

## SME-nvironment 2007: England

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](http://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, 1173 (26%) were achieved in England. A summary of key findings from the surveys undertaken in England is presented below.

### Key Findings

- 17% of English businesses thought that they undertook activities that could cause harm to the environment. This is an increase of 9% since 2005.
- When prompted with a list of activities that are potentially harmful to the environment, 47% of English business stated that they undertook at least one of them.
- Just under half of English businesses (46%) in the survey stated that they had introduced practical measures to reduce harm to the environment. Since 2005, 16% more businesses have introduced a practical measure to reduce their environmental impact.
- Almost two thirds of English businesses (63%) 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 (12%).
- Only 6% of English businesses had heard of the NetRegs website, this is slightly lower than the UK average of 7%. However, when described in outline, 68% of English businesses stated that they would find the website useful.
- Businesses in England 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 English businesses in terms of their environmental awareness has improved between 2005 and 2007.

### Activities Harmful to the Environment

Only 17% of English businesses thought that they undertook activities that could cause harm to the environment. Between 2005 and 2007 there has been an increase in awareness (9%) of how business activities could cause harm to the environment. Businesses in England were one of the 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, nearly half of those respondents providing an answer (42%) stated that they store chemicals fuels or oils and 37% mentioned emitting smoke or fumes to the air.

When prompted with a list of activities that are potentially harmful to the environment, 47% of English businesses stated that they undertook at least one of them. This is slightly lower than the UK average (49%). The activities that businesses in England were most likely to undertake were storing chemicals, fuels or oils (46%), and producing or importing packaging (41%). Figure 1 presents these findings. Of those businesses who mentioned storing chemicals, fuels or oils, 58% stated that they had banded an oil tank or chemical store.

### Measures to Address Environmental Issues

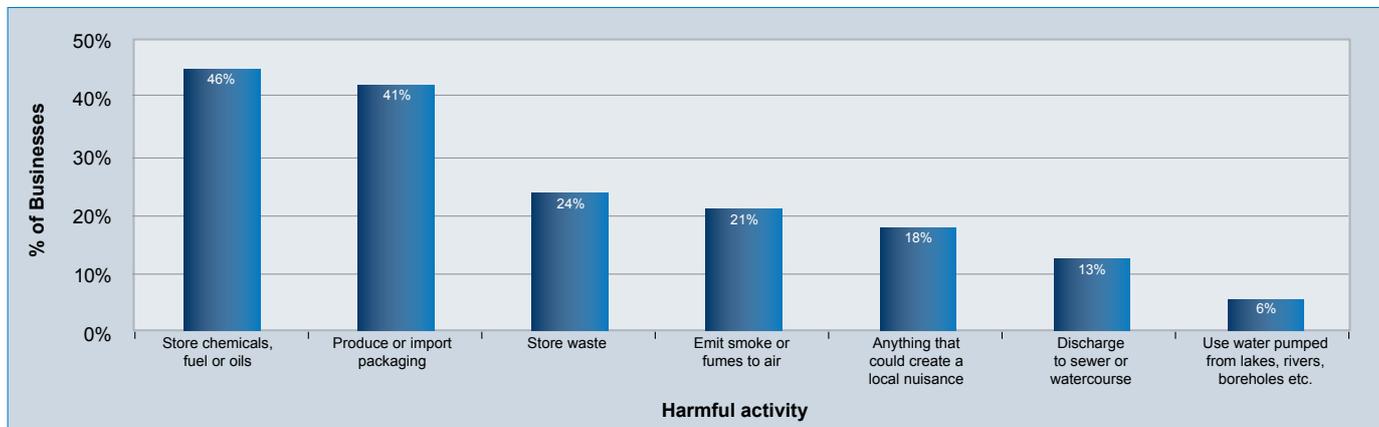
Just under half (46%) of English businesses in the survey stated that they had introduced practical measures to reduce environmental harm. This is slightly lower than the average for the UK of 48%.

Amongst English businesses, between 2005 and 2007 there has been an increase in the percentage of businesses who have introduced a practical measure (16%).

The measure most frequently mentioned was recycling (62%). Recycling was the most frequently cited measure in all UK countries. Around 18% of businesses in England said that they had implemented a programme of environmental improvements, and 14% had implemented energy efficiency / water reduction improvements or carried out a waste minimisation survey. Figure 2 presents these findings.

