

SME-nvironment 2007: Wales

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 in 15 business sectors, 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, 1116 (25%) were achieved in Wales. A summary of key findings from the surveys undertaken in Wales is presented below.

Key Findings

- 15% of businesses in Wales thought that they undertook activities that could cause harm to the environment. This is an increase of 7% since 2005.
- When prompted with a list of activities that are potentially harmful to the environment, 53% of businesses in Wales stated that they undertook at least one of them.
- Just over half (52%) of businesses in the survey stated that they had introduced practical measures to reduce harm to the environment. Since 2005, 23% more businesses have introduced a practical measure to reduce their environmental impact.
- Just over two thirds of businesses in Wales (68%) 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 (37%) and to reduce costs (13%).
- Only 7% of businesses had heard of the NetRegs website, this was the same as the UK average. However, when described in outline, 64% of businesses in Wales stated that they would find the website useful.
- Businesses in Wales find the most useful source of environmental information to be the 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 businesses in Wales in terms of their environmental awareness has improved between 2005 and 2007.

Activities Harmful to the Environment

Only 15% of businesses in Wales thought that they undertook activities that could cause harm to the environment. This is in line with the UK average. Between 2005 and 2007 there has been a 7% increase in awareness of how business activities could cause harm to the environment.

When prompted with a list of activities that are potentially harmful to the environment, 53% of businesses in Wales stated that they undertook at least one of them. This is slightly higher than the UK average (49%). The activities that businesses in Wales were most likely to undertake were storing chemicals, fuels or oils (47%), storing waste (43%) and producing or importing packaging (43%).

Of those businesses who mentioned storing chemicals, fuels or oils, 49% stated that they had banded an oil tank or chemical store.

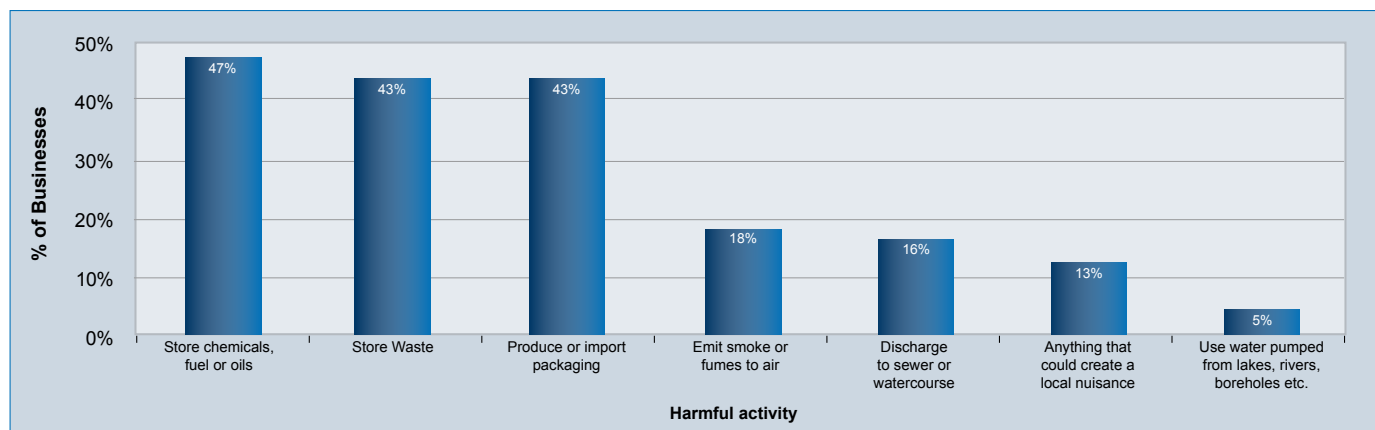
Measures to Address Environmental Issues

Just over half (52%) of businesses in Wales in the survey stated that they had introduced practical measures to reduce environmental harm, the highest level found in all of the UK countries.

