

SME-nvironment 2003

A survey to assess environmental behaviours among smaller UK businesses

NetRegs

Guiding small businesses through environmental regulations



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Contents

<i>Section</i>	<i>Page</i>
Summary	v
1. Introduction	1-1
Background	1-1
Research Objectives	1-1
Report Structure	1-1
2. Method and Response	2-1
Introduction	2-1
Sampling Strategy	2-1
Survey response	2-2
Data weighting and analysis	2-4
Characteristics of Respondents to 2003 survey	2-4
Access to the Internet (2003 survey)	2-4
3. Main Findings for the 2003 Survey	3-4
Introduction	3-4
Activities Harmful to the Environment	3-4
Measures to Address Environmental Issues	3-4
Environmental Policy	3-4
Environmental Management Systems	3-4
Reasons for Addressing Environmental Issues	3-4
Environmental Awareness	3-4
Benefits in Addressing Environmental Issues	3-4
NetRegs Website	3-4
Sources of Help	3-4
Information Requirements	3-4
4. Conclusions and Recommendations	4-4
Introduction	4-4
Environmental Awareness	4-4
Environmental Activity	4-4
Reasons for Taking Action	4-4
Sources of Information	4-4

Ways of Receiving Information	4-4
Further Implications for Future Development of NetRegs	4-4
Recommendations for Future Surveys	4-4
Annex 1	Summary of survey results by business size and by country.
Annex 2	Sample reliability

List of Tables

Table 2.1 – Number of Businesses in the United Kingdom within the 28 Sectors by Size	2-2
Table 2.2 - Percentage of Businesses Surveyed by Size of Business	2-2
Table 2.3 - Number of Businesses Interviewed in Each Sector	2-3
Table 2.5 - Percentage of Respondents by Position within the Business	2-4
Table 2.6 - Businesses with Access to the Internet by Size	2-4
Table 3.1 - Businesses who felt that their Activities are harmful to the Environment by Size of Business	3-4
Table 3.2 - Businesses who have Bunded a Chemical Store/Oil Tank by Size	3-4
Table 3.3 - Businesses who have Introduced Practical Measures to Reduce Harm to the Environment by Size	3-4
Table 3.4 - Practical Measures Undertaken by Businesses (Prompted) by Size	3-4
Table 3.5 - Most and Least Popular Practical Measures Undertaken by Businesses (Prompted) by Region	3-4
Table 3.6 - Sectors who are Most and Least Likely to have Implemented Practical Measures	3-4
Table 3.7 - Businesses who had an Environmental Policy by Size	3-4
Table 3.8 - If Business has an EMS by Size	3-4
Table 3.9 - Businesses Involved in a Business Forum by Size	3-4
Table 3.10 - Level of Awareness of Pieces of Legislation (Unprompted)	3-4
Table 3.11 - Level of Awareness of Legislation by Size	3-4
Table 3.12 - Level of Awareness of the Duty of Care Regulations 1991	3-4
Table 3.13 - Level of Awareness of Legislation amongst Sectors	3-4
Table 3.14 - Sectors who were Most and Least in Agreement with the Links between Environmental Good Practice and Key Business Benefits	3-4
Table 3.15 - Businesses who would find the Information on the Website useful	3-4
Table 3.16 - Information Sources that are felt to be the Most Useful by Sector	3-4
Table 3.17 - Information Requirements of Businesses by Size	3-4
Table 3.18 - Priority Order for Receiving Information by Size	3-4

List of Figures

Figure 3.1 - Potentially Harmful Activities Undertaken by Businesses (Prompted)	3-4
Figure 3.2 - Practical Measures Undertaken by Businesses to Reduce Harm to the Environment (Unprompted)	3-4

Figure 3.3 - Reasons for Addressing Environmental Issues by Size	3-4
Figure 3.4 - Level of Agreement amongst Businesses Concerning a Link between Environmental Good Practice and Key Business Benefits	3-4
Figure 3.5 - Businesses who strongly agree/agree that there is a link between Environmental Good Practice and Key Business Benefits by Size	3-4
Figure 3.6 - The Main Organisations that Businesses Contact about Environmental Issues by Size	3-4
Figure 3.7 - Most Useful Information Source by Country	3-4

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Summary

Introduction

In 2003 the NetRegs Project commissioned Atkins to conduct a survey to assess the environmental issues faced by small to medium sized businesses (SMEs). The survey of 8,604 SMEs across 28 business sectors is one of the largest reviews of its kind and will provide valuable information to shape the direction and effectiveness of the NetRegs website.

Approach

The telephone survey was conducted between 17th March and 15th April 2003 using a random sample of SMEs across the UK, stratified by business sector, size of business and geographical area. The sample was selected to ensure an adequate number of businesses were available for analysis within each of the 28 sectors and in each of the nine English regions plus Northern Ireland, Scotland and Wales.

Response was good and a total of 8,604 interviews was achieved, greater than the 8,400 target. Weighting was applied to ensure the final profile was balanced with respect to size of SME and relative size of the industrial sector.

Activities Harmful to the Environment

Businesses were asked whether they thought they undertook activities that could potentially harm the environment. Only 6% of businesses thought that they carried out such activities when asked, however, when prompted with a list of activities that are potentially harmful to the environment, 27% of businesses stated that they undertook at least one of them.

The main potentially harmful activities mentioned were storing chemicals, fuels or oils (63%), storing waste (18%), emitting smoke or fumes (18%) and high water consumption (18%).

With the exception of the Hotels and Restaurants sector, when businesses were prompted with a list of potentially harmful activities the most frequently given response was that they stored chemicals, fuel or oil. This ranged from 86% in Mining and Quarrying to 51% in Textiles. The most frequently given response in the Hotels and Restaurants sector was high water consumption (49%).

Larger SMEs who store oils or chemicals were more likely than smaller SMEs to have banded a chemical store or oil tank. Fifty-two percent of businesses with 50-250 employees have banded a tank or store compared with 26% with 0-9 employees.

Measures to Address Environmental Harm

Almost a quarter of businesses (23%) in the survey said they had introduced practical measures to reduce environmental harm. The measure most frequently mentioned was "implementing of a programme of environmental improvements" (28%). Other measures mentioned were carrying out an environmental assessment (21%), recycling (21%), appointment of a responsible officer (13%) and energy efficiency/water reduction measures (10%).

Businesses were then presented with a list of environmental improvement measures and asked if they had introduced any of the activities on the list. Across all business size bands the most frequently mentioned measure was to nominate a member of staff to be responsible for environmental issues. The introduction of a responsible officer was also the most frequently mentioned measure across eight of the twelve regions.

Businesses within the Forestry sector were most likely to have implemented a practical measure to address harm to the environment (62%), and those in the construction sector were least likely to have implemented any measures (18%).

Environmental Policy

All businesses were asked if they had an environmental policy in place. Twenty-four percent of businesses said they did. Larger SMEs (50-250 employees) (54%) were more likely to have an environmental policy in place than smaller businesses (0-9 employees) (20%).

Out of those who have an environmental policy, 41% have the policy in the form of an informal management aim to address environmental issues. Other forms of policy include having a written policy on environmental issues (27%) and having the policy as part of a business plan (27%).

Environmental Management Systems

Businesses were asked if they had introduced an environmental management system (EMS) or if they had any plans to introduce one. Only 3% of businesses had an EMS in place and 1% planned to introduce one in the future. The larger the business the more likely they were to have introduced an EMS. 14% of businesses with 50-250 employees have an EMS compared with 3% of businesses with 0-9 employees.

The Mining & Quarrying (22%) sector was most likely to have implemented an EMS. The sectors that are least likely to have implemented an EMS are Construction (1%), Land Transport (1%) and Printing & Publishing (1%).

Reasons for Addressing Environmental Issues

Those businesses who are actively involved in addressing environmental issues (i.e. they have introduced an EMS, are planning to introduce one, have an environmental policy or have introduced some practical measures to address environmental harm) were asked what influenced them to address the effects of their organisation on the environment. 54% of respondents said they were influenced by their general concern about the environment. 39% were influenced by the need to comply with legislation and 8% were influenced by operating efficiency.

Only 9% of the businesses in the survey were involved in a business forum that discusses environmental issues. Larger businesses with 50-250 employees were more likely to be involved in such a business forum (19%) than smaller businesses with 0-9 employees (9%).

Environmental Awareness

Respondents were asked if they could name any pieces of environmental legislation. There was a low level of awareness, with only 18% of businesses able to name a piece of legislation.

All businesses were then prompted with eight pieces of environmental legislation and asked if they had heard of any of them. Seventy-seven percent of all businesses had heard of at least one of the eight pieces of legislation.

In the majority of cases the businesses with 50-250 employees were more likely to have heard of a piece of legislation than businesses with 0-9 and 10-49 employees. The two most frequently recognised pieces of legislation were the Environmental Protection Act (68%) and the COSHH Regulations (61%). These two pieces of legislation were also the most frequently recognised in all twelve regions.

The Mining and Quarrying sector has the highest awareness of environmental legislation, with businesses in this sector being most aware of four of the eight pieces of legislation. Businesses in the textiles and the retail of vehicles and fuels sectors showed the lowest levels of legislative awareness.

Benefits in Addressing Environmental Issues

Businesses were asked to comment on whether they agreed or disagreed that there were links between certain business benefits and good environmental practice. The three main areas mentioned as benefits of good environmental practice were reduced risk of prosecution (75% strongly agree/agree), creating good relations with customers (65% strongly agree/agree) and reduced operating costs (53% strongly agree/agree).

In comparison fewer businesses agree that there is a link between environmental good practice and motivating the workforce (6% strongly agree, 29% agree).

Larger businesses were more likely than smaller businesses to feel that a link exists between environmental good practice and key business benefits. This suggests that smaller SMEs in particular need more information on the potential benefits of adopting environmental good practice.

NetRegs Website

Only 2% of businesses had heard of the NetRegs website, this equates to approximately 213 businesses. Of these 213 businesses, approximately 34 businesses had used the site. Their main use of the site had been to find out about environmental legislation or contacting regulators.

All businesses were asked whether they thought they would find the website useful. 44% said that they thought that they would and 50% said they would not. Larger businesses with 50-250 employees (71%) were more positive about the usefulness of the website than smaller businesses with 0-9 employees (39%).

Greatest awareness of the NetRegs website was amongst businesses in the Chemicals sector (5%). The sectors which were the next most aware of NetRegs, with 4% of businesses having heard of it, were Agriculture, Basic Metals, Electronics, Mining & Quarrying, Printing & Publishing, Rubber and Plastics and Water Transport. However, it should be noted that awareness of the site is low among all sectors.

By carrying out the survey the NetRegs programme has directly reached a large number of businesses (over the 8,604 surveyed), who will now be aware of NetRegs.

Sources of Help

The main organisation that businesses had contacted on environmental issues were Local Authorities (60%), with waste businesses (35%) and the Environment Agency / Scottish Environment Protection Agency / Environment and Heritage Service (collectively termed the Environmental Regulator throughout this report) (35%) being the next most commonly contacted. The most useful sources of help on environmental issues were felt to be the Local Authority (38%), Environmental Regulator (21%), or waste companies (17%).

The Local Authority is the most popular source of information amongst 19 of the 28 sectors. The sectors who felt that the Environmental Regulator was the most useful source of information are among the most regulated sectors in the survey.

Information Requirements

Forty-one percent of businesses would like more information on environmental issues, 34% would like about the same amount of information, and only 3% would like less.

Over half of the businesses in forestry (55%) and fishing (53%) would like more information compared to less than a third of businesses in the mineral products sector (30%).

Businesses were given a list of five different methods of receiving information and asked if they had ever used any of these sources to access information. The most frequently used information source was printed materials (60%) followed by the internet (33%). The least use was made of seminars and conferences for accessing information (10%).

The most popular method for receiving information amongst businesses with 50-250 employees was the internet (45%). For small and medium sized SMEs (0-9 and 10-49 employees) the most popular method is by printed material (54% and 48% respectively), with the internet being the next most popular at 23% and 32% respectively. There is very little interest in receiving information via seminars or conferences.

When businesses were asked which medium they would prefer to receive information through in the future, 23 out of 28 sectors stated that they preferred printed material. The level of agreement ranged from 58% of businesses in the construction, mineral products and wood and wood products sectors to 41% of businesses in the land transport sector.

Forty-two percent of businesses in the machinery miscellaneous sector mentioned both printed materials and the internet as their preferred source of information. A further four sectors mentioned the internet as their preferred source of information, they were; electronics (54%), electricity/steam/gas (50%), optical and medical (47%) and water transport (42%).

Conclusions

The results show that the SMEs surveyed generally have a low level of environmental awareness. This is particularly true of small (0-9 employees) and medium sized (10-49 employees) SMEs, these smaller companies are also the least likely to be taking any action to improve their environmental performance. The survey clearly reinforces the need for the NetRegs project and shows that it should concentrate on reaching and engaging small and medium sized SMEs.

