

Just under half (49%) of Scottish businesses in the survey stated that they had introduced practical measures to reduce environmental harm, slightly higher than the average for the UK of 48%. Between 2005 and 2007 there has been a 7% increase in the number of Scottish businesses who have introduced a practical measure. The measure most frequently mentioned was recycling (58%), consistent with the results from the other three UK countries. Just over a fifth (21%) of businesses in Scotland stated that they had implemented a programme of environmental improvements, and 14% had implemented some energy efficiency or water reduction improvements. Figure 2 represents these findings.
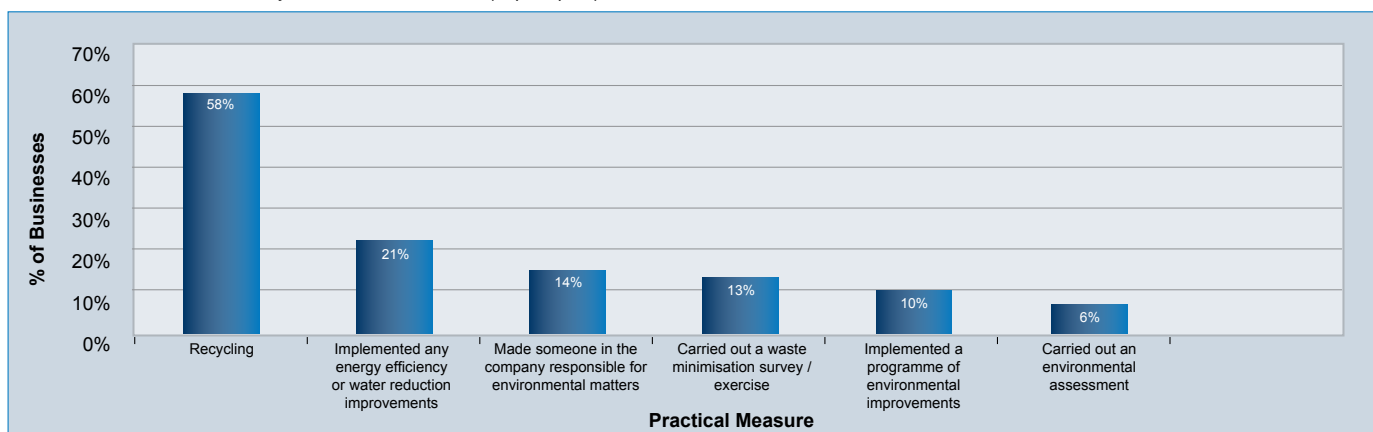
NetRegs

Figure 1
Potentially harmful activities undertaken by businesses in Scotland (prompted)

N= 586. Base: All respondents who conduct at least one potentially harmful activity. (Multiple responses allowed)

Figure 2
Practical measures undertaken by businesses in Scotland (unprompted)

N= 735. Base: Respondents that have introduced practical measures. (Multiple responses allowed)

Environmental Policy and Environmental Management Systems

Forty-three percent of Scottish businesses had an environmental policy in place. This is the highest of the UK countries, and 5% higher than the UK average. Of those, over half (54%) had it as a formal separate written policy.

Between 2005 and 2007, there has been an increase of 8% in the number of Scottish businesses who have an environmental policy in place. The format of which this policy takes has changed over the reporting period, as in 2005 the most popular format was an informal management plan, whereas in 2007 the most popular format was a formal separate written policy.

As illustrated in Figure 3, fourteen percent of businesses had an EMS in place and only 5% planned to introduce one in future. Businesses in Scotland were one of the least likely countries in the UK to state that they planned to introduce an EMS in future.

The proportion of businesses in Scotland with an EMS in place

has increased 9% between 2005 and 2007 – nearly tripling the percentage of businesses with an EMS. There has also been a slight increase of 3% of businesses who propose to introduce an EMS in future.