Between 2005 and 2007 there has been an increase in the percentage of Welsh businesses who have introduced a practical measure (23%). The measure most frequently mentioned was recycling (73%). Recycling was the most frequently cited measure in all UK countries. Fifteen percent of businesses in Wales stated that they had carried out a waste minimisation survey, and 14% said they had implemented a programme of environmental improvements. Figure 2 presents these findings.

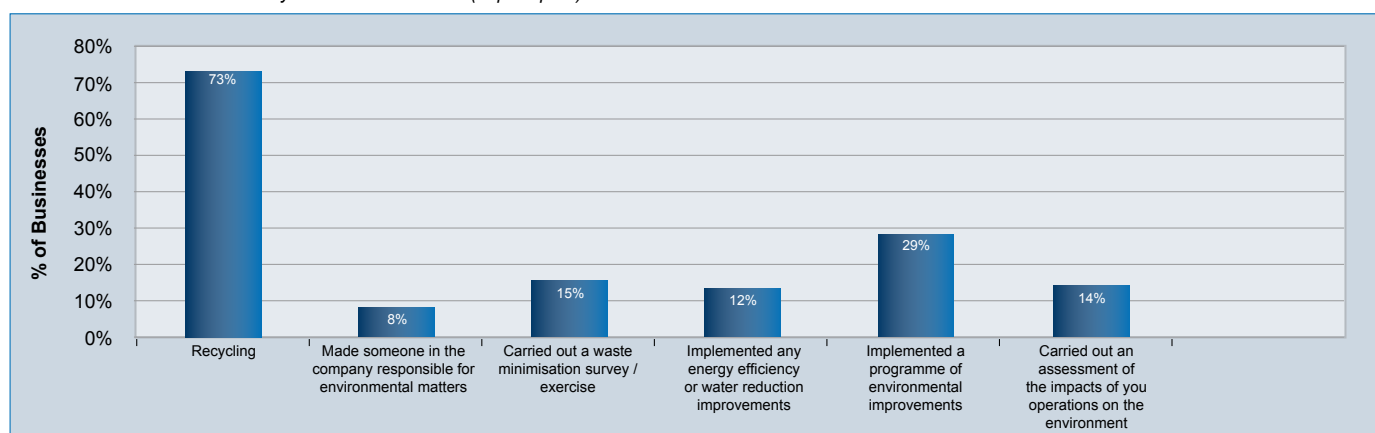


Figure 1
Potentially harmful activities undertaken by businesses in Wales (prompted)



N= 592. Base: All respondents who conduct at least one potentially harmful activity. (Multiple responses allowed)

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



N= 659. Base: Respondents that have introduced practical measures. (Multiple responses allowed)

Environmental Policy and Environmental Management Systems

Just over a third (39%) of businesses in Wales had an environmental policy, in line with the UK average. Of these, over half (58%) had it as a formal separate written policy. There was an increase of 13% of the proportion of businesses with an environmental policy between 2005 and 2007.

As illustrated in Figure 3, eighteen percent of businesses had an EMS in Wales, the highest level in all four UK countries. In addition, 7% of businesses plan to introduce one in future – again the highest level noted from the UK countries.

The proportion of businesses in Wales with an EMS in place has tripled between 2005 and 2007. There has also been a large increase (6%) in the proportion of businesses who propose to introduce an EMS in future over this period.