The survey results also show that there are no major differences in terms of environmental awareness and activity between businesses in England, Scotland, Wales and Northern

Ireland. There are however, wide variations between sectors, which justifies the sector based approach adopted by NetRegs. Some sectors with particularly low levels of awareness could be fast-tracked into the NetRegs delivery ahead of schedule; particularly if they carry out potentially polluting activities.

SME awareness of the NetRegs site is low at 2%, but the proportions of businesses who thought the site would be useful is encouraging. Clearly the low level awareness of NetRegs among SMEs needs to be addressed through continued, well targeted publicity.

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1. Introduction

BACKGROUND

- 1.1 NetRegs is an internet tool designed to provide small and medium sized enterprises (SMEs) with clear and concise information on legal compliance and environmental good practice. The NetRegs Project is a joint partnership funded by the Treasury between the Environment Agency, the Scottish Environment Protection Agency and the Environment and Heritage Service Northern Ireland, and is aimed at reducing the amount of environmental harm caused by SMEs in the UK.
- 1.2 In 2002 NetRegs commissioned Atkins to undertake a pilot benchmarking survey of SMEs environmental awareness, which covered 1,175 businesses in 10 sectors.
- 1.3 In 2003 the NetRegs Project commissioned Atkins to conduct a much larger telephone survey with a total of 28 business sectors. The 2003 survey is one of the largest reviews of its kind, and will provide valuable information to shape the direction and effectiveness of the NetRegs website.
- 1.4 This report presents the findings of the 2003 survey. A copy of the questionnaire can be found in Appendix A and tables of responses are in Appendix B.

RESEARCH OBJECTIVES

- 1.5 The survey objectives were to:
 - ◆ assess the differences in the level of awareness between different business sectors;
 - ◆ gauge the level of activity in UK small businesses on environmental issues and understand what those activities are;
 - ◆ find out where SMEs go for help on environmental issues, and to see whether any changes can be seen; and
 - ◆ understand which modes of communication different business sectors prefer to receive information.

REPORT STRUCTURE

- 1.6 The survey methodology and response is described in the next chapter. In chapter 3 the main findings from the survey are presented through a series of tables and graphs with supporting commentary. The commentary highlights key differences in the responses between sectors, countries, regions and sizes of business; when no substantial differences were found, no comments are made. The final chapter provides conclusions and discusses implications for the development of NetRegs.
- 1.7 In the tables that follow, percentages may not always total 100% due to rounding effects or where multiple responses were allowed. All figures in tables are column percentages unless otherwise indicated. The number labelled 'N' at the foot of each table gives the number of interviews (sample size) to which the table percentages

apply. The convention * applies for a percentage which is greater than zero but less than 0.5.

- 1.8 Throughout the report the Environment Agency, the Scottish Environment Protection Agency and the Environment and Heritage Service are collectively referred to as the Environmental Regulator when discussing results from across the UK.

2. Method and Response

INTRODUCTION

- 2.1 The study consisted of a telephone survey conducted with SMEs during March and April 2003. A copy of the questionnaire is presented in Appendix A.
- 2.2 The telephone survey questionnaire was the same as that used in 2002. Some minor amendments were made to incorporate the more common responses received in 2002 into the response coding system. This reduced the need for coding open-ended responses after the survey was completed. To ensure that only true SMEs were interviewed, an additional question was asked at the beginning of the survey to establish whether the business selected for interview was part of a group which employed 250 or more employees. If the response was positive the interviewee was thanked and the interview terminated.
- 2.3 The main sample source for the survey was the Yellow Pages business directory. This database holds the largest number of SMEs in the UK, and was therefore the most comprehensive data source available. Additional data was also obtained from Dun and Bradstreet for businesses within the Mining and Quarrying and Water Transport sectors.
- 2.4 The survey was conducted by experienced market research telephone interviewers. The interviewers were set quotas to reflect the actual distribution of businesses within their particular business sector by size and location.

SAMPLING STRATEGY

- 2.5 For the 2003 study the number of sectors to be surveyed was increased to 28 (from 10 in the 2002 survey). To ensure sufficient responses for robust analysis by individual sector, a target of 300 businesses in each sector was set. This gave a target of 8,400 businesses to be interviewed.
- 2.6 Furthermore, to ensure adequate regional representation, a target of 700 businesses per country/region was set for each of the 12 countries/regions in the UK, namely the 9 Government Office Regions in England plus Scotland, Wales and Northern Ireland.
- 2.7 The distribution of UK businesses by size band is heavily skewed: some 96% of all businesses contain less than 50 employees¹. Data received from the Yell directory confirms that a large majority of businesses contain less than 50 employees as shown in Table 2.1 below.
- 2.8 To ensure sufficient numbers of SMEs of size 10-49 and 50-250 were available for analysis, higher proportions of these groups were sampled than for the 0-9 employee group.

¹ Dun and Bradstreet

Table 2.1 – Number of Businesses in the United Kingdom within the 28 Sectors by Size

Size Band	Number of Businesses	% of Businesses
0-9 Employees	463,387	78.4
10-49 Employees	107,721	18.2
50-250 Employees	20,042	3.4
Total	591,150	100

- 2.9 A sample of approximately 49,000 of the 591,150 UK SMEs was selected for the survey in order to achieve the 8,400 completed interviews. The sample was stratified by size of business, business sectors and Government office region. Within each strata, businesses were randomly selected for inclusion in the survey.

SURVEY RESPONSE

- 2.10 Telephone contact was successfully made with 12,050 companies from the sampling frame. However, 3,446 (29%) of these refused to co-operate (largely due to the target person refusing, though in 393 cases the switchboard refused).
- 2.11 In total 8,604 questionnaires were completed, a response rate of 71% of those SMEs successfully contacted. However, if all the SMEs where contact was *attempted* but not actually made are included (e.g. where the line was repeatedly engaged, or the call just not answered) the rate reduces to 27%. However, overall this is a good response with an encouragingly low refusal rate.
- 2.12 The final sample exceeded the target of 8400 SMEs by 206. Table 2.2 shows the breakdown of the survey respondents by size of business.

Table 2.2 - Percentage of Businesses Surveyed by Size of Business

Size of Business	Number of Businesses	% of Businesses Surveyed	Actual Distribution of all Businesses %
0-9 Employees	5,873	68	78.4
10-49 Employees	2,030	24	18.2
50-250 Employees	701	8	3.4
Total	8,604	100	100

Base: All respondents

- 2.13 As discussed, the proportion of businesses surveyed is slightly different from the actual distribution in the survey universe because the sample for the 10-49 and 50-250 sample was boosted to ensure a more robust data set was obtained.
- 2.14 Table 2.3 illustrates the number of interviews achieved in each of the 28 sectors surveyed. In most sectors 300 or more interviews were completed. However, some sectors have relatively small populations making it difficult to achieve 300 interviews, for example the mining and quarrying sector which has 465 businesses in all, of which interviews were achieved with just 108.

Table 2.3 - Number of Businesses Interviewed in Each Sector

Business Sector	Number of Businesses
Agriculture	343
Basic Metals	344
Chemicals	369
Clothing	341
Construction	332
Electricity/Gas/Steam	104
Electrical Machinery	329
Electronics	353
Fishing	207
Food and Drink	323
Forestry	273
Hotels and Restaurants	324
Land Transport	302
Leather	307
Machinery Miscellaneous	332
Metal Products	337
Mineral Products	358
Mining and Quarrying	108
Motor Vehicles	340
Optical and Medical	345
Printing and Publishing	350
Pulp and Paper	328
Retail of Vehicles and Fuels	300
Rubber and Plastics	362

Business Sector	Number of Businesses
Sewage and Refuse	316
Textiles	334
Water Transport	247
Wood and Wood Products	296
Total	8604

Base: All Respondents

DATA WEIGHTING AND ANALYSIS

- 2.15 To ensure the final sample was representative of the size and sector distribution of UK SMEs, the data was weighted using the 3 SME size bands and 28 sector categories. This resulted in $3 \times 28 = 84$ different weighting categories.
- 2.16 The targets selected for weighting were derived from the Yellow Pages database. This had been used for sample selection as the most up to date database of active businesses available, and survey responses were weighted to its SME profile for UK. Yellow Pages was chosen in preference to the Small Business Services data, though either could have been adopted for the weighting targets. However the Yellow Pages data is more up to date, and for consistency with the sampling the Yellow Pages targets were chosen. (In practice the results of the analysis would have been very similar whichever source had been chosen as weighting targets.)
- 2.17 Of necessity, the range of the weights is relatively broad, reflecting the different sector sizes (for example there are many more SMEs in the Hotels and Restaurants category than in Mining and Quarrying). Sector sizes vary far more than region size, and hence sector was used in preference to region for weighting. To have included regional weights as well would have resulted in $3 \times 28 \times 12 = 1,008$ weight categories, which would be impractical, and have minimal benefit. Weighting targets were derived from the Yell business database containing business locations with under 250 employees.
- 2.18 Where analysis of individual sectors is undertaken (e.g. of the percentage in each sector implementing a certain practice), the sample selection approach ensured that around 300 businesses per sector were surveyed. For these tables the differing sector size is not relevant and weighting by SME size only is used. A discussion of sampling reliability is given in Annex 2.

CHARACTERISTICS OF RESPONDENTS TO 2003 SURVEY

- 2.19 Each respondent was asked for their position within the business and a breakdown is detailed in Table 2.5.

Table 2.4 - Percentage of Respondents by Position within the Business

Position within the Business	% of Respondents
MD/Owner/Partner	45
Office Manager/Personnel Manager/Admin/Secretary	21
Director/Company Secretary	15
Works/Production/Site/Operations/Farm Manager	10
Technical Manager/Officer	7
Environmental Manager/Officer	2

N=8,604

Base: All Respondents

- 2.20 Nearly half of the respondents (45%) either owned the business (solely or jointly) or were the managing director. Only 2% of respondents were individuals whose job title could be described as the environmental manager or officer.
- 2.21 The remaining findings show only the weighted responses unless otherwise stipulated.

ACCESS TO THE INTERNET (2003 SURVEY)

- 2.22 Table 2.6 shows the level of internet access amongst businesses by size of business.

Table 2.5 - Businesses with Access to the Internet by Size

Size	Access to the Internet		
	Yes %	No %	Don't know %
0-9 Employees	55	44	1
10-49 Employees	76	24	*
50-250 Employees	92	8	*
Total	60	39	1

N=8,604

Base: All Respondents

N.B. * denotes a figure between 0 and 0.5

- 2.23 Nearly two-thirds of businesses in the survey (60%) have access to the internet. Greater access to the internet is available in businesses with 50-250 employees (92%) compared with businesses with 0-9 employees (55%). A significant percentage of businesses with 0-9 employees (44%) do not have Internet access.
- 2.24 Thirty-five percent of businesses first accessed the internet over three years ago, a further 59% accessed the internet between 1 and 3 years ago and 6% have gained access to the internet during 2003.

-
- 2.25 Businesses with 0-9 employees are more likely to provide access to the internet for all staff (72%) compared to businesses with 10-49 employees (33%) and businesses with 50-250 employees (28%).
 - 2.26 Sixty-two percent of businesses in Northern Ireland had internet access compared to 61% in England, 59% in Scotland, and 53% in Wales
 - 2.27 Access to the internet within the regions varies between 66% in the South-East and 53% in Wales.

Access to the Internet by Sector

- 2.28 Access to the internet was greatest in the following sectors; Electronics (93%), Electricity/Steam/Gas (90%), Printing and Publishing (89%) and Mining and Quarrying (85%).
- 2.29 Access to the Internet was least common in businesses in Agriculture (48%), Hotels and Restaurants (51%), Retail of Vehicles and Fuels (52%) and Wood and Wood Products (59%).

3. Main Findings for the 2003 Survey

INTRODUCTION

- 3.1 This section presents the most relevant survey findings through a series of tables and graphs followed by a written commentary. The main analysis has involved a series of cross tabulations by sector, size of business, government office regions and country. The findings are presented under the following headings:
- ◆ activities harmful to the environment;
 - ◆ measures to address environmental issues;
 - ◆ reasons for addressing environmental issues
 - ◆ awareness of environmental legislation;
 - ◆ benefits in addressing environmental issues;
 - ◆ NetRegs website; and
 - ◆ sources of help and information on environmental issues.
- 3.2 Key differences in responses within the sector, country, government office region and size categories are highlighted in the commentary. If there are no substantial differences no comments are made in the text.
- 3.3 Summary tables showing an overview of results broken down by size group and by country are included in Annex 1.

ACTIVITIES HARMFUL TO THE ENVIRONMENT

- 3.4 Respondents were asked whether their organisation undertakes any activities that are considered to be harmful to the environment. Only 6% of businesses thought that they undertook activities that could cause harm to the environment. Table 3.1 illustrates the responses by size of business.

