

SME-nvironment Survey 2009: Northern Ireland

1. Background

NetRegs is an online tool designed for small and medium sized enterprises (SMEs) to obtain clear and concise information on legal compliance and environmental good practice. The NetRegs website is supported by a partnership between UK environmental regulators: the Environment Agency (in England and Wales), the Scottish Environment Protection Agency (SEPA) and the Northern Ireland Environment Agency (NIEA).

Since 2003, NetRegs has undertaken major, biennial telephone surveys to understand how SMEs consider they perform in relation to the environment. This knowledge is used to inform the regulators and to assist NetRegs in the provision of relevant and practical information.

In the 2009 survey, a total of 7,000 businesses were interviewed across the four UK countries and within 10 business sectors. The 10 industry sectors included in this research are shown in Table 1.1 with their Standard Industrial Classification codes.

The sampling regime was developed to ensure that a representative response was achieved by sector, country and across the three business size groups (0-9 employees, 10-49 employees and 50-249 employees). Sampling quotas set by country were approximately 3,500 surveys in England (83% of UK SMEs are in England), and circa 1,150 interviews each for Wales, Scotland and Northern Ireland.

Table 1.1 – Industry Sectors in 2009 research

Group 1	Group 2
Agriculture (SIC 1)	Printing, Publishing & Reproduction of Recorded Media (SIC 22)
Construction (SIC 45)	Electrical Equipment (SIC 31) & Machinery Manufacture (SIC 29)
Healthcare (SIC 85)	Fabricated Metal Products (SIC 28)
Transport by Land (SIC 60)	Food and Drink Manufacture (SIC 15)
Hotels & Restaurants (SIC 55)	Education (SIC 80)

Of the 7000 interviews undertaken across the ten sectors and four UK countries, 1134 businesses surveyed in Northern Ireland (16% of the total). This report provides a summary of the responses obtained from businesses in Northern Ireland and a brief comparison with the other UK countries.

2. Measures to Address Environmental Issues

Respondents were asked whether they had introduced any practical measures to help reduce their impact on the environment and 55% of businesses in Northern Ireland stated that they had introduced measures. This was less than those in Wales, but the same as those in Scotland and England. The split by sector is shown in Table 2.1.

Table 2.1 – Northern Ireland businesses that had introduced a practical measure, by Group 1 sector (unprompted)

	N. Ireland Businesses
Agriculture	50%
Construction	39%
Hotels & Restaurants	58%
Transport by Land	29%
Healthcare	57%

N=413 Base: All businesses in Group 1 sectors that had answered 'yes' to implanting a practical measure