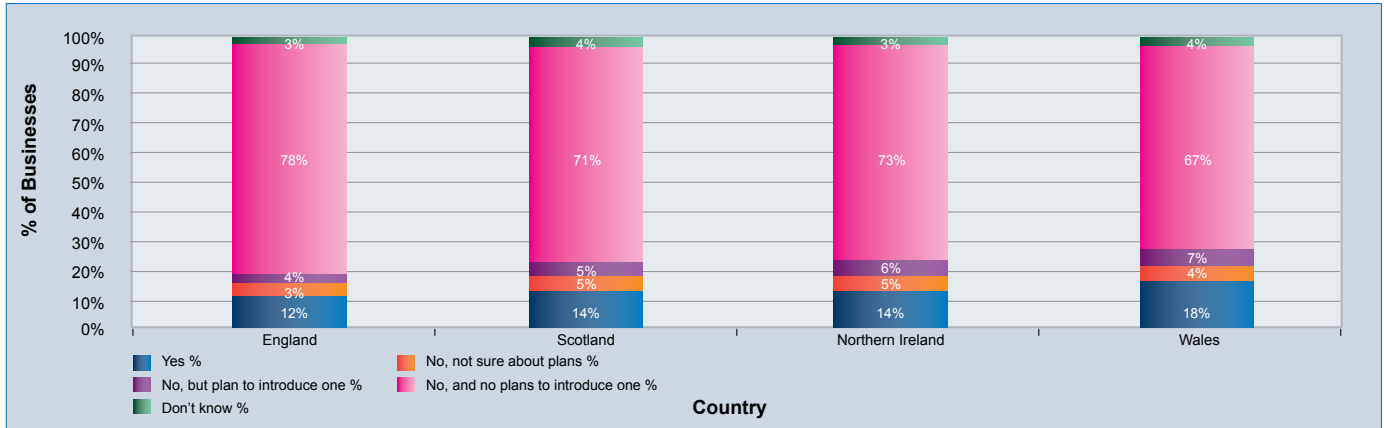## Reasons for Addressing Environmental Issues

Approximately 61% of Scottish businesses who had taken some action to address their environmental performance stated that they were influenced by a general concern about the environment. Other influences mentioned were the need to comply with legislation (28%) and to reduce costs (16%). These were also the main drivers for businesses in Northern Ireland, England and Wales.

Amongst Scottish businesses in both 2005 and 2007 the two main drivers for addressing their environmental impact was their general concern for the environment and the need to comply with legislation.

Around thirteen percent of businesses in Scotland were involved in a business forum that discussed environmental issues, this is the highest level of the four UK countries.

Figure 3
Businesses who have an environmental management system by country

N = 4,489. Base: All respondents

When businesses were prompted with a list of fora, trade associations were found to be the most popular forum attended by businesses in Scotland (15%).

Environmental Awareness

There was a low level of environmental awareness, with only a quarter of businesses in Scotland able to name a piece of environmental legislation. This is in line with the UK average of 24%. Businesses in Scotland were most likely to be able to name the Waste Management Licensing Regulations (32%), and the Special Waste Regulations (24%).

When prompted with nine pieces of legislation, three quarters of businesses were aware of at least one of the nine. Table 1 illustrates the level of awareness of pieces of legislation amongst Scottish businesses.

Table 1 - Level of Awareness of Legislation (Prompted)

Legislation	% of Respondents
Waste Management Licensing Regulations	65%
Special Waste Regulations	64%
Duty of Care Regulations	62%
Pollution Prevention and Control Regulations	44%
Packaging Waste Regulations	42%
Waste Electrical and Electronic Equipment Directive (WEEE Directive)	32%
End of Life Vehicles Regulations 2003	28%
Water Resources Act 1991/The Water (Northern Ireland) Order 1999	22%
Environmental Liability Directive 2004	20%

N = 839. Base: All respondents who answered the question

The Waste Management Licensing Regulations (65%) and the Special Waste Regulations (64%) were the most widely recognised pieces of legislation in Scotland.

Benefits in Addressing Environmental Issues

Businesses considered that the four main business benefits of addressing environmental issues were:

- Reduced risk of prosecution (83% strongly agree / agree);

- Creates good relations with customers (71% strongly agree / agree);

- Reduce operating costs (71% strongly agree / agree); and

- Improved competitiveness (57% strongly agree / agree).

These were also the top three perceived benefits across the UK. Figure 4 shows the level of agreement amongst businesses for all seven key business benefits.