Table 3.1 - Businesses who felt that their Activities are harmful to the Environment by Size of Business

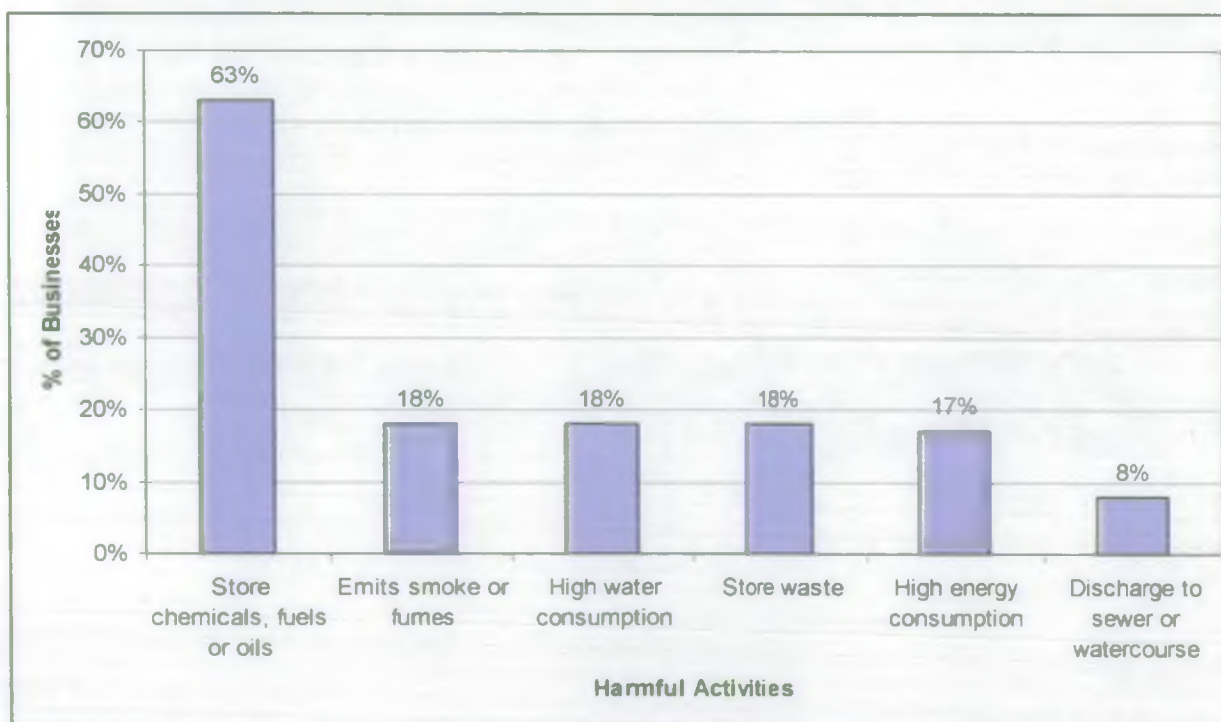
If Activities Harmful to the Environment			
Size	Yes %	No %	Don't know %
0-9 Employees	5	93	2
10-49 Employees	8	90	1
50-250 Employees	15	85	1
Total	6	92	2

N=8,604

Base: All Respondents

- 3.5 Businesses with 50-250 employees were more likely to feel that their activities could be harmful to the environment (15%) than those with 0-9 employees (5%).
- 3.6 Those businesses based in Wales were less likely to consider that their activities could cause harm to the environment (2%) than all other regions. Companies in the East of England were most likely to admit to causing harm to the environment (9%).
- 3.7 The 6% of respondents who said that they do undertake potentially harmful activities were asked (unprompted) what these activities are. The responses provided are listed below:
- ◆ storing oil, fuels and chemicals (35%);
 - ◆ emitting smoke or fumes (25%);
 - ◆ storing waste (10%);
 - ◆ high energy consumption (4%);
 - ◆ high water consumption (4%); and
 - ◆ discharge to sewer or watercourse (3%).
- 3.8 Over a third of respondents (37%) mentioned other activities than those listed above.
- 3.9 All businesses were then presented with a list of activities that could be considered as being potentially harmful to the environment, and they were asked if they undertake any of these activities. Twenty-seven percent of businesses stated that they undertook some of the activities presented to them. Figure 3.1 shows the activities they mentioned.

Figure 3.1 - Potentially Harmful Activities Undertaken by Businesses (Prompted)



N=2,299

Base: Respondents who conduct at least one potentially harmful activity. (multiple responses allowed)

- 3.10 The main activities mentioned were storing chemicals, fuels or oils (63%), storing waste (18%), emitting smoke or fumes (18%) and high water consumption (18%). The most common activity in all the regions was storing chemicals, fuels or oils.
- 3.11 When prompted, businesses in Northern Ireland are less likely to admit to undertaking any activities that are deemed harmful to the environment (17%), compared to 33% of businesses in the South East.
- 3.12 Those businesses who stored chemicals, fuels or oils were asked whether they have ever banded an oil tank or chemical store. Thirty percent have banded a chemical store or oil tank and 65% have not, the remaining 5% did not know.

Table 3.2 - Businesses who have Banded a Chemical Store/Oil Tank by Size

If Banded a Chemical Store or Oil Tank			
Size	Yes %	No %	Don't know %
0-9 Employees	26	70	4
10-49 Employees	35	56	9
50-250 Employees	52	44	4
Total	30	65	5

N=1,618

Base: Respondents who have banded a chemical store/oil tank

- 3.13 Larger SMEs who store oils or chemicals were more likely than smaller SMEs to have banded a chemical store or oil tank. Fifty-two percent of businesses with 50-250 employees have banded a tank or store compared with 26% with 0-9 employees. There were no major differences across regions or countries.

Comparison of Sectors

- 3.14 There is a large variation in opinion between sectors as to whether they consider their activities cause harm to the environment. Less than 1% of companies in the leather sector thought that their activities could cause harm to the environment compared with 21% of businesses in the mining and quarrying sector. The top six sectors and the bottom five sectors are detailed below.
- ◆ Top six = Mining and Quarrying (21%), Chemicals (19%), Sewage and Refuse (17%), Electricity/Steam/Gas (14%), Retail of Vehicles (14%) and Water Transport (14%).
 - ◆ Bottom five = Leather (less than 1%), Hotels and Restaurants (2%), Clothing (2%), Wood and Wood Products (3%) and Textiles (3%).
- 3.15 With the exception of the Hotels and Restaurants sector, when businesses were prompted with a list of potentially harmful activities the most frequently given response was that they stored chemicals, fuel or oil. This ranged from 86% in Mining and Quarrying to 51% in Textiles. The most frequently given response in the Hotels and Restaurants sector was high water consumption (49%).

- 3.16 The sample sizes are too small to attach any confidence in the results by sector with regards to bunding an oil tank or chemical store. Businesses within the Water Transport Sector and Mining and Quarrying sector were the most likely to undertake this activity.

MEASURES TO ADDRESS ENVIRONMENTAL ISSUES

- 3.17 Businesses were asked if they have introduced any practical measures aimed at reducing harm to the environment. Almost a quarter of businesses (23%) in the survey said they had undertaken practical measures, see Table 3.3.

Table 3.3 - Businesses who have Introduced Practical Measures to Reduce Harm to the Environment by Size

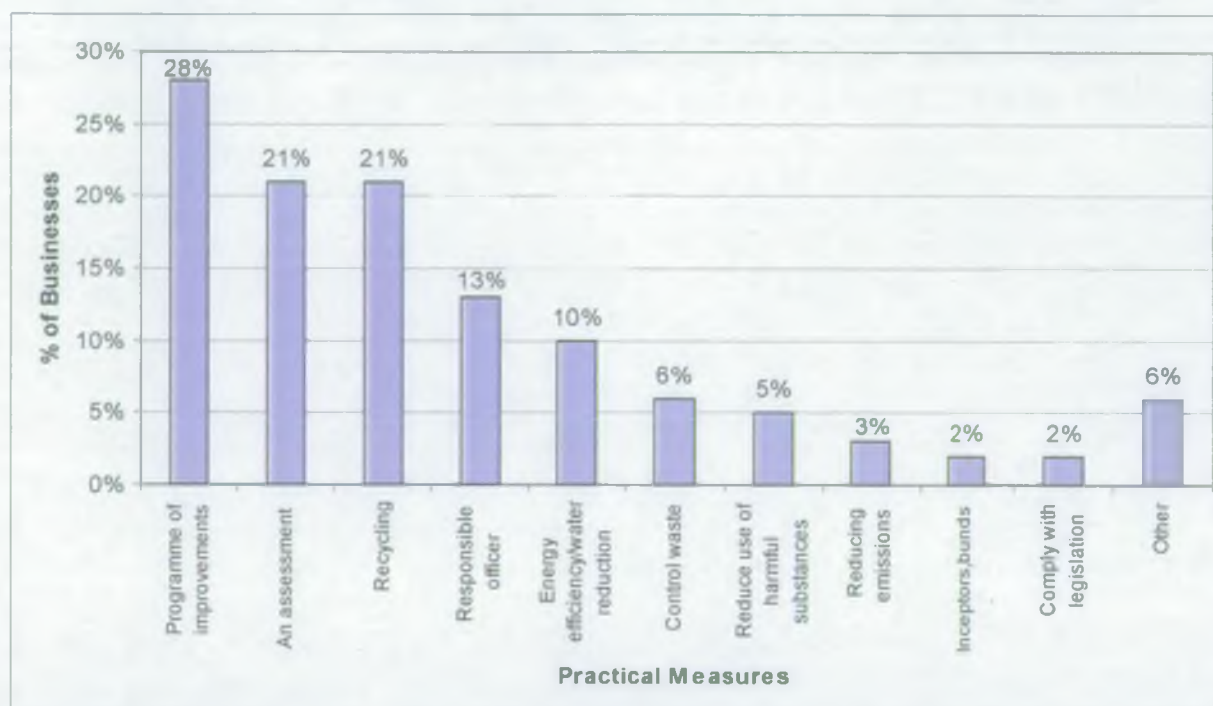
Size	If Introduced Practical Measures		
	Yes %	No%	Don't know %
0-9 Employees	20	77	3
10-49 Employees	32	62	6
50-250 Employees	44	50	5
Total	23	73	4

N=8,604

Base: All respondents

- 3.18 Larger businesses were more likely than smaller businesses to have introduced practical measures to reduce harm to the environment. Almost half (44%) of businesses with 50-250 employees said they had introduced such measures compared to 20% with 0-9 employees.
- 3.19 The 23% of businesses who had introduced practical measures were asked (unprompted) to describe the measures they had implemented. The responses are illustrated in Figure 3.2.

Figure 3.2 - Practical Measures Undertaken by Businesses to Reduce Harm to the Environment (Unprompted)



N=1,948

Base: Respondents who stated they had introduced measures to reduce harm to the environment (multiple responses allowed)

- 3.20 The measure most frequently mentioned was "implementing a programme of environmental improvements" (28%). Other measures mentioned were carrying out an environmental assessment (21%), recycling (21%), appointment of a responsible officer (13%) and energy efficiency/water reduction measures (10%).
- 3.21 Other comments included controlling waste (6%), reducing the use of harmful substances (5%) and reducing emissions (3%).
- 3.22 Businesses were then presented with a list of environmental improvement measures and asked if they had introduced any of the activities on the list. Table 3.4 shows the measures that businesses said they had introduced by size of business. It should be noted that the list of measures was confined to the four options shown in Table 3.4.

Table 3.4 - Practical Measures Undertaken by Businesses (Prompted) by Size

Practical Measure	0-9 Employees %	10-49 Employees %	50-250 Employees %	Total %
A responsible officer	40	65	61	48
A programme of environmental improvements	34	34	40	35
Energy efficiency/water reduction measures	32	21	39	30
An environmental assessment	25	25	43	26

N=1,702

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

- 3.23 Across all business size bands the most frequently mentioned measure was to nominate a member of staff to be responsible for environmental issues.
- 3.24 The introduction of a responsible officer was also the most frequently mentioned measure across eight of the regions. Table 3.5 shows the most and least common measures adopted by businesses in each region.

Table 3.5 - Most and Least Popular Practical Measures Undertaken by Businesses (Prompted) by Region

Region	Most Frequently Adopted	Least Frequently Adopted
East Midlands	Responsible Officer (61%)	Energy efficiency/water reduction (20%)
East of England	Responsible Officer (57%)	An environmental assessment (18%)
London	Responsible Officer (68%)	Energy efficiency/water reduction (16%)
North East	Energy efficiency/water reduction (45%)	An environmental assessment (22%)
North West	A programme of environmental improvements (43%)	An environmental assessment (22%)
Scotland	Responsible Officer (52%)	Energy efficiency/water reduction (18%)
South East	Responsible Officer (44%)	An environmental assessment (28%)
South West	Environmental Improvements (46%)	Energy efficiency/water reduction (27%)
Wales	Responsible Officer (44%)	Energy efficiency/water reduction (25%)
West Midlands	Responsible Officer (52%)	An environmental assessment (32%)
Yorkshire and Humberside	Energy efficiency/water reduction (44%)	An environmental assessment (30%) & A programme of environmental improvements (30%)
Northern Ireland	Responsible Officer (54%)	Energy efficiency/water reduction (26%)

N=1,702

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

Comparison of Sectors

- 3.25 Variation exists between sectors in terms of those businesses who consider they have undertaken activities to reduce harm to the environment. Table 3.6 illustrates the top six and bottom five sectors and the activity they were most likely to have implemented. The responses for unprompted and prompted have been combined to produce these results.