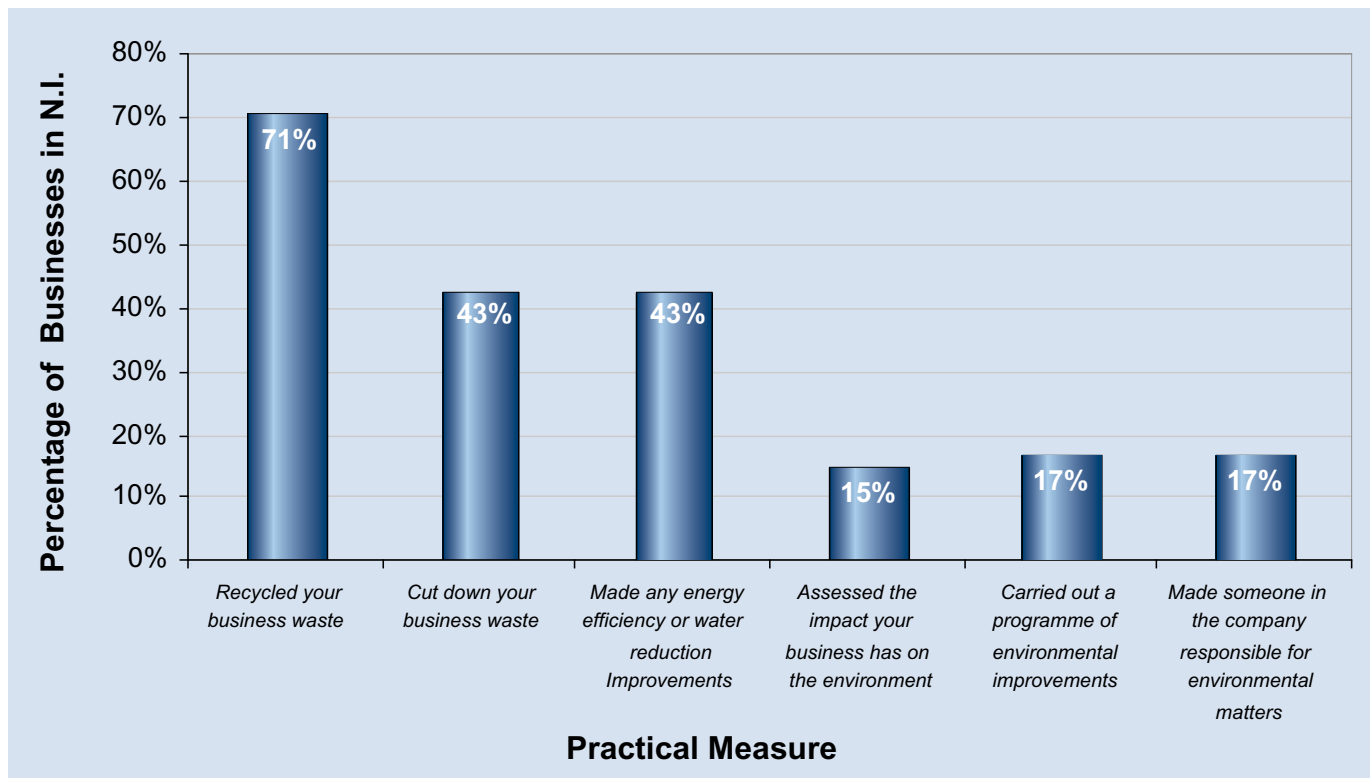
In common with the other three UK countries, the percentage of businesses in Northern Ireland that had introduced one or more practical measures to improve environmental performance increased with employee numbers.

Businesses were asked, prompted and unprompted, what environmental measures they had put into place. When these two responses were combined an overall summary of the measures that the Northern Ireland businesses had put into place could be obtained.

Over 70% of Northern Ireland businesses recycle their waste, 43% has made energy efficiency or water reduction improvements and 41% of businesses had cut down on their business waste. This is shown in Figure 2.1.



Figure 2.1 – The practical measures carried out by Northern Ireland businesses



3. Implementation of Environmental Management System or Policy

All businesses were asked if they had an Environmental Management System in place. This management system could include systems like ISO 14001 or BS 8555.

Ninety three percent (93%) of Northern Ireland based businesses surveyed in this research stated that they did not have an Environmental Management System in place, and around three quarters of these businesses did not have an Environmental Policy.

Table 3.1 - Percentage of Northern Ireland businesses within Group 1 sectors that have an Environmental Management System

	N. Ireland Businesses
Agriculture	4%
Construction	6%
Hotels & Restaurants	4%
Transport by Land	1%
Healthcare	1%

N= 28 businesses with an Environmental Management System in place (out of 877 asked)

N= All Group 1 businesses that had an Environmental Management System in place

Within four of the five Group 1 sectors, England businesses were most likely to have implemented an Environmental Policy compared with the other three countries. However, in the case of the Healthcare sector, Wales and Northern Ireland businesses were the most likely (34% and 31% respectively) and the Scotland and England businesses the least likely (18% and 21% respectively) to have an Environmental Policy.



4. Benefits Found in Addressing Environmental Issues

Where Northern Ireland businesses had stated that they did not have an Environmental Management System or Policy in place, they were then asked how useful they thought the implementation of a policy or system would be to their business.

The majority of respondents (88%) considered an Environmental Policy or Management System to be of 'no use' or 'of little use' to their business. Twelve percent of Northern Ireland businesses thought that an Environmental Management System would be 'quite useful' or 'very useful'.

Clearly the vast majority of Northern Ireland SMEs surveyed do not see the benefit of a formalised approach to environmental management. Whilst this is understandable for small, family run businesses such as in agriculture this is more surprising when considering the companies within the 50 to 249 size band. It is likely that the micro and small companies are faced with a very limited number of environmental issues and that good awareness and / or issue specific procedures are all that is required to ensure compliance. It is possible that the formality and potential complexity (and perceived cost) of a certifiable EMS puts off many businesses.

Twenty eight percent of businesses in Northern Ireland were found to be 'quite likely' or 'very likely' to invest in environmental performance over the next 12 months, but the majority of businesses were unlikely to do so.

