

SME-nvironment 2005: Scotland

Key findings

- 42% of Scottish businesses had acted to reduce their environmental impact, compared with the UK average of 31%. Since 2003, 26% percent more Scottish businesses have introduced a practical measure to reduce their environmental impact.
- Over a third (35%) of businesses had an environmental policy. This is 10% higher than the UK average. This is an increase of 15% on 2003.
- There was a low level of legislative awareness, with only 14% of businesses able to name a piece of environmental legislation. This is the same as the UK average.
- Businesses in Scotland found SEPA the most useful source of information, rather than the Local Authority, which businesses in the rest of the UK found most useful.
- Overall, levels of environmental awareness and activity among SMEs across the UK was low, particularly among micro SMEs (0-9 employees). However, the performance of Scottish businesses in terms of their environmental awareness has improved between 2003 and 2005.

Introduction

The 2005 NetRegs Survey of SME awareness was conducted using a random sample of SMEs across the UK in 15 business sectors. The sample was stratified by country, business sector and size of business.

Response to the survey was good and out of a total of 5,554 telephone interviews, a total of 1,337 (24%) were achieved in Scotland. A summary of the key findings from the surveys undertaken in Scotland is presented below.

Activities harmful to the environment

Only 7% of Scottish businesses thought that they undertook activities that could cause harm to the environment. Between 2003 and 2005 there has been an increase in awareness (+3%) of how business activities could cause harm to the environment. Of those businesses that stated that they conduct activities which potentially could cause harm to the environment; almost a third (32%) cited that they emit smoke or fumes to air and 19% create a local nuisance through noise.

When prompted with a list of activities that are potentially harmful to the environment, 47% of Scottish businesses stated that they undertook at least one of them. This is higher than the UK average of 41%. The activities that businesses in Scotland were most likely to undertake were storing chemicals, fuel or oils (51%), storing waste (42%) and producing or importing packaging (29%). Figure 1 illustrates the findings.

Of those businesses who mentioned storing chemical, fuels or oils, 29% stated that they had banded an oil tank or chemical store.

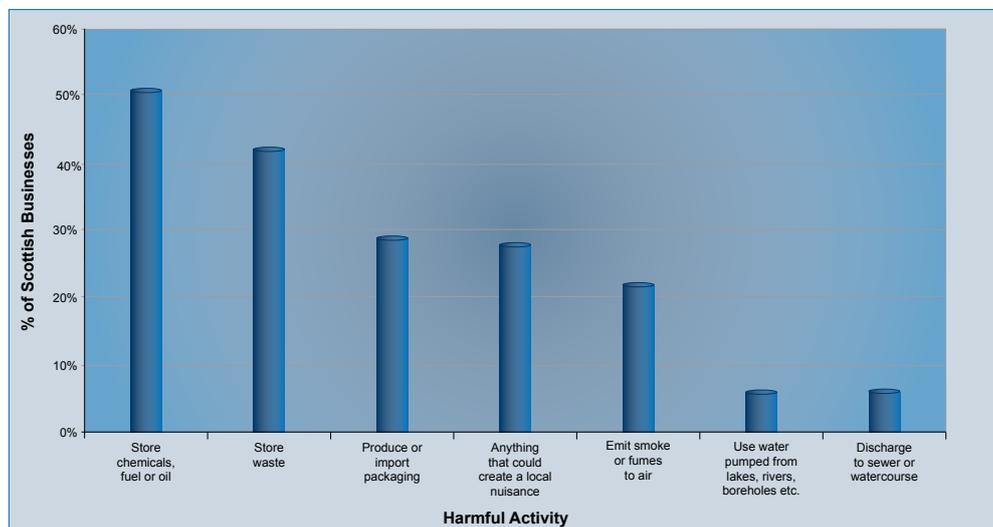


Figure 1 Potentially harmful activities undertaken by businesses in Scotland (prompted)

N=702
Base: All respondents who conduct at least one potentially harmful activity. (multiple responses allowed)