Table 3.6 - Sectors who are Most and Least Likely to have Implemented Practical Measures

Most Environmentally Active Sectors		Least Environmentally Active Sectors	
% of Businesses within sectors who have implemented a practical measure	Activity most likely to have implemented	% of Businesses within sectors who have implemented a practical measure	Activity most likely to have implemented
Forestry (62%)	An Environmental Assessment (50%)	Construction (18%)	Environmental Improvements (45%)
Mining & Quarrying (58%)	Environmental Improvements (69%)	Textiles (22%)	Responsible Officer (46%)
Water Transport (58%)	An Environmental Assessment (58%)	Leather (25%)	Environmental Improvements (36%)
Chemicals (53%)	Responsible Officer (60%)	Electrical Machinery (27%)	Responsible Officer (39%)
Retail of Vehicles & Fuels (50%)	Responsible Officer (45%)	Clothing (30%)	Environmental Improvements (43%)
Sewage & Refuse (50%)	Environmental Improvements (47%)		
N=8,604	N=3,337	N=8,604	N=3,337

Base: Those respondents who stated they had introduced a practical measure to address harm to the environment

- 3.26 Businesses within the Forestry sector were most likely to have implemented a practical measure to address harm to the environment (62%), and those in the construction sector were least likely to have implemented any measures (18%). Among the top six sectors there was an even spread of the measures that had been introduced. Among the bottom five sectors they were most likely to have introduced a programme of environmental improvements.

ENVIRONMENTAL POLICY

- 3.27 All businesses were asked if they had an environmental policy in place. Twenty-four percent of businesses in the telephone survey said they did. Table 3.7 shows the distribution of answers to this question by size of business.

Table 3.7 - Businesses who had an Environmental Policy by Size

Size	If an Environmental Policy is in place		
	Yes %	No %	Don't know %
0-9 Employees	20	77	3
10-49 Employees	34	59	7
50-250 Employees	54	40	6
Total	24	73	4

N=8,604

Base: All respondents

- 3.28 Larger SMEs (50-250 employees) (54%) were more likely to have an environmental policy in place than smaller businesses (0-9 employees) (20%).
- 3.29 Businesses in the East of England were least likely to have an environmental policy (16%) compared to 30% in the East Midlands.
- 3.30 Out of those who have an environmental policy, 41% of businesses include the policy as an informal management aim to address environmental issues. Environmental policies take other forms, including a written policy on environmental issues (27%) and having the policy as part of a business plan (27%).
- 3.31 Among businesses with 10-49 and 50-250 employees a formal written policy is the favoured policy format (40% and 62% respectively).

Comparison with Sectors

- 3.32 The sectors who were less likely to implement any practical measures were also less likely to have an environmental policy. The top five sectors who have an environmental policy in place are shown below along with those sectors that are less likely to have a policy.
- ◆ The top five sector are: Mining & Quarrying (58%), Chemicals (48%), Sewage and Refuse (46%), Water Transport (46%) and Forestry (42%).
 - ◆ The bottom five sectors are: Textiles (12%), Leather (14%), Clothing (17%), Construction (17%), Land Transport (18%) and Printing and Publishing (18%).
- 3.33 The top five sectors with environmental policies are the same as the top five sectors which have implemented practical measures to reduce environmental harm.

ENVIRONMENTAL MANAGEMENT SYSTEMS

- 3.34 Businesses were asked if they had introduced an environmental management system (EMS) or if they had any plans to introduce one. Only 3% of businesses had an EMS system in place and 1% planned to introduce one in the future. Table 3.8 shows the response to this question by size of business.

Table 3.8 - If Business has an EMS by Size

Size	If Business has an EMS				
	Yes %	No, not sure about plans %	No but plan to introduce one %	No and no plans to introduce one %	Don't know %
0-9 Employees	3	2	1	92	2
10-49 Employees	4	2	3	86	6
50-250 Employees	14	2	6	66	12
Total	3	2	1	90	3

N=8,604

Base: All respondents

- 3.35 The percentage of companies with an EMS is low, as an average across the UK, only 3% of businesses have an EMS. The larger the business, the more likely they are to have introduced an EMS. Fourteen percent of businesses with 50-250 employees have an EMS compared with 3% of businesses with 0-9 employees. Those businesses with 0-9 employees were also far more likely than others to say they had no plans to introduce an EMS in the future (92%).
- 3.36 A small difference exists between countries with regard to the take-up of EMS. Seven percent of businesses in Scotland have an EMS compared with 4% in Northern Ireland, 3% in England and 3% in Wales.

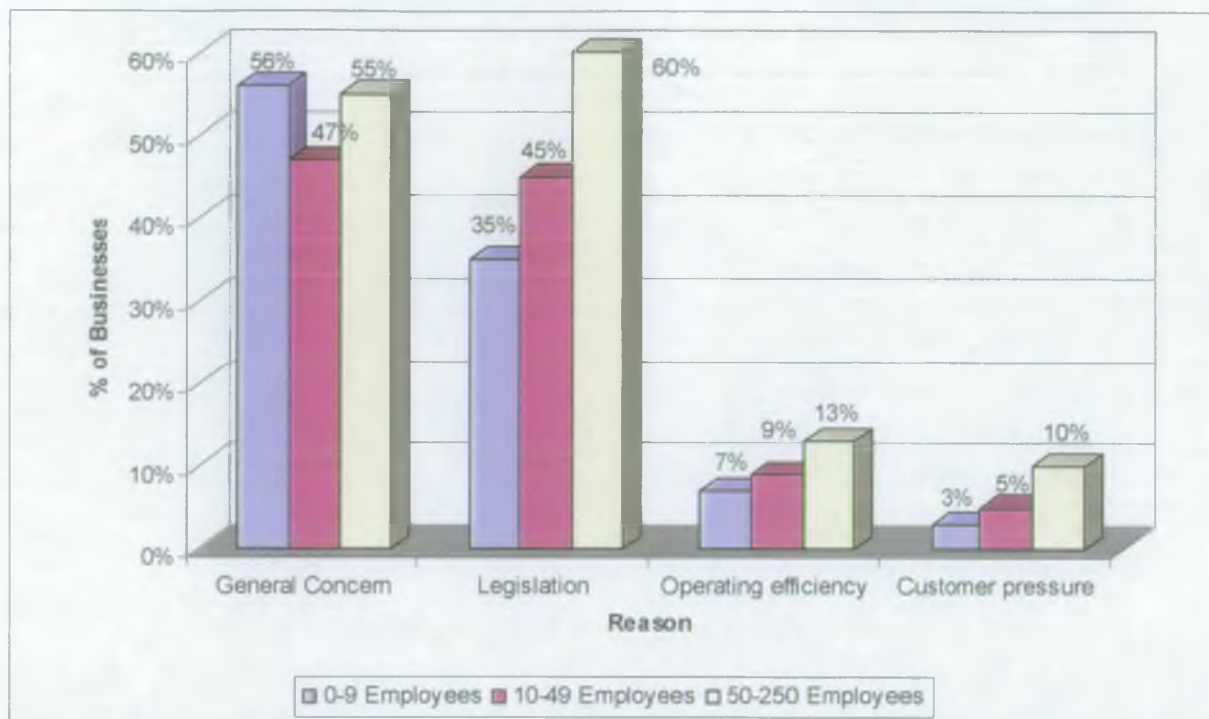
Comparison with Sectors

- 3.37 The sector that is most likely to have implemented an EMS is Mining & Quarrying (22%). The sectors that are least likely to have implemented an EMS are Construction (1%), Land Transport (1%) and Printing & Publishing (1%).
- 3.38 The sectors that are most likely to implement an EMS in the future are Sewage & Refuse (5%) and Basic Metals (5%). This may well reflect the action being taken by companies in these sectors who come under IPPC.

REASONS FOR ADDRESSING ENVIRONMENTAL ISSUES

- 3.39 Those businesses that have either introduced an EMS, are planning to introduce one, have an environmental policy or have introduced some practical measures to address environmental harm, were asked what influenced them to address the effects of their organisation on the environment. 54% of respondents said they were influenced by their general concern about the environment. 39% were influenced by the need to comply with legislation and 8% were influenced by operating efficiency. Figure 3.3 compares the four main influences by size of company.

Figure 3.3 - Reasons for Addressing Environmental Issues by Size



N=2,985

Businesses who have introduced measures to address environmental harm
(multiple response allowed)

- 3.40 Businesses with 50-250 employees are primarily driven to address the environmental impacts of their business by legislation (60%). Businesses with 0-9 employees are more likely to implement practical measures out of general concern for the environment (56%), and businesses with 10-49 employees regard both legislative pressure and a general concern for the environment as being more or less equally important drivers.
- 3.41 All businesses were asked if they were involved in a business forum, and Table 3.9 shows the answer to this question by size of business.

Table 3.9 - Businesses Involved in a Business Forum by Size

Size	If Involved in a Business Forum		
	Yes %	No %	Don't know %
0-9 Employees	9	90	2
10-49 Employees	10	86	4
50-250 Employees	19	72	9
Total	9	88	2

N=8,604

Base: All respondents

- 3.42 Only 9% of the businesses in the survey were involved in a business forum that discusses environmental issues. Larger businesses with 50-250 employees were more likely to be involved in such a business forum (19%) than smaller businesses with 10-49 employees (10%) and 0-9 employees (9%).

Comparison with Sectors

- 3.43 The reasons for addressing environmental harm differ very little between sectors. The most frequently given responses by all sectors was either due to a general concern for the environment or due to legislation.
- 3.44 The sectors which are most pro-active in business fora are listed below:
- ◆ Water Transport (30%);
 - ◆ Mining and Quarrying (28%);
 - ◆ Fishing (28%);
 - ◆ Electricity, steam & gas (24%); and
 - ◆ Chemicals (23%).
- 3.45 The sectors that are least likely to be involved in a business forum are:
- ◆ Textiles (4%);
 - ◆ Clothing (5%);
 - ◆ Retail of Vehicles and Fuels (5%); and
 - ◆ Motor Vehicles (5%).

ENVIRONMENTAL AWARENESS

- 3.46 Respondents were asked if they could name any pieces of environmental legislation. There was a low level of awareness, with only 18% of businesses able to name a piece of legislation. Table 3.10 illustrates the pieces of legislation that respondents were able to name unprompted.

Table 3.10 - Level of Awareness of Pieces of Legislation (Unprompted)

Legislation	% of Respondents
COSHH	43
Special Waste Regulations 1996	19
Environmental Protection Act 1990	16
Packaging Waste Regulations 1997	13
Duty of Care Regulations 1991	11
Water Industry Act 1991	4
Water Resources Act 1991	3
IPPC/IPC	2

N=1,561 Base: Respondents who could name a piece of legislation (multiple responses allowed)

- 3.47 All businesses were asked if they had heard of the eight pieces of environmental legislation listed in Table 3.11. Seventy-seven percent of all businesses had heard of at least one of the eight pieces of legislation.

Table 3.11 - Level of Awareness of Legislation by Size

Legislation	0-9 Employees %	10-49 Employees %	50-250 Employees %	Total %
Environmental Protection Act 1990	66	74	71	68
COSHH	58	71	79	61
Packaging Waste Regulations 1997	33	38	52	35
Special Waste Regulations 1996	34	34	51	35
Duty of Care Regulations 1991	29	34	47	31
Water Industry Act 1991	18	20	29	19
Water Resources Act 1991	18	15	23	17
IPPC/IPC	6	10	13	7

N=6,665

Base: Respondents that heard of at least one piece of legislation
(multiple responses allowed)

- 3.48 In the majority of cases the businesses with 50-250 employees were more likely to have heard of a piece of legislation than businesses with 0-9 and 10-49 employees. The two most frequently recognised pieces of legislation were the Environmental Protection Act (68%) and the COSHH Regulations (61%). These two pieces of legislation were also the most frequently recognised in all twelve regions.
- 3.49 Businesses who had heard of the Duty of Care Regulations were asked to name three of its requirements. Almost a quarter (24%) of those who mentioned the Duty of Care Regulations could name at least one of its requirements without prompting. Table 3.12 illustrates the level of knowledge of the Duty of Care Regulations among the 24% of respondents who had heard of the Regulations.

Table 3.12 - Level of Awareness of the Duty of Care Regulations 1991

Requirement of the Duty of Care Regulations 1991	% of Respondents
Ensure waste is not illegally disposed of or dealt with without a licence	50
Waste is transferred only to an authorised person/someone with a carriers licence/disposal licence	49
Waste is stored securely/does not escape your control	48
When the waste is transferred it is accompanied by a transfer note describing the nature and volume of the waste and transfer details	24
Requirement to keep records of waste transfers/transfer notes/consignment notes	24
Other	6

N=532

Base: Respondents who could name a requirement of the Duty of Care Regulations (multiple responses allowed)

Comparison with Sectors

- 3.50 The unprompted and prompted responses to those who could name or heard of a piece of legislation have been combined. The most aware and least aware sectors for each of the pieces of legislation is detailed in Table 3.13.