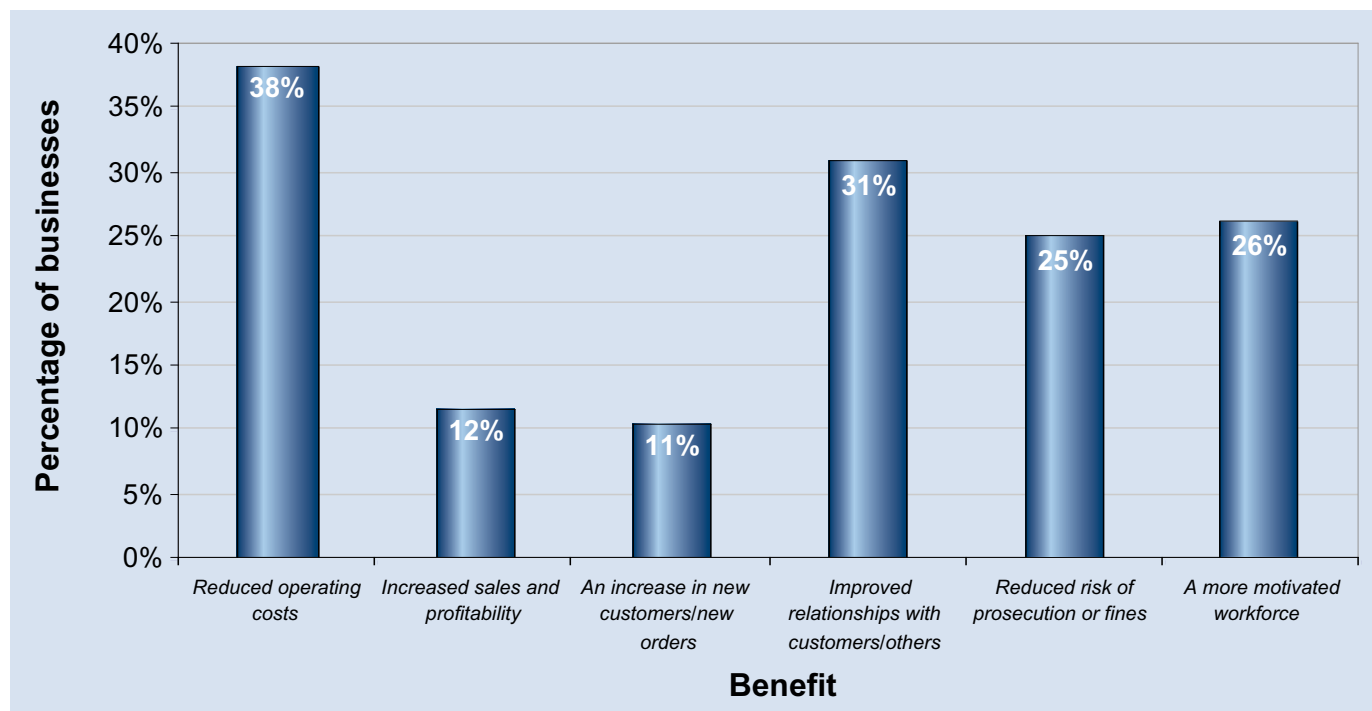
Table 4.1 - Percentage of Northern Ireland businesses that are 'Quite Likely' or 'Very Likely' to invest in environmental performance over the next 12 months, by sector

	N. Ireland Businesses
Agriculture	33%
Construction	17%
Hotels & Restaurants	26%
Transport by Land	13%
Healthcare	30%

N= 206 Base: All Group 1 businesses that are 'quite likely' or 'very likely' to invest in Environmental Performance

The most common benefits that businesses in Northern Ireland had achieved by improving environmental performance were 'reduced operating costs' (38% of businesses) and 'an improved relationship with customers/others' (31%). See Figure 4.1.

Figure 4.1 – Stated benefits of improving environmental performance (Northern Ireland businesses)





5. Awareness of the Environment and Legislation

The majority of Northern Ireland businesses surveyed believed strongly that they did not undertake any activities potentially harmful to the environment, with just 4% stating that they did. Of those recognising that they did undertake potentially harmful activities the most common activities mentioned were emitting smoke or fumes into the air (40%), storage of chemicals, fuels and oils (8%) and storage of waste (9%).