Reasons for Addressing Environmental Issues

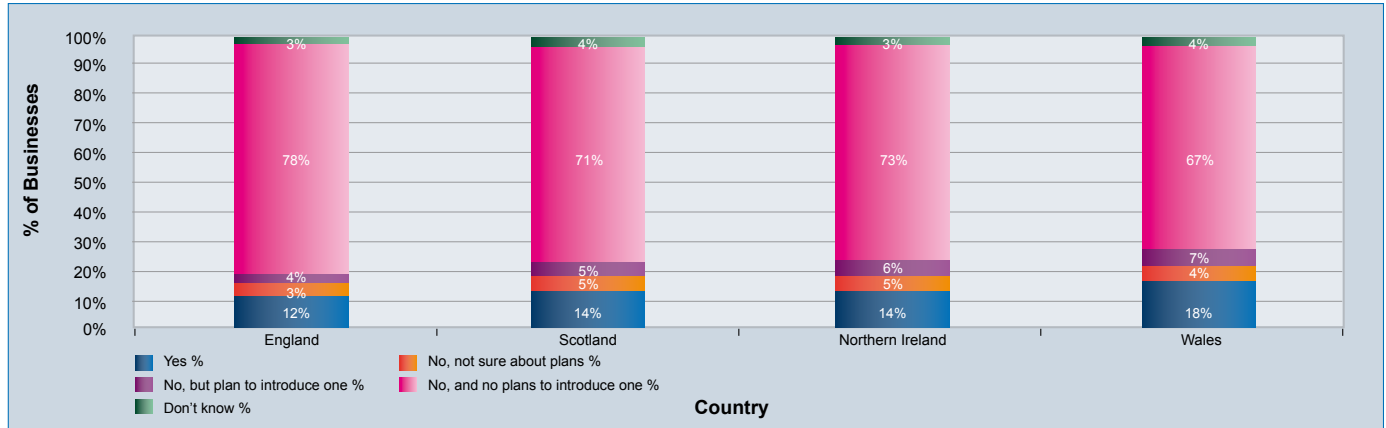
Almost two thirds (68%) of businesses in Wales who had taken some action to address their environmental performance stated that they were influenced by a general concern about their likely impact on the environment. Other influences mentioned were the need to comply with legislation (37%) and to reduce costs (13%). These were also the main drivers for businesses in England, Scotland and Northern Ireland.

Amongst Welsh 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 twelve percent of businesses in Wales were involved in a business forum that discussed environmental issues. This is the same as the UK average of 12%.



Figure 3
Businesses who have an environmental management system by country



N = 4,489. Base: All respondents

Environmental Awareness

There was a low level of environmental awareness, with only 20% of businesses in Wales able to name a piece of environmental legislation. This is slightly below the UK average of 24%, and in fact is the lowest level found from each of the four UK countries. Businesses in Wales were most likely to be able to name the Waste Management Licensing Regulations (30%).

All businesses were then prompted with a list of nine pieces of legislation and asked if they had heard of any of them. Eighty-one percent of all Welsh businesses had heard of at least one of the nine pieces of legislation – the highest level found from all countries in the UK. Table 1 illustrates the level of awareness of pieces of legislation amongst Welsh businesses.

Table 1 - Level of Awareness of Legislation (Prompted)

Legislation	% of Respondents
Hazardous Waste Regulations (or special Waste Regulations if in Scotland)	76%
Waste Management Licensing Regulations	69%
Duty of Care Regulations	66%
Pollution Prevention and Control Regulations	48%
Packaging Waste Regulations	42%
Waste Electrical and Electronic Equipment Directive (WEEE Directive)	42%
End of Life Vehicles Regulations 2003	37%
Water Resources Act 1991/The Water (Northern Ireland) Order 1999	33%
Environmental Liability Directive 2004	26%

N = 901. Base: All respondents who answered the question

The Hazardous Waste Regulations (76%) and the Waste Management Licensing Regulations (69%) were the most widely recognised pieces of legislation in Wales.

Benefits in Addressing Environmental Issues

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

- Reduced risk of prosecution (78% strongly agree / agree);
- Creates good relations with customers (66% strongly agree / agree); and
- Reduces operating costs (60% 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.