Table 3.13 - Level of Awareness of Legislation amongst Sectors

Legislation	Most Aware	Least Aware
Environmental Protection Act 1990	Mining & Quarrying (86%)	Wood and Wood Products (65%)
Packaging Waste Regulations 1997	Pulp and Paper (68%)	Construction (27%)
Duty of Care Regulations 1991	Mining & Quarrying (62%)	Textiles (22%)
Special Waste Regulations 1996	Sewage & Refuse (62%)	Textiles (28%)
Water Industry Act 1991	Mining & Quarrying (42%)	Retail of Vehicles & Fuels (13%)
Water Resources Act 1991	Fishing (43%)	Retail of Vehicles & Fuels (11%)
IPPC	Mining & Quarrying (31%)	Hotels and Restaurants (4%)
COSHH	Chemicals (90%)	Leather (53%)

N=7,130

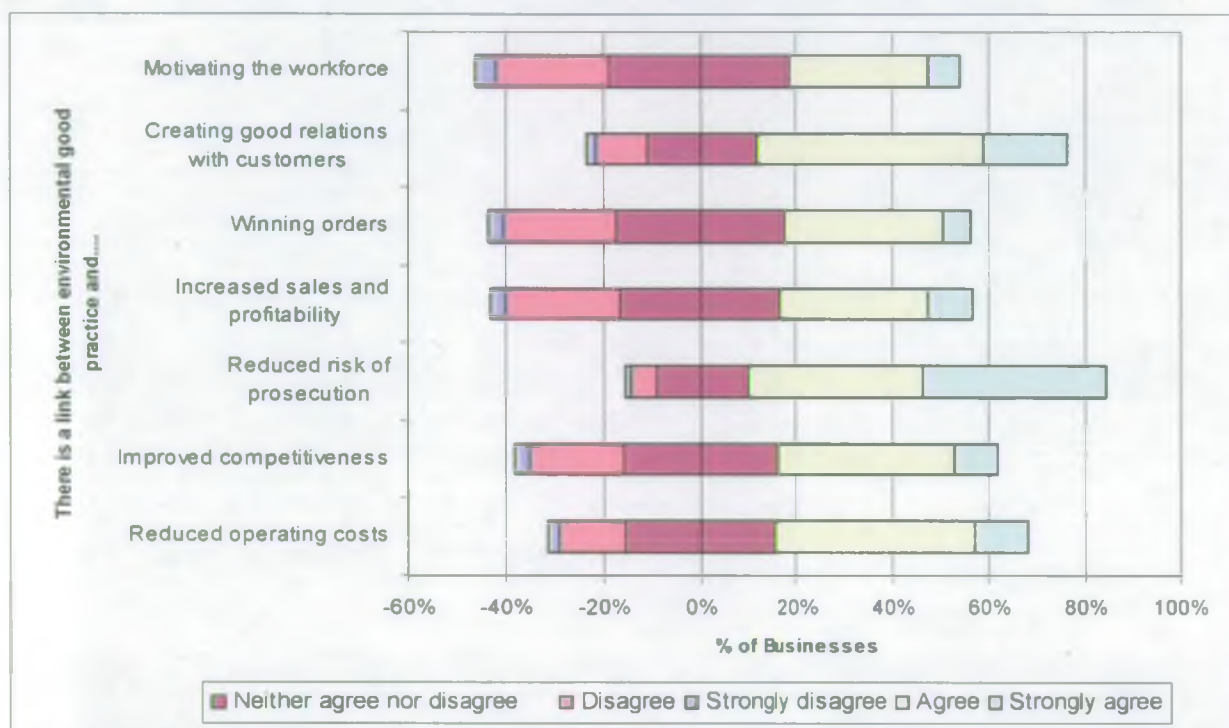
Base: Respondents who have heard of or could name at least one piece of Environmental Legislation (multiple response allowed)

- 3.51 The mining and quarrying sector has the highest awareness of environmental legislation, with businesses in this sector being most aware of four of the eight pieces of legislation. Businesses in the textiles and the retail of vehicles and fuels sectors showed the lowest levels of legislative awareness.

BENEFITS IN ADDRESSING ENVIRONMENTAL ISSUES

- 3.52 Businesses were asked to consider whether they felt that a link exists between environmental good practice and seven key business benefits. Figure 3.4 shows the level of agreement among businesses.

Figure 3.4 - Level of Agreement amongst Businesses Concerning a Link between Environmental Good Practice and Key Business Benefits

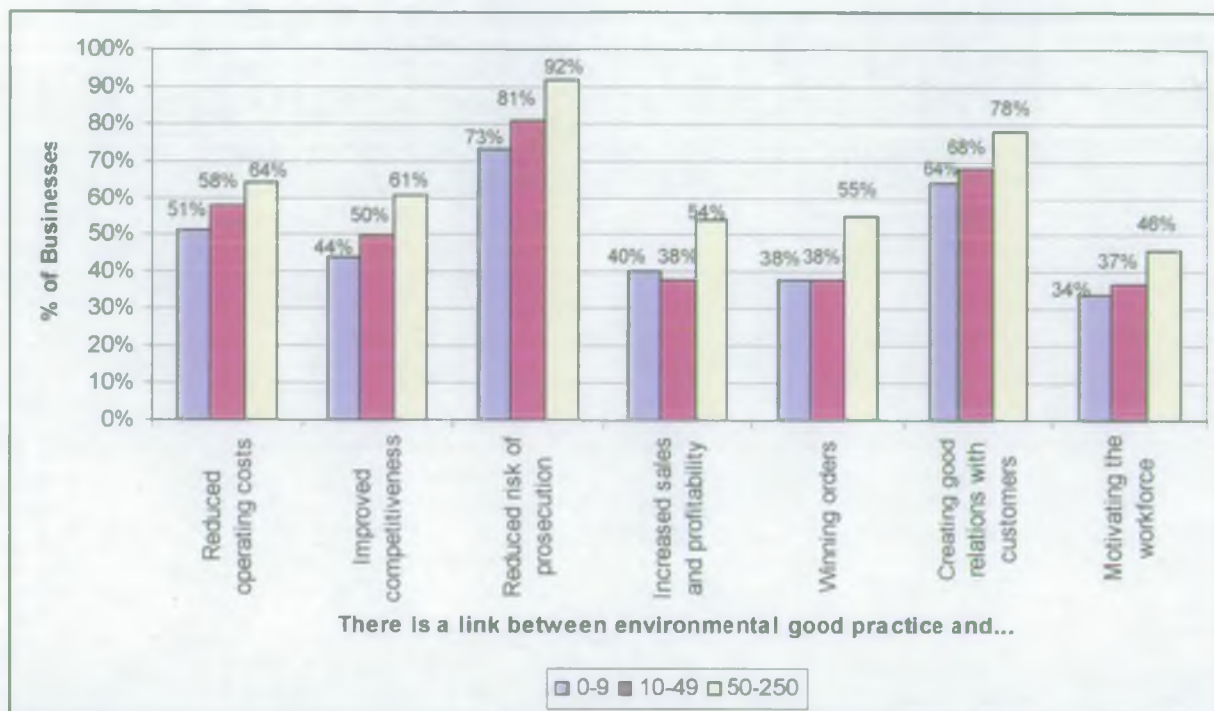


N=8,604

Base: All respondents

- 3.53 Figure 3.4 shows that there is a high level of agreement with the statement that environmental good practice reduces the risk of prosecution (38% strongly agree, 37% agree). In comparison fewer businesses agree that there is a link between environmental good practice and motivating the workforce (6% strongly agree, 29% agree).
- 3.54 Businesses felt that strong links exist between environmental good practice and reduced risk of prosecution (75%), creating good relations with customers (65%) and reducing operating costs (53%).
- 3.55 Twenty-seven percent of businesses disagreed that a link exists between environmental good practice and increased sales and profitability or motivating the workforce. Twenty-six percent disagreed that a link exists between environmental good practice and winning orders.

Figure 3.5 - Businesses who strongly agree/agree that there is a link between Environmental Good Practice and Key Business Benefits by Size



N=8,604

Base: All respondents

- 3.56 Figure 3.5 clearly shows that a higher percentage of larger businesses than smaller businesses felt that a link exists between environmental good practice and key business benefits.

Comparison with Sectors

- 3.57 There were differences between sectors concerning the possible link between environmental good practice and business benefits. Table 3.14 shows the sectors that were in most agreement with each link and those that were in least agreement.

Table 3.14 - Sectors who were Most and Least in Agreement with the Links between Environmental Good Practice and Key Business Benefits

There is a link between environmental good practice and	Sector most in agreement	Sector least in agreement
Reduced operating costs	Electricity/Steam/ Gas (65%)	Water Transport (43%)
Improved competitiveness	Sewage & Refuse (59%)	Printing and Publishing (33%)
Reduced risk of prosecution	Fishing (87%) Mining & Quarrying (87%)	Leather (63%)
Increased sales and profitability	Sewage & Refuse (55%)	Printing and Publishing (28%)
Winning orders	Sewage & Refuse (61%)	Leather (31%)
Creating good relations with customers	Forestry (82%) Water Transport (82%)	Construction (58%) Leather (58%)
Motivating the workforce	Electricity/Steam/ Gas (50%)	Clothing (30%)

N=8,604

Base: All respondents

- 3.58 There was generally a high level of agreement between sectors that a link exists between environmental good practice and a reduced risk of prosecution. The level of agreement ranged from 87% in the fishing and mining and quarrying sectors to 63% in the leather sector. There was less agreement between sectors that a link exists between environmental good practice and motivating the workforce. The level of agreement ranges on this issue ranged from 50% in the electricity/gas/steam sector to 30% of businesses in the clothing sector.
- 3.59 The leather and printing and publishing sectors see fewest benefits in taking environmental action.

NETREGS WEBSITE

- 3.60 Only 2% of businesses had heard of the NetRegs website, this equates to approximately 213 businesses. Of these 213 businesses, approximately 34 businesses had used the site. Their main use of the site had been to find out about environmental legislation or contacting regulators.

Table 3.15 - Businesses who would find the Information on the Website useful

If Organisations would find the Information on the Website useful			
Size	Yes%	No%	Don't know %
0-9 Employees	39	55	6
10-49 Employees	60	35	5
50-250 Employees	71	20	9
Total	44	50	6

N=8,604

Base: All respondents

- 3.61 All businesses were asked whether they thought they would find the website useful. 44% said that they thought that they would and 50% said they would not. Larger businesses with 50-250 employees (71%) were more positive about the usefulness of the website than smaller businesses with 0-9 employees (39%).
- 3.62 There was little variation between regions, the percentage of businesses within each region who felt that the NetRegs website would be useful to them ranged from 49% in the West Midlands to 38% in Yorkshire and Humberside.
- 3.63 There was also little variation between countries in terms of whether businesses would find the NetRegs website useful. The percentage of businesses who would find the website useful ranged from 47% in Northern Ireland and Scotland to 40% in Wales. Forty-three percent of businesses within England said they would find the website useful.