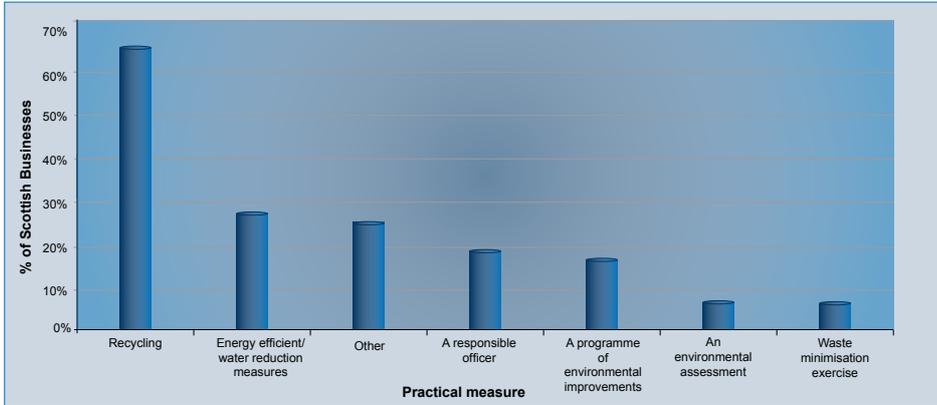


Figure 2 Practical measures undertaken by businesses in Scotland (unprompted)

N=594
Base: Respondents that have introduced practical measures (multiple responses allowed)

Measures to address environmental issues

Over two-fifths of Scottish businesses (42%) in the survey stated that they had introduced practical measures to reduce environmental harm. This is substantially better than the average for the UK of 31%. Amongst Scottish businesses, between 2003 and 2005 there has been an increase in the percentage of businesses who have introduced a practical measure (+26%). The measure most frequently mentioned was recycling (66%). Just over a quarter of businesses (27%) stated that they had implemented energy efficiency/water reduction improvements.

Environmental policy and Environmental Management Systems (EMS)

Over a third (35%) of Scottish businesses had an environmental policy. This is 10% higher than the UK average of 25%. Businesses in Scotland were more likely to have an environmental policy in place than businesses in the other UK countries. Between 2003 and 2005, there has been an increase of 15% in the percentage of Scottish businesses who have an environmental policy in place. Including the policy as an informal management aim remains the most popular method of implementing an environmental policy.

Table 1 - Level of awareness of legislation (prompted)

Legislation	% of Respondents
Pollution prevention and control regulations	33
Duty of care regulations	32
Waste management licensing regulations	30
Draft hazardous waste regulations	29
Packaging waste regulations	24
Water resources act 1991	15
End of life vehicles regulations 2003	15
Environmental liability directive 2004	9

N=1,337 Base: All respondents (multiple response allowed)

However, only 5% of businesses had an EMS in place and 2% planned to introduce one in future, findings similar to the UK-wide results. Businesses in Scotland were the least likely to have an EMS in place. There has been no change in the percentage of Scottish businesses with an EMS in place between 2003 and 2005. There has been a small increase in the percentage of businesses who plan to introduce an EMS in the future (+1%).

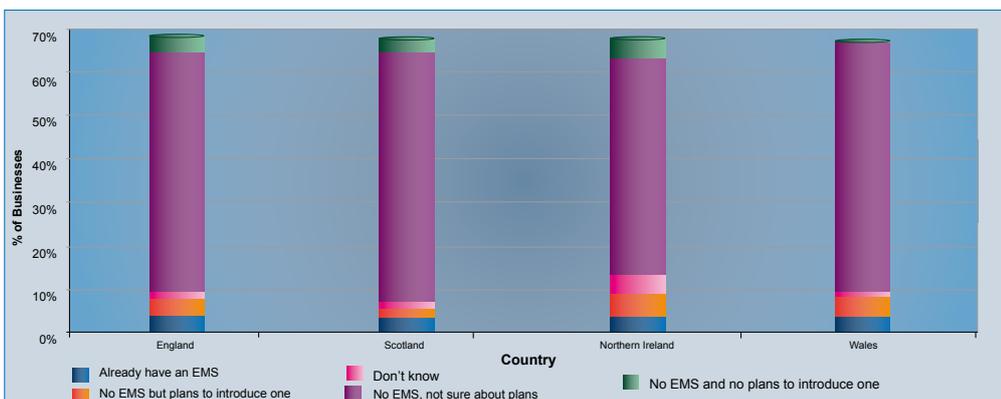


Figure 3 Businesses with an environmental management system by country

N=5,554
Base: All respondents



Reasons for addressing environmental issues

Almost two-thirds of Scottish businesses (62%) who had taken some action to address their environmental performance stated that they were influenced by a general concern for the environment. Other influences mentioned were the need to comply with legislation (22%) and to reduce costs (21%). These were also the three main drivers for businesses in England, Northern Ireland and Wales.

Amongst Scottish businesses in both 2003 and 2005 the two main drivers for addressing their environmental impact was their general concern for the environment and the need to comply with legislation.