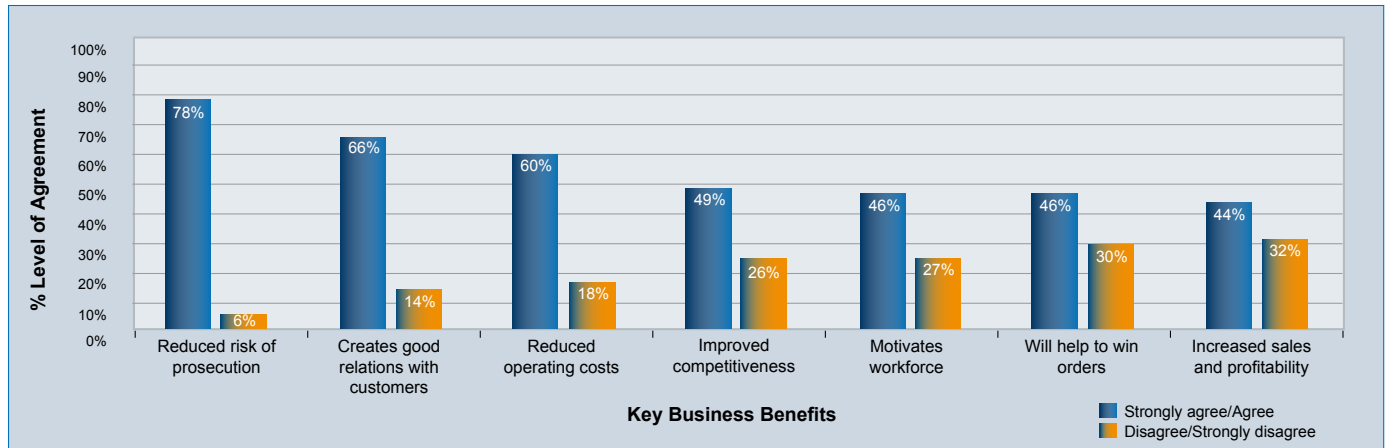
In both 2005 and 2007, Welsh businesses felt that the strongest links existed between environmental good practice and the reduced risk of prosecution, creating good relations with customers, and reducing operating costs.

NetRegs website

Only 7% of businesses in Wales had heard of the NetRegs website, in line with the UK average of 7%. However, when NetRegs was described in outline, sixty-four percent of the businesses surveyed in Wales said they would find such a website useful.

Between the 2005 and 2007 survey the percentage of businesses in Wales who had heard of the NetRegs website has increased slightly (3%). The proportion of businesses who would find the NetRegs website useful also increased by approximately 13%.

Figure 4
Perceived business benefits of good environmental practice



N = 1,116. Base: All respondents

Sources of Help

Businesses were asked which organisations (if any) they contacted on environmental matters. The survey found that businesses in Wales most often go to Local Authorities (28%), the Environmental Regulator (24%), and waste companies (22%) for environmental help and advice. Businesses were asked which organisation they found to be the most useful source of information. In Wales, businesses identified the Environmental Regulator as the most useful source of information (although the Local Authority was found a very close second with only 4% difference). The Environmental Regulator was also found to be the most useful source among businesses in England and Scotland.

Between 2005 and 2007 there has been no change in the organisations that businesses in Wales are most likely to contact for environmental help and advice, although it is noted that the proportion of businesses approaching each source is lower in 2007 compared to 2005. There was however a shift in terms of the most useful source of information from the Local Authority in 2005 to the Environmental Regulator in 2007.

Information Requirements

Forty percent of businesses in Wales thought that they had received enough support from the Government and its agencies to deal with environmental issues. However, almost half (48%) of businesses said that they had not received enough information. Nearly 85% of businesses in Wales stated that they wanted the same amount if not more guidance in future. Nearly half (47%) of businesses in Wales stated that they would prefer to receive information on environmental issues via the internet, and 37% preferred printed materials. This pattern of preference was found in the other UK countries.

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 Welsh businesses in terms of their environmental awareness has improved between 2005 and 2007.

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Protect the environment.

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