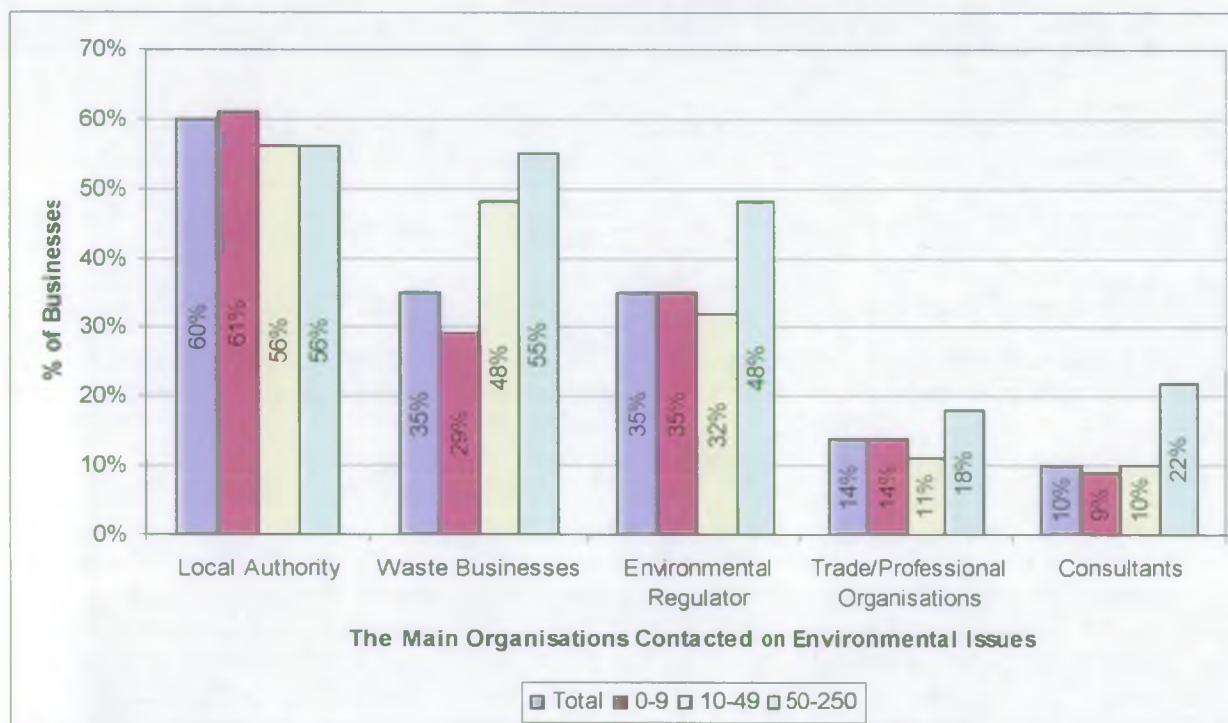
Comparison with Sectors

- 3.64 The awareness of the NetRegs website was greatest amongst businesses within the Chemicals sector (5%). The next most aware sectors, with 4% of businesses having heard of it, were Agriculture, Basic Metals, Electronics, Mining & Quarrying, Printing & Publishing, Rubber and Plastics and Water Transport. However, awareness of the site is low among all sectors.
- 3.65 Over 50% of businesses in over half of the sectors stated that they would find the website useful.

SOURCES OF HELP

- 3.66 Businesses were asked which organisations (if any) they contact about environmental issues. Figure 3.6 shows the main organisations that businesses contact by size.

Figure 3.6 - The Main Organisations that Businesses Contact about Environmental Issues by Size

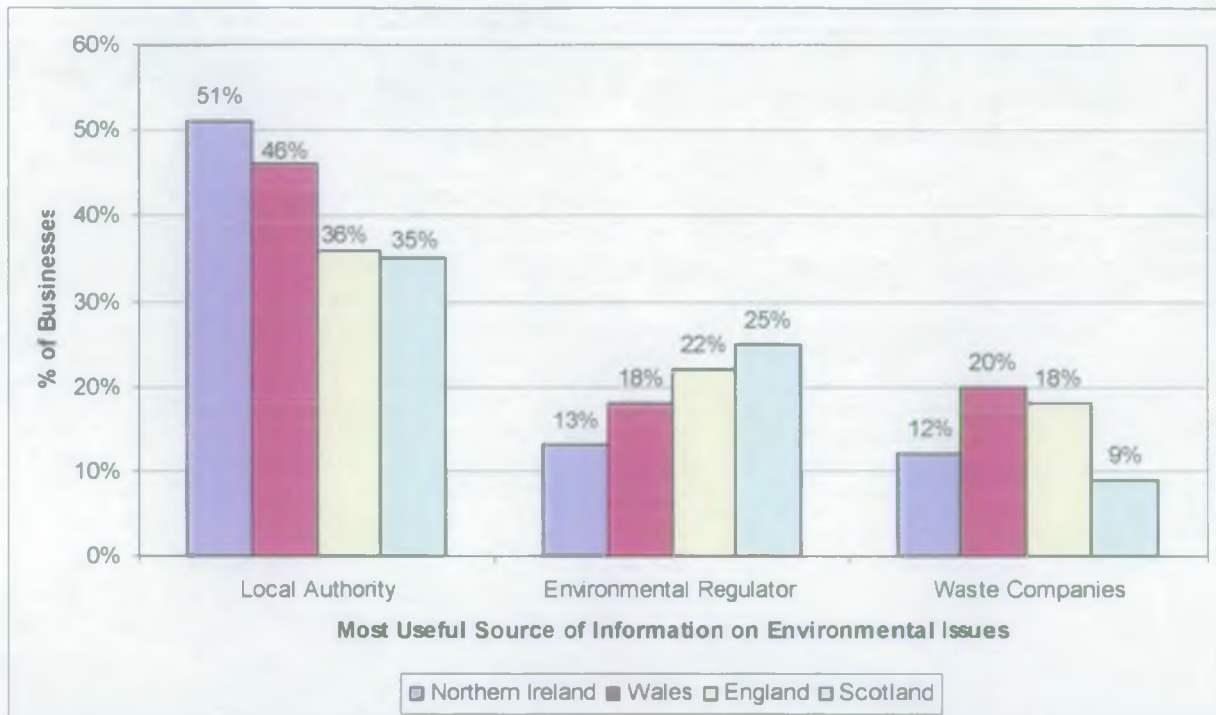


N= 3,171

Base: Respondents who named an organisation that they contact about environmental issues (multiple responses allowed)

- 3.67 Of the businesses that have contacted organisations on environmental matters, the most frequently contacted organisations were Local Authorities (60%), with waste businesses (35%) and the Environmental Regulator (35%) being the next most commonly contacted.
- 3.68 Businesses with 50-250 employees were almost as likely to contact waste businesses (55%) for information on environmental issues as they were a Local Authority (56%). Businesses with 0-9 employees were most likely to contact their Local Authority (61%) for information. Overall, larger businesses were more likely to contact a wider range of sources than smaller businesses.
- 3.69 Over a third of businesses in all size bands had contacted the Environmental Regulator for advice
- 3.70 Respondents who had contacted organisations on environmental issues were asked which one organisation they had found most useful. Three organisations accounted for over three-quarters of businesses most useful contacts, they were the Local Authority (38%), Environmental Regulator (21%), or waste companies (17%). There are some variations by country. Figure 3.7 illustrates these.

Figure 3.7 - Most Useful Information Source by Country



N=3,144

Base: Respondents who stated the most useful information source on environmental issues

- 3.71 The Local Authority was the most popular source of information amongst businesses in all four countries but particularly amongst those in Northern Ireland (51%). Businesses in Northern Ireland were less likely to contact the EHS (13%) than those in Scotland (SEPA 25%).
- 3.72 Within all twelve regions the Local Authority was the most popular source of information amongst businesses, ranging from 51% in Northern Ireland to 31% in the West Midlands.

Comparison with Sectors

- 3.73 Table 3.16 illustrates the three organisations that are felt to be the most useful source of information and details which sectors prefer each organisation.

Table 3.16 - Information Sources that are felt to be the Most Useful by Sector

Most Useful Information Source		
Environmental Regulator	Local Authority	Waste Companies
Sewage & Refuse (55%)	Optical & Medical (53%)	Motor Vehicles (31%)
Fishing (48%)	Wood & Wood Products (53%)	Printing & Publishing (29%)
Water Transport (46%)	Hotels & Restaurants (52%)	Pulp & Paper (28%)
Mining & Quarrying (42%)	Land Transport (52%)	Rubber & Plastics (26%)
Forestry (38%)	Electrical Machinery (41%)	
Chemicals (33%)	Clothing (39%)	
Agriculture (32%)	Construction (39%)	
	Leather (38%)	
	Retail of Vehicles & Fuels (36%)	
	Textiles (35%)	
	Basic Metals (33%)	
	Food & Drink (31%)	
	Motor Vehicles (31%)	
	Mineral Products (30%)	
	Metal Products (30%)	
	Printing & Publishing (29%)	
	Electricity/Steam/Gas (28%)	
	Electronics (27%)	
	Machinery Miscellaneous (25%)	

N=3,401

Base: Respondents who stated their preferred information source

- 3.74 The table above clearly shows that the Local Authority is the most popular source of information amongst 19 of the 28 sectors.
- 3.75 The sectors who felt that the Environmental Regulator was the most useful source of information are among the most regulated sectors in the survey.

INFORMATION REQUIREMENTS

- 3.76 Businesses were asked whether they had received enough information from Government departments/agencies on environmental issues. Thirty-three percent of businesses said that they had received enough information. All businesses were then asked whether they would welcome more advice from the Government. Forty-one

percent of businesses would like more information, 34% would like about the same amount of information, and only 3% would like less.

Table 3.17 - Information Requirements of Businesses by Size

Size	Information Needs			
	More %	Less %	Same %	Don't know %
0-9 Employees	40	4	35	21
10-49 Employees	44	3	34	19
50-250 Employees	44	*	31	24
Total	41	3	34	21

N=8,604

Base: All respondents

- 3.77 There was very little difference between the business sizes in terms of their requirement for more information. Forty percent of businesses with 0-9 employees would like more information compared with 44% of businesses with 10-49 and 50-250 employees.
- 3.78 Businesses were given a list of five different methods of receiving information and asked if they had ever used any of these sources to access information. The most frequently used information source was printed materials (60%). The least use was made of seminars and conferences for accessing information (10%).
- 3.79 The internet was also an important information source for businesses particularly amongst those with 50-250 employees (60%). The internet was used as an information source by 41% of businesses with 10-49 employees and 29% of businesses with 0-9 employees.
- 3.80 Businesses with 50-250 employees were just as likely to use the internet (60%) to access information as using printed material (62%). Those with 0-9 employees were much less likely to use the internet (29%) than printed material (62%).
- 3.81 Businesses were asked how they would prefer to receive information on environmental issues.

Table 3.18 - Priority Order for Receiving Information by Size

Top priority for receiving information	0-9 Employees %	10-49 Employees %	50-250 Employees %
Via the Internet	23	32	45
Via a telephone helpline	14	11	6
Printed material	54	48	40
Via seminars/conferences	1	1	2
Via face-to-face visits	8	8	8

N =7,824

Base: Respondents who provided a priority for each of the media

- 3.82 The internet was the most popular method for receiving information among businesses with 50-250 employees (45%). For small and medium sized SMEs (0-9 and 10-49 employees) the most popular method is by printed material (54% and 48% respectively), with the internet being the next most popular at 23% and 32% respectively. There is very little interest in receiving information via seminars or conferences.

Comparison with Sectors

- 3.83 With the exception of businesses in the leather sector, over a quarter of businesses within each sector stated that they had received enough information on environmental issues from Government Agencies. The responses ranged from 24% of businesses in the leather sector to 51% in the mining and quarrying sector.
- 3.84 Over 40% of businesses in twelve of the sectors would like more information on environmental issues. Over half of the businesses in forestry (55%) and fishing (53%) would like more information compared to less than a third of businesses in the mineral products sector (30%).
- 3.85 Businesses were asked which sources of information they have used to access information on environmental issues. For the majority of sectors the most used source of information was printed material. These responses ranged from 74% of businesses in the agriculture sector to 39% of businesses in the land transport sector.
- 3.86 Five of the twenty-eight sectors had used the internet most frequently, they were: electronics (64%), chemicals (63%), water transport (61%), printing and publishing (55%) and forestry (53%). The most frequently used medium amongst those in the optical and medical sector was the telephone helpline (48%).
- 3.87 When businesses were asked the medium through which they would prefer to receive information in the future, 23 out of 28 sectors stated that they preferred printed material. The level of agreement ranged from 58% of businesses in the construction, mineral products and wood and wood products sectors to 41% of businesses in the land transport sector.

-
- 3.88 Forty-two percent of businesses in the machinery miscellaneous sector mentioned both printed materials and the internet as their preferred source of information. A further four sectors mentioned the internet as their referred source of information, which were electronics (54%), electricity/steam/gas (50%), optical and medical (47%), and water transport (42%).

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4. Conclusions and Recommendations

INTRODUCTION

- 4.1 The results show that the SMEs surveyed generally have a low level of environmental awareness. This is particularly true of small (0-9 employees) and medium sized (10-49 employees) SMEs, who are also the least likely to be taking any action to improve their environmental performance. The survey clearly reinforces the need for the NetRegs project and shows that it should concentrate on reaching and engaging SMEs.
- 4.2 The survey results also show that there are no major differences in terms of environmental awareness and activity between businesses in England, Scotland, Wales and Northern Ireland. There are however, significant differences between sectors. When significant differences were found, they were raised in the commentary and the salient points are included in this chapter.

ENVIRONMENTAL AWARENESS

- 4.3 Only 6% of the businesses surveyed considered that their activities could cause environmental harm, and when prompted with examples of activities that could cause environmental harm only 27% of companies stated that they undertook some of these activities. The smaller the business, the more likely they were to think that their activities do not harm the environment; this result mirrors the findings of the last survey.
- 4.4 There was a wide variation between sectors as to whether they considered their activities harmful to the environment. Mining and quarrying, chemicals, and sewage and refuse businesses were the most likely to think their activities caused harm, while leather, hotels and restaurants and the wood and woods products sectors were least likely to think their activities caused harm.
- 4.5 Only 18% of the telephone survey respondents could name any environmental legislation, although 77% claimed to have heard of at least one piece of legislation when prompted. Although the overall awareness of legislation was low, once again, larger businesses were generally more aware than small businesses.
- 4.6 Businesses in the mining and quarrying sector come out as the most aware, both in response to the legislation and some of the other questions. A possible reason for this is that the sector is heavily regulated and under close public scrutiny, so environmental issues generally play an important part in daily operation of the business. The sectors that were the least aware of legislation were the textiles and the retail of vehicles and fuels sectors; this is of concern as both sectors carry out processes with the potential to cause environmental harm which are covered by legislation.