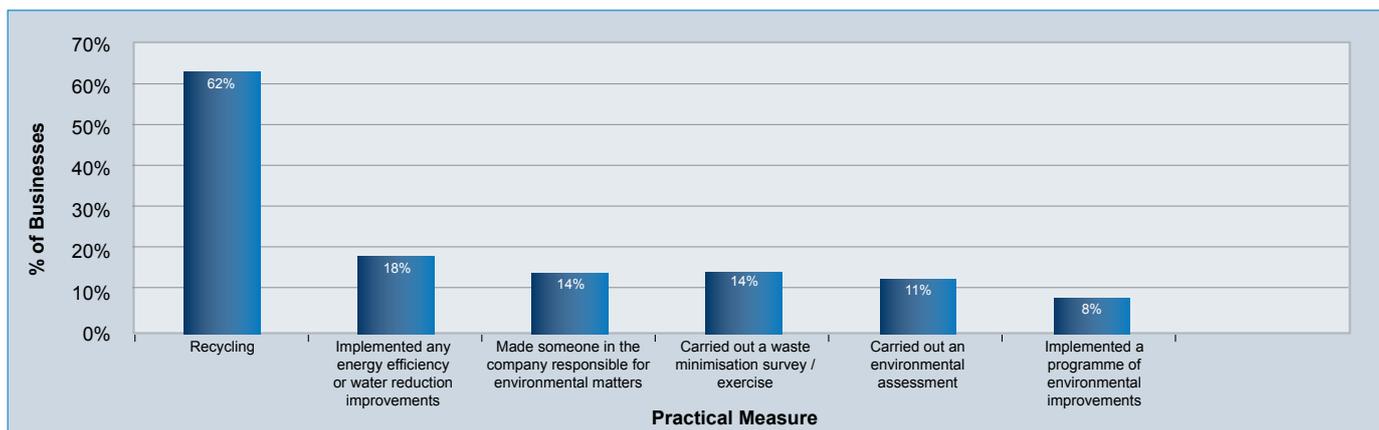


Figure 1  
Potentially harmful activities undertaken by businesses in England (prompted)



N=548. Base: All respondents who conduct at least one potentially harmful activity. (Multiple responses allowed)

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



N=746. Base: Respondents that have introduced practical measures. (Multiple responses allowed)

## Environmental Policy and Environmental Management Systems

Just over a third (39%) of English businesses had an environmental policy. This is the same as the UK average. Of those businesses that did have an environmental policy in place, over half (53%) had it as a formal separate written policy.

Between 2005 and 2007, there has been an increase of 14% in the number of English businesses who have an environmental policy in place. The format that this policy has taken has changed over the reporting period - 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, twelve percent of businesses had an EMS in place and only 4% planned to introduce one in future. Businesses in England were the least likely of all four UK countries to state that they planned to introduce an EMS in future. The proportion of businesses in England with an EMS in place has doubled from 2005 to 2007. There has also been a slight increase of 3% in the proportion of businesses who propose to introduce an EMS in future.

## Reasons for Addressing Environmental Issues

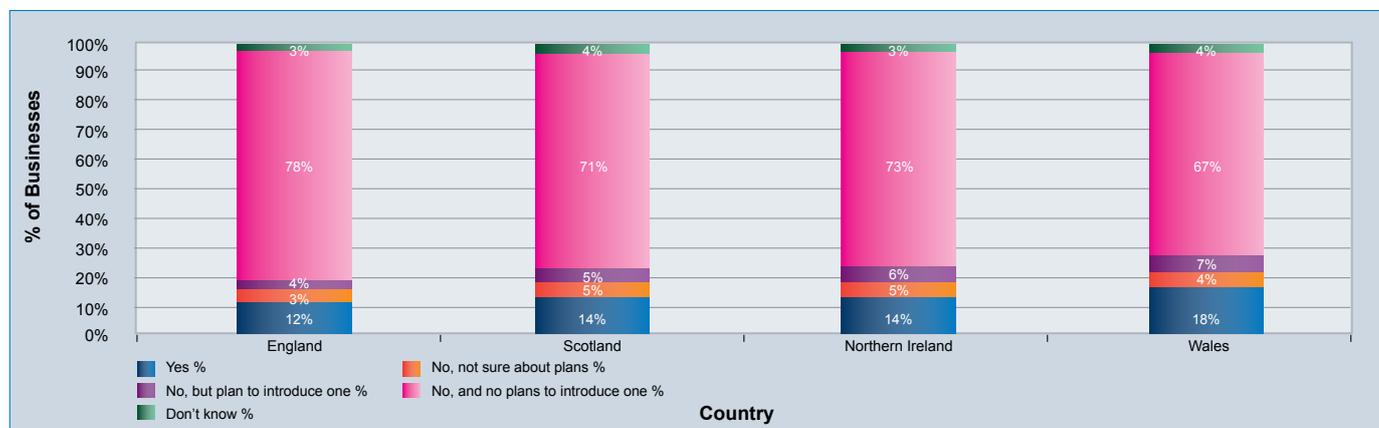
Almost two thirds (63%) of English businesses who had taken some action to address their environmental performance stated that they were influenced by a general concern about their likely impact on the environment. Other influences mentioned were the need to comply with legislation (28%) and to reduce costs (12%). These were also the main drivers for businesses in Northern Ireland, Scotland and Wales.

Amongst English 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 England were involved in a business forum that discussed environmental issues. This is in line with the UK average.