With prompting, more businesses recognised that they did carry out potentially harmful activities with the storage of waste and the storage of chemicals, fuels and oils being the most common in Northern Ireland. This change of position may indicate that there is a simple lack of awareness of the activities that could impact on the environment or possibly that the management of these issues is now normal practice.

Table 5.1 – Percentage of Northern Ireland businesses that consider their activities potentially harmful to the environment

	N. Ireland Businesses
Agriculture	2%
Construction	4%
Hotels & Restaurants	2%
Transport by Land	11%
Healthcare	1%

N= 34 businesses who considered their activities harmful, out of 877 asked

Base: All businesses that considered their activities harmful to the Environment

Only 55% of Northern Ireland businesses could recognise a specific item of legislation when read out. The percentages of businesses that could recognise an item of legislation are shown below:

Table 5.2 – Percentage of Northern Ireland businesses (prompted) that have heard of a piece of legislation

Legislation	N. Ireland Businesses
Duty of Care Regulations	26%
End of Life Vehicles Regulations	12%
Hazardous Waste Regulations	33%
Packaging Waste Regulations	21%
Pollution Prevention Control	20%
REACH Regulations	7%
Site Waste Management Plans	24%
Waste Electrical and Electronic Equipment Regulations (WEEE Regulations)	18%
Waste Management Licensing	25%

N= 1073 responses; Base = all business surveyed in Northern Ireland

6. Sources of Help

When presented with a list of businesses organisations, 69% of Northern Ireland businesses said they would contact their Local Authority for help, and 30% would contact a waste company about environmental issues.

Table 6.1 - Organisations that Northern Ireland businesses had contacted to discuss environmental issues

Legislation	N. Ireland Businesses
Your Local Authority	69%
Waste companies	30%
NIEA	22%
Consultants or Advisors	6%
Trade or Professional organisations	4%
NetRegs website	2%
Business support organisation	3%
Other	3%

N=327 Base: All businesses who had contacted at least one organisation to discuss environmental issues. Multiple responses allowed

Just over 2% of Northern Ireland based businesses were aware of the NetRegs site, and of these 65% had used it. The vast majority of those that had used the NetRegs site rated it to be 'quite useful' or 'very useful' (circa 80%); and 50% of those that had not heard of it thought that it could be useful after hearing a description of the services and information it offers.

Businesses were also asked, more specifically, if they had contacted any trade associations or businesses support organisations for help. Invest NI was the most commonly contacted organisation (7%) followed by the Federation of Small Business (6%). A very wide range of individual trade organisations were also contacted (5% in total), see Table 6.2 for the sector breakdown.

Table 6.2 – Whether businesses are in touch with Trade Associations, by Group 1 sector

	N. Ireland Businesses
Agriculture	21%
Construction	9%
Hotels & Restaurants	9%
Transport by Land	4%
Healthcare	8%

N= 83 Base: All Group 1 sector businesses that had been in contact with a trade association to discuss environmental issues

7. Information Requirements

Around 66% of Northern Ireland businesses surveyed said they were, "quite satisfied" or "very satisfied" with the support they had received from Government; however 14% stated they were "very dissatisfied".

Six percent of the businesses surveyed in Northern Ireland needed an Environmental Permit to carry out their activities, and of these 6% had received conflicting advice from the Northern Ireland Environment Agency.

To find out about environmental issues the vast majority of businesses (65%) would use the internet, but many would also use Trade Magazines or Business Journals, the Local Press or a visit from an environmental consultant. However, when receiving information from the government most Northern Ireland businesses (61%) would prefer to receive it through the post.

8. Conclusion

Overall, there remains a low level of environmental awareness with only 4% of Northern Ireland businesses believing, before prompting, that they undertake any activities that could harm the environment. Once prompted, forty six percent of the businesses surveyed stated that they carried out one or more of the mentioned activities.

Generally, the survey showed that the larger a business is, the more likely it is to be aware of its environmental impacts and the more likely it will be to take steps to improve these. Therefore, it is clear that there is a continuing need for NetRegs to be proactive in their provision of support to UK SMEs and in particular to the smallest businesses. The vast majority of businesses have access to the Internet but there is still a correlation between a lack of awareness of NetRegs and low levels of awareness of potential harm to the environment.

Protect your business.
Protect the environment.

Visit: www.netregs.gov.uk