ENVIRONMENTAL ACTIVITY

- 4.7 Just under a quarter of all businesses surveyed had introduced measures to reduce their environmental effects. Again, large businesses were more active than small businesses, with 20% of small businesses introducing measures, compared with 44% of larger businesses.
- 4.8 There was also a wide variation in the results between sectors. Around 60% of businesses in the forestry, mining and quarrying, and water transport sectors had taken some action, whereas only around 20% of businesses in the construction, textiles and leather sectors had taken action.
- 4.9 24% of all businesses had an environmental policy and only 3% had an EMS. Again, smaller businesses were less likely than larger businesses to have a policy.
- 4.10 There were also marked differences by sector: the mining and quarrying sector contained most businesses with an EMS; the construction, land transport and printing & publishing sectors had least.

REASONS FOR TAKING ACTION

- 4.11 The main factors which motivated businesses to take environmental action were;
- ◆ a general concern about the environment, and
 - ◆ to comply with legislation.
- 4.12 Businesses felt that there were strong links between environmental good practice and a reduced risk of prosecution, good customer relations and reduced operating costs. Larger businesses were more positive about the benefits of environmental good practice than smaller businesses. The leather and printing & publishing sectors see least benefit in taking environmental action.

SOURCES OF INFORMATION

- 4.13 Only 2% of businesses surveyed had heard of the NetRegs website. 44% of businesses thought they would find the website useful. Larger business were generally more positive about the usefulness of the site than smaller businesses.
- 4.14 The sectors that particularly felt the website would be useful to them are mining & quarrying (68%), forestry (65%), sewage & refuse (65%) and water transport (63%). The sectors that are less likely to find the website useful are agriculture (35%), leather (37%) and textiles (37%).
- 4.15 The survey found that businesses most often go to Local Authorities (60%) waste businesses (35%), and the Environmental Regulator (35%) for environmental help and advice. When businesses were asked which organisation was the most useful source of information, businesses in Northern Ireland (13%) were less likely to contact the Environmental Regulator (EHS) than those in Scotland (25% contacting SEPA).

- 4.16 Businesses were also asked whether they thought they received enough information about environmental issues from the government, 33% said that they had enough, and 41% of businesses said that they would like more information.

WAYS OF RECEIVING INFORMATION

- 4.17 The results again show a difference in businesses' attitudes according to size. Larger SMEs (50-250 employees) are more likely use the internet as an information source than small and medium SMEs (0-9 and 10-49 employees). Larger SMEs also preferred to receive environmental information by internet, whereas small and medium sized SMEs preferred printed materials, with material from the internet a second choice. Overall there was very little interest in receiving information through other routes, such as seminars and conferences.

FURTHER IMPLICATIONS FOR FUTURE DEVELOPMENT OF NETREGS

- 4.18 The results support NetRegs' SME focus; the results clearly demonstrate the low level of environmental awareness in SMEs, and in particular small SMEs (0-9 and 10-49 employees). These businesses appear to feel that they are too small to have environmental effects and any environmental information is not relevant to them. In addition they are also the group which perceives fewest potential benefits in addressing their environmental impacts. NetRegs needs to continue to find ways of engaging these businesses.
- 4.19 The main potentially harmful activities that businesses undertook were storing chemicals, fuels or oils, storing waste, emitting smoke or fumes and high water consumption. This breakdown of potentially harmful activities could be used to as an indication of the areas that NetRegs advice could concentrate on.
- 4.20 The factors that motivate businesses to take environmental action are primarily a general concern about the environment for smaller companies, with legislation being the primary driver for larger businesses. Perceived business benefits are also a major influence for larger businesses, however, these are not recognised by smaller businesses. NetRegs will need to continue to address this lack of knowledge about the benefits of improved environmental performance awareness in order to encourage more businesses to take environmental action. This could be achieved through case studies which give examples of real benefits to businesses of different sizes and sectors.
- 4.21 The survey revealed that businesses had improved their legislative knowledge, however it is not apparent how this has happened. Further investigation on this point may indicate a mechanism that NetRegs can use to increase awareness of its services.
- 4.22 SME awareness of the NetRegs site is low at 2%. Clearly the low level awareness of NetRegs among the target audience needs to be addressed through continued, well targeted publicity. In particular, many small SMEs do not appear to realise that they have an effect on the environment. This needs to be addressed in tandem with providing information on legislative compliance and best practice advice.

- 4.23 The main sources of help on environmental issues that SMEs use are the Local Authority, waste businesses and the Environment Agency. NetRegs should continue to target Local Authorities and waste businesses in order to reach SMEs, particularly the smaller businesses. In addition the findings also indicate that awareness of the NetRegs project could still be increased internally within the Environmental Regulator. In order to reach SMEs effectively, the field officers who have regular contact with businesses need to be aware of NetRegs and be able to direct businesses to the website, perhaps by having publicity material to distribute.
- 4.24 The NetRegs team could consider whether it would be appropriate to extend the formats used to include printed material, as well as printer-friendly and downloadable information sheets, in order to address the preference for printed materials expressed by small and medium sized SMEs.
- 4.25 The sector based approach adopted by NetRegs is justified: there is a wide variation in awareness and level of activity across the different sectors surveyed. In particular the textiles, leather, wood and wood products and retail of vehicles and fuels sectors appeared to have a generally low level of awareness. These sectors are due to be covered by the NetRegs programme; in some cases there may be an argument for bringing forward their coverage to address low levels of awareness in certain sectors which can potentially be very polluting, such as the textiles and retail of vehicles and fuels sectors. However, there is clearly a need to promote NetRegs strongly to the sectors already covered; in particular the printing and publishing sector, which was the first covered by NetRegs, continues to have a low level of environmental awareness.

RECOMMENDATIONS FOR FUTURE SURVEYS

- 4.26 The 2002 survey provided data on SMEs across the UK, establishing baseline information on SMEs' level of environmental awareness, activity and attitudes.
- 4.27 The 2003 is a much more extensive survey, thought to be the largest of its kind, covering 8,604 businesses. The increase in survey size allowed the survey to be structured in a way that more accurately reflects the distribution of SMEs by size and sector, allowing a much higher level of confidence in the results. This survey provides detailed information on how SMEs:
- ◆ perceive their activities to be harmful to the environment
 - ◆ introduced measures to address the impacts of their business activity on the environment (policy, practical measures, etc)
 - ◆ awareness of environmental legislation and its requirements
 - ◆ the perceived benefits for businesses in addressing environmental impacts
 - ◆ level and nature of use of NetRegs site and other sources of help and guidance on environmental issues
- 4.28 The survey may be satisfactorily re-run using the same methodology as for the current survey. However, should the focus of interest change, this may have implication for the sampling approach used. For example, the current sample was designed with an equal target of 300 interviews per sector. This produces a good sized sample from each to allow robust analysis within each of the 28 sectors.

However future surveys may prefer to give greater focus on larger sectors, or to the UK wide results, and smaller sectors may then be apportioned a smaller sample, subject to a minimum of perhaps 100 interviews in each. Similarly, the target of 700 interviews per region allows good comparison within and between regions, but unless regional analysis is particularly important a similar relaxation of these targets could be adopted whereby larger regions take a higher proportion of the sample, again with a minimum number in smaller regions.

- 4.29 The length between surveys could be extended to two years to allow changes in NetRegs to take effect.
- 4.30 Additional questions, for example to establish why some businesses feel that NetRegs would not be useful, or to examine SMEs attitudes to the Environmental Regulator could be useful in informing future strategy. However, this has to be balanced against making the survey too long, which could result in fewer businesses participating.
- 4.31 Also, asking businesses what had influenced their decision to, for example, address the environmental impacts of their business might allow us to establish if the NetRegs site or other initiatives had directly led to that decision. These sorts of questions are, however, more easily covered in focus groups or in-depth interviews.

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Annex 1

Summary of survey results by business size and by country

All Sectors by Size Band

Question	Possible answers	Base Number	0-9	10-49	50-250	Comment
Activities harmful to the environment						
Q1 Does your organisation undertake any activities which you think could be regarded as harmful to the environment?	Y/N/Don't know	N=8,604	5%	8%	15%	Percentage of companies who responded "Yes"
Q2 What are these activities? Unprompted	Choice of 7	N=509	Storing chemicals (30%)	Storing chemicals (45%)	Storing chemicals (40%)	The most popular response has been provided. However 44% of 0-9 companies who stated they cause harm to the environment gave "other" reasons.
Q3 Does your organisation undertake any of the following activities? Prompted.	Choice of 7	N=2,299	Storing chemicals (63%)	Storing chemicals (59%)	Storing chemicals (74%)	The most popular response has been provided
Q4 Have you ever banded an oil tank or chemical store? (asked if said they store oil or chemicals to Q2 or 3)	Y/N/Don't know	N=1,618	26%	35%	52%	Percentage of companies who responded "Yes"
Measures to address environmental issues						
Q5 Has your organisation ever introduced any (other) practical measures aimed at preventing or reducing harm to the environment?	Y/N/Don't know	N=8,604	20%	32%	44%	Percentage of companies who responded "Yes"
Q6 What measures have you taken? Unprompted	5 coded answers	N=1,948	Environmental Improvements (25%)	Environmental Improvements (31%)	Environmental Improvements (45%)	The most popular response has been provided. However 44% of 0-9 companies and 46% of 10-49 companies who have implemented measures gave "other" reasons.
Q7 Have you ever undertaken any of the following activities? Prompted.	5 coded answers	N=1,702	Responsible Officer (40%)	Responsible Officer (65%)	Responsible Officer (61%)	The most popular response has been provided
Environmental Policy						
Q8 Do you have an Environmental Policy?	Y/N/Don't know	N=8,604	20%	34%	54%	Percentage of companies who responded "Yes"
Q9 What form does it take? Prompt if required.	Choice of 5	N=2,063	Informal Management Aim (48%)	Formal Written Policy (40%)	Formal Written Policy (62%)	The most popular response has been provided
Environmental Management Systems						
Q10 Do you have an Environmental Management System?	Y/N/Don't know	N=8,604	3%	4%	14%	Percentage of companies who responded "Yes"
Q11 Are you planning to introduce an Environmental Management System?	Y/N/Don't know	N=8,604	1%	3%	6%	Percentage of companies who plan to introduce one
Reasons for addressing environmental issues						
Q13 What influenced your decision to address the environmental effects of your business? Unprompted	Choice of 10	N=2,985	General Concern (56%)	General Concern (47%)	Legislation (60%)	The most popular response has been provided
Q14 Are you involved in any business forums or similar groups where environmental issues are discussed?	Y/N/Don't know	N=8,604	9%	10%	19%	Percentage of companies who responded "Yes"
Environmental Awareness						
Q15 Can you name any environmental legislation that applies to your business? Unprompted	Choice of 9	N=1,561	COSHH (40%)	COSHH (53%)	COSHH (37%)	The most popular response has been provided
Q16 Have you heard of any of the following? Prompted.	Choice of 9	N=6,665	Environmental Protection Act 1990 (66%)	Environmental Protection Act 1990 (74%)	COSHH (79%)	The most popular response has been provided
Q17 Could you tell me three of the main requirements in the Duty of Care regulations? Unprompted	Choice of 6	N=532	Securely Store Waste (51%)	Transfer of Waste (61%)	Don't illegally dispose of waste (52%)	The most popular response has been provided. This excludes those who did not know.