Thirteen percent of businesses based in Scotland were involved in a business forum that discussed environmental issues. This is slightly higher than the UK average of 10% of businesses being involved in a business forum. Businesses in Scotland were more likely than businesses in the other three countries to be involved in a business forum. There has been a small increase in the percentage of Scottish businesses involved in a business forum (+2%).

Environmental awareness

There was a low level of legislative awareness, with only 14% of businesses in Scotland able to name a piece of environmental legislation. This is the same as the UK average. Businesses in Scotland were most likely to be able to name the Draft Hazardous Waste Regulations.

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

The Pollution Prevention and Control Regulations (33%) and the Duty of Care Regulations (32%) were the most widely recognised pieces of legislation in Scotland.

Benefits in addressing environmental issues

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

- a reduced risk of prosecution (82% strongly agree/agree),
- creating good relations with customers (74% strongly agree/agree)
- reduced operating costs (59% 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 2003 Scottish businesses were most likely to feel that the three main business benefits of addressing environmental issues were a reduced risk of prosecution, creating good relations with customers and improved competitiveness.

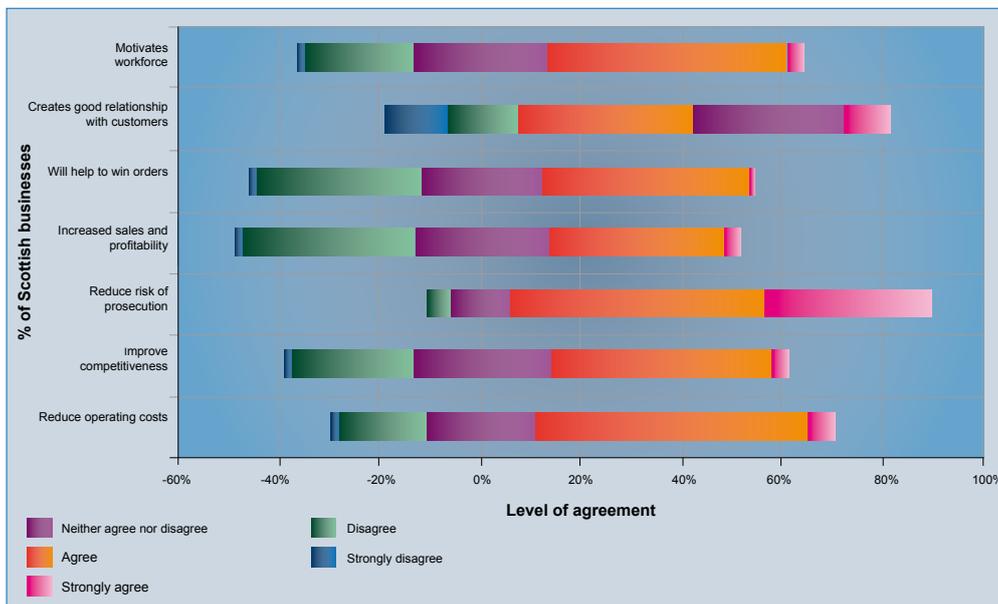


Figure 4
Level of agreement amongst businesses concerning a link between environmental good practice and key business benefits

N=1,337
Base: All respondents

NetRegs website

Only 9% of businesses in Scotland had heard of the NetRegs website, this is higher than the UK average of 6%. There was an even split between those businesses who stated that they would find the information on the NetRegs website useful (47%).

Between 2003 and 2005 the percentage of Scottish businesses who had heard of the NetRegs website has increased by 7%. There has also been a small increase in the percentage of businesses who would find the website useful in the future (+0.5%).

Sources of help

Businesses were asked which organisations (if any) they contacted on environmental matters. The survey found that Scottish businesses most often go to their Environmental Regulator, SEPA (33%) and their Local Authorities (27%) for environmental help and advice. Businesses in the rest of the UK found that their Local Authority was their most useful contact.

Between 2003 and 2005 there has been no change in the organisations that Scottish businesses are most likely to contact for environmental help and advice. However there has been a change in the information source that Scottish businesses found the most useful. In 2003 the most useful information source was felt to be the Local Authority; however in 2005 this had become the Environmental Regulator.

Information requirements

Thirty-nine percent of Scottish businesses thought that they had received enough support from the Government and its agencies to deal with environmental issues, but almost half (44%) of businesses said that they had not. Overwhelmingly 78% wanted the same amount if not more guidance.

Forty-two percent of businesses in Scotland stated that they would prefer to receive information on environmental issues via printed materials, and 35% preferred the internet. This pattern of preference was found in the other UK countries.

The preferred method of receiving information on environmental issues was via printed materials; this was the case in both 2003 and 2005.

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