In both 2005 and 2007 Scottish businesses felt that the strongest links existed between environmental good practice and the reduced risk of prosecution, and creating good relations with customers.
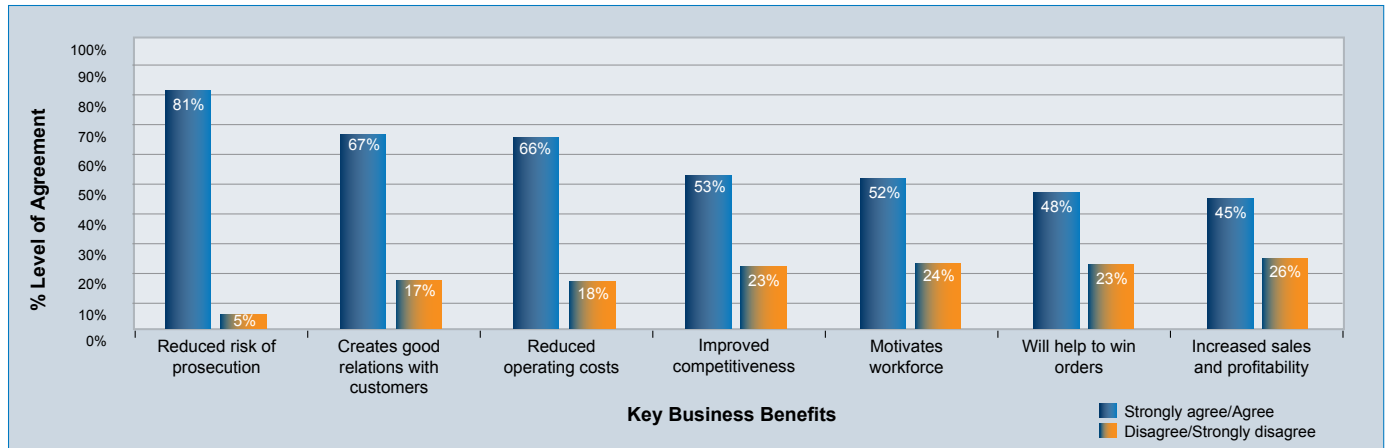
NetRegs website

Only 7% of businesses in Scotland had heard of the NetRegs website, in line with the UK average of 7%. However, when NetRegs was described in outline, just over two thirds (68%) of the Scottish businesses said they would find such a website useful.

Between the 2005 and 2007 survey the percentage of Scottish businesses who had heard of the NetRegs website has decreased slightly (2%). There was however a significant increase (20%) in the percentage of businesses in Scotland who would find the website useful in the future.

Sources of Help

Businesses were asked which organisations (if any) they contacted on environmental matters. The survey found that businesses in Scotland most often go to Local Authorities (30%), the Environmental Regulator (27%) and Waste

Figure 4
Perceived business benefits of good environmental practice

N=1,079. Base: All respondents

companies (26%) for environmental help and advice. Businesses in Scotland identified the Environmental Regulator the most useful source of information; this was also the case for businesses in England and Wales.

Between 2005 and 2007 there has been a slight shift in the organisations that Scottish businesses are most likely to contact for environmental help and advice, as in 2005 businesses were most likely to contact the Environmental Regulator, followed by Local Authorities, whereas in 2007, this balance has shifted to the Local Authority followed by the Environmental Regulator. A change was also found in the organisation most useful to contact for environmental advice, which in 2005 was the Local Authority, and in 2007 had switched to the Environmental Regulator.

Information Requirements

Forty one percent of Scottish businesses thought that they had received enough support from the Government and its agencies to deal with environmental issues, and 42% said that they had not. Eighty-two percent of businesses in Scotland stated that they wanted the same amount if not more guidance in future.

Over half (56%) of businesses in Scotland stated that they would prefer to receive information on environmental issues via the internet, and 30% preferred printed materials. This pattern of preference was found in the other UK countries.

The preferred method of receiving information on environmental issues was via the internet, this illustrates a shift from 2005 where businesses in Scotland stated that they would prefer to receive information via printed materials.

Conclusions

Many of the findings were consistent with the UK wide results, and it should be noted that overall levels of environmental awareness and activity among SMEs was low, particularly among micro SMEs (0-9 employees), who are most likely to think that environmental issues are not something they need to address.

Overall, performance of the Scottish businesses in terms of their environmental awareness has improved between 2005 and 2007.

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Protect the environment.

Visit: www.netregs.gov.uk

Environment Agency
Asiantaeth yr Amgylchedd

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