All Sectors by Size Band

NetRegs website						
Q19 Have you heard of the NETREGS website? .	Y/N/Don't know	N=8,604	2%	4%	5%	Percentage of companies who responded "Yes"
Q20 Have you used the site?	Y/N/Don't know	N=213	11%	21%	38%	Percentage of companies who responded "Yes" and had heard of the Netregs website.
Q21 What have you used the site for? Unprompted	Choice of 6	N=34	Contacting Regulators	Finding out about legislation	Finding out about legislation	Most popular use of the Netregs Website (Number of companies is too low to provide meaningful percentages)
Q22 The NETREGS site provides common sense information to help small and medium sized businesses comply with their environmental responsibilities. Is that something your organisation might find useful?	Y/N/Don't know	N=8,604	39%	60%	71%	Percentage of companies who responded "Yes"
Sources of help						
Q23 Have you ever contacted any of the following about environmental issues? Prompted	Choice of 16	N=3,171	Local Authority (61%)	Local Authority (56%)	Local Authority (56%)	The most popular response has been provided. (Excludes those who stated "Don't know")
Q24 Which one of those just mentioned do you consider to be the most useful source of help on environmental issues for businesses? Code one only	Choice of 16	N=3,144	Local Authority (42%)	Local Authority (31%)	Local Authority (26%) & The Environment Agency (26%)	The most popular response has been provided. (Excludes those who stated "Don't know")
Information requirements						
Q25 Do you feel you have received enough support from the government and its agencies to deal with environmental issues?	Y/N/Don't know	N=8,604	32%	36%	39%	Percentage of companies who responded "Yes"
Q26 Would you welcome more, less or about the same amount of guidance and help from the government and its agencies as you get now?	Y/N/Don't know	N=8,604	40%	44%	44%	Percentage of companies who responded "Yes"
Q27 Have you ever used any of the following information sources to access information on environmental issues relating to your business? Prompted	Choice of 7	N=3788	Printed Material (62%)	Printed Material (55%)	Printed Material (62%)	The most popular response has been provided. (Excludes those who stated "Don't know")
About your Business						
Q29 Does your business have access to the internet?	Y/N/Don't know	N=8,604	55%	76%	92%	Percentage of companies who responded "Yes"
Notes						
The Percentages relate to those companies who provided a response to a particular question and not the total number of companies interviewed						



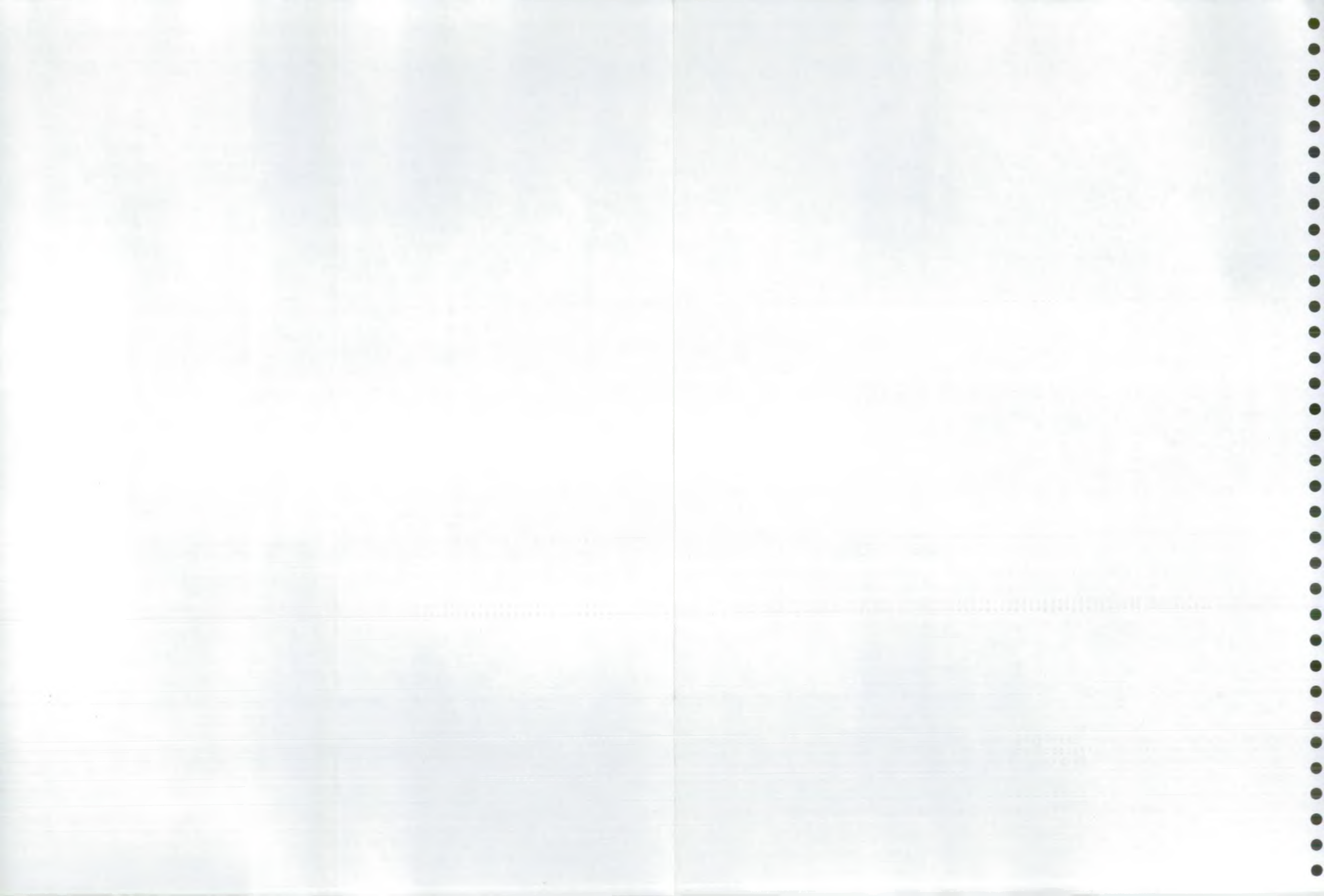
All Sectors by Country

Question	Possible answers	Base Number	England	Northern Ireland	Scotland	Wales
Activities harmful to the environment						
Q1 Does your organisation undertake any activities which you think could be regarded as harmful to the environment?	Y/N/Don't know	N=8,604	7%	5%	6%	2%
Q2 What are these activities? Unprompted	Choice of 7	N=509	Storing chemicals (34%)	Storing chemicals (31%)	Storing chemicals (29%)	Storing chemicals (69%)
Q3 Does your organisation undertake any of the following activities? Prompted.	Choice of 7	N=2,299	Storing chemicals (59%)	Storing chemicals (71%)	Store Chemicals (75%)	Storing chemicals (80%)
Q4 Have you ever banded an oil tank or chemical store? (asked if said they store oil or chemicals to Q2 or 3)	Y/N/Don't know	N=1,618	31%	30%	38%	17%
Measures to address environmental issues						
Q5 Has your organisation ever introduced any (other) practical measures aimed at preventing or reducing harm to the environment?	Y/N/Don't know	N=8,604	23%	23%	22%	25%
Q6 What measures have you taken? Unprompted	5 coded answers	N=1,948	Environmental Improvements (28%)	Environmental Improvements (34%)	An Assessment (29%)	An Assessment (30%)
Q7 Have you ever undertaken any of the following activities? Prompted.	5 coded answers	N=1,702	Responsible Officer (47%)	Responsible Officer (54%)	Responsible Officer (52%)	Responsible Officer (44%)
Environmental Policy						
Q8 Do you have an Environmental Policy?	Y/N/Don't know	N=8,604	23%	28%	25%	27%
Q9 What form does it take? Prompt if required.	Choice of 5	N=2,063	Informal Management Aim (44%)	Informal Management Aim (40%)	Informal Management Aim (41%)	Part of Business Plan (39%)
Environmental Management Systems						
Q10 Do you have an Environmental Management System?	Y/N/Don't know	N=8,604	3%	4%	7%	3%
Q11 Are you planning to introduce an Environmental Management System?	Y/N/Don't know	N=8,604	1%	*	1%	1%
Reasons for addressing environmental issues						
Q13 What influenced your decision to address the environmental effects of your business? Unprompted	Choice of 10	N=2,985	General Concern (56%)	General Concern (52%)	General Concern (51%)	Legislation (57%)
Q14 Are you involved in any business forums or similar groups where environmental issues are discussed?	Y/N/Don't know	N=8,604	9%	8%	11%	10%



All Sectors by Country

Environmental Awareness							
Q15 <i>Can you name any environmental legislation that applies to your business?</i> Unprompted	Choice of 9	N=1,561	COSHH (40%)	COSHH (45%)	COSHH (41%)	COSHH (58%)	
Q16 <i>Have you heard of any of the following?</i> Prompted.	Choice of 9	N=6,665	Environmental Protection Act 1990 (68%)	Environmental Protection Act 1990 (68%)	Environmental Protection Act 1990 (71%)	Environmental Protection Act 1990 (70%)	
Q17 <i>Could you tell me three of the main requirements in the Duty of Care regulations?</i> Unprompted	Choice of 6	N=532	Securely Store Waste (51%)	Transfer of Waste (77%)	Transfer of Waste (60%)	Don't illegally dispose of waste (55%)	
NetRegs website							
Q19 <i>Have you heard of the NETREGS website?</i>	Y/N/Don't know	N=8,604	2%	3%	2%	2%	
Q20 <i>Have you used the site?</i>	Y/N/Don't know	N=213	18%	5%	10%	18%	
Q21 <i>What have you used the site for?</i> Unprompted	Choice of 6	N=34	Finding out about legislation	Finding out about legislation	Finding out about legislation	Finding out about legislation	
Q22 <i>The NETREGS site provides common sense information to help small and medium sized businesses comply with their environmental responsibilities. Is that something your organisation might find useful?</i>	Y/N/Don't know	N=8,604	43%	47%	47%	40%	
Sources of help							
Q23 <i>Have you ever contacted any of the following about environmental issues?</i> Prompted	Choice of 16	N=3,171	Local Authority (58%)	Local Authority (67%)	Local Authority (62%)	Local Authority (65%)	
Q24 <i>Which one of those just mentioned do you consider to be the most useful source of help on environmental issues for businesses?</i> Code one only	Choice of 16	N=3,144	Local Authority (36%)	Local Authority (51%)	Local Authority (35%)	Local Authority (46%)	
Information requirements							
Q25 <i>Do you feel you have received enough support from the government and its agencies to deal with environmental issues?</i>	Y/N/Don't know	N=8,604	33%	37%	38%	30%	
Q26 <i>Would you welcome more, less or about the same amount of guidance and help from the government and its agencies as you get now?</i>	Y/N/Don't know	N=8,604	40%	48%	46%	40%	
Q27 <i>Have you ever used any of the following information sources to access information on environmental issues relating to your business?</i> Prompted	Choice of 7	N=3788	Printed Material (61%)	Printed Material (62%)	Printed Material (67%)	Printed Material (43%)	
About your Business							
Q29 <i>Does your business have access to the internet?</i>	Y/N/Don't know	N=8,604	61%	62%	59%	53%	
Notes							
* = less than 1%							
The Percentages relate to those companies who provided a response to a particular question and not the total number of companies interviewed							



Annex 2

Sample reliability

Sample Reliability

Surveys using a sample drawn from the total population rather than the entire population are open to sampling tolerances. A statistical table for assessing sampling variability (or "sampling error") is given below. It can be used to estimate the level of accuracy associated with different sample, or sub-sample sizes.

Table 1 - Sample Reliability

Confidence intervals applicable to findings at or near these percentages*					
Effective Sample size	10% of 90%	20% or 80%	30% or 70%	40% or 60%	50%
100	5.9	7.8	9.0	9.6	9.8
150	4.8	6.4	7.3	7.8	7.8
200	4.2	5.5	6.4	6.8	6.9
250	3.7	5.0	5.7	6.1	6.2
300	3.4	4.5	5.2	5.5	5.7
500	2.6	3.5	4.0	4.2	4.4
750	2.2	2.9	3.3	3.5	3.6
1000	1.9	2.5	2.7	3.0	3.1
1500	1.5	2.0	2.3	2.5	2.5
2000	1.3	1.8	2.0	2.1	2.2

*Based on 95% confidence level

For a given sample, the degree of accuracy varies depending on whether the percentage estimate is a low or high percentage (10% or 90%), a moderate one (30% or 70%) or approximately 50%.

Due to the sampling regime adopted for this study, application of the table is not as straightforward as where unweighted data is involved. The text below describes the estimation of confidence intervals for survey results.

Results using data across sectors

Estimates of the accuracy of statistics where *data is combined across sectors* (e.g. the UK wide estimates of all SMEs surveyed) are affected by the sampling approach. The impact of ensuring sufficient interviews in all sectors and subsequent weighting is to reduce the "effective sample size" from 8,604 to 2,340 interviews, and the row for sample size 2000 in the above table should be used as an adequate approximation.

For example, if 53% of all SMEs say that they conduct certain environmental activities, then using the 2000 row we can be "95% confident" that the real value is 53% +/- 2.2%, that is, within the range 50.8% and 55.2%.

For other comparisons where data is added across sectors, this approach should be adopted, and the confidence interval for these must be based on the effective sample size for each particular group. This can be adequately estimated by estimating the effective sample size for the appropriate sub-group. This is done by taking $2340/8604 \sim 27\%$ or approximately a quarter of the sample size of the sub-group (i.e. the ratio of effective sample size to the actual sample) and using that row in the table. So for assessing the accuracy of:

- a regional estimate, use the row for sample size 200 (as $27\% \times 700 \sim 200$).
- SMEs of 0-9 employees, use the row for sample size 1500
- SMEs of 10-49 employees, use the row for sample size 500
- SMEs of 50-250 employees, use the row for sample size 200

Results using sector-specific data only

For results on an individual sector, the effective sample size is the number of businesses interviewed in that sector, which is shown in table 2.4 and is generally close to the target of 300 interviews. Hence the row for this number of interviews should be used, which will usually be 300. (The weighting by size was done separately for each sector, resulting in a much smaller spread of weights than for sector x size, and the effective sample size is consequently very close to the actual sample size).

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