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 29% of businesses in England able to name a piece of environmental legislation. This is higher than the UK average of 24%. The legislation that businesses in England were most likely to be able to name was the Waste Management Licensing Regulations (35%).

All businesses were then prompted with a list of nine pieces of legislation and asked if they had heard of any of them. Seventy-nine percent of all English businesses had heard of at least one of the nine pieces of legislation. Table 1 illustrates the level of awareness of pieces of legislation amongst English businesses.

Table 1 - Level of Awareness of Legislation (Prompted)

Legislation	% of Respondents
Hazardous Waste Regulations (or special Waste Regulations if in Scotland)	69%
Waste Management Licensing Regulations	65%
Duty of Care Regulations	60%
Pollution Prevention and Control Regulations	44%
Packaging Waste Regulations	41%
Waste Electrical and Electronic Equipment Directive (WEEE Directive)	34%
End of Life Vehicles Regulations 2003	29%
Environmental Liability Directive 2004	20%
Water Resources Act 1991/The Water (Northern Ireland) Order 1999	24%

N=924

Base: All respondents. (Multiple response allowed)

The Hazardous Waste Regulations (69%) and the Waste Management Licensing Regulations (65%) were the most widely recognised pieces of legislation in England.

## Benefits in addressing environmental issues

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

- Reduced risk of prosecution (81% strongly agree / agree);
- Creates good relations with customers (73% strongly agree / agree); and
- Reduces operating costs (65% 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 English 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

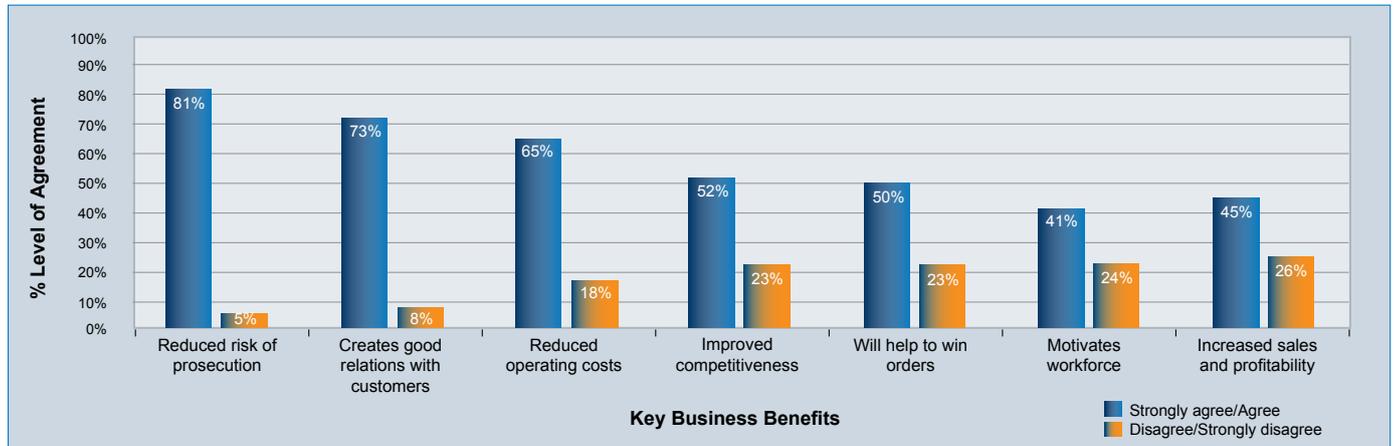
Only 6% of businesses in England had heard of the NetRegs website, this is slightly lower than the UK average of 7%. However, when NetRegs was described in outline, just over two thirds (68%) of the English businesses said they would find such a website useful.

Between the 2005 and 2007 survey the percentage of English businesses who had heard of the NetRegs website has decreased slightly (1%). There has also been a significant increase (23%) in the percentage of businesses in England 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 England most often go to Local Authorities (25%), the Environmental Regulator (22%) and Waste companies (21%) for environmental help and advice. Businesses in England identified the Environmental Regulator

Figure 4  
Perceived business benefits of good environmental practice



N=1,173. Base: All respondents

as the most useful source of information; this was also the case for businesses in Scotland and Wales.

Between 2005 and 2007 there has been no change in the organisations that English businesses are most likely to contact for environmental help and advice. However there was a shift in the source that businesses found most useful from the Local Authority in 2005 to the Environmental Regulator in 2007.

### Information Requirements

Thirty-seven percent of English businesses thought that they had received enough support from the Government and its agencies to deal with environmental issues, but almost half (45%) of businesses said that they had not. Nearly 85% of businesses in England stated that they wanted the same amount if not more guidance in future. Nearly two thirds (61%) of businesses in England stated that they would prefer to receive information on environmental issues via the internet, and 28% 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 shows a shift from 2005 where businesses in England 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 English businesses in terms of their environmental awareness has improved between 2005 and 2007.

Protect your business.  
Protect the environment.

Visit: [www.netregs.gov.uk](http://www.netregs.gov.uk)