



The business people – an extension to your team

Environmental Panel Report

July 2011

Introduction

The Forum of Private Business is a proactive, not-for-profit organisation, providing comprehensive support, protection and reassurance to small businesses. We add value to businesses through the collective voice for members in local, central and European government, and the provision of tailored solutions that promote business success.

Our Environmental Panel comprises approximately 90 members who have volunteered to provide feedback to us on environmental matters. Traditionally, we have contacted panel members on an *ad hoc* basis to gather feedback on specific issues, however, we now engage more regularly with the business owners on our Member Panels to better understand and collect evidence of their real life experiences, to more effectively reinforce our policy and campaigns activities. This is the second report from the Environmental Panel.

This report builds on some of the findings from the first panel and looks at:

- Reduction of resources as part of keeping business costs down
- Advantages that small businesses have in dealing with environmental issues
- Support for smaller businesses

Secondary research has also been used where appropriate to validate the research shown in this report.

Note: as panel figures refer to just under 100 businesses, they should be treated as indicative of rather than representative of all small and medium-sized businesses.

Summary of key findings

Environmental legislation

- 75% of panel members felt that environmental legislation is focused on larger business and their needs.
- 52% felt that green taxation inhibited the ability of the business to invest in reducing energy usage, however almost 1 in 3 were uncertain about the extent of green taxation and its impact on their business.
- 77% disagreed that being green is impossible in the recession, however the panel was split as to whether there was more the business could do until profit margins increased.

Energy prices

- 90% of businesses on the panel have reacted to increased utility prices, 41% have tightened up processes and 38% have changed supplier. 28% have reduced usage and 26% have introduced more efficient equipment.
- Cost reduction was predominantly focused on common-sense solutions, taking advantage of the fact that the business owner is closer to the shop floor than in larger corporations. 31% also use bills as prompts, although there is significant variation in the billing practices of suppliers and 16% would use meters to locate inefficiencies in the organisation.
- Utilities costs have become so high that at least 15% continuously monitor energy costs alongside the other major costs to the business. In total, 9% would employ an energy consultant to support them.
- The main barrier to greater metering usage was cost although a sizeable minority felt that the process was not appropriate for them due to installation issues or size.

Business commitment to the environment

The business owners on the panel have generally closely aligned their personal beliefs to their business beliefs. This has encouraged a positive reaction from employees in almost half of the cases and has given these companies an advantage in reducing costs with staff suggesting methods to reduce small costs and buying in to initiatives such as turning the thermostat down slightly.

- 38% of panel members have suggested environmental schemes to their staff, but most of these have been concepts such as cycling to work, car share schemes or using public transport which have been promoted through the media. There were few examples of current schemes available and no local schemes, suggesting that these schemes need to be promoted more effectively and be closely tied to local needs.

- 63% have not looked for support for environmental changes, this is in line with Forum membership generally. Support from the government agencies is patchy, suggesting a lack of engagement with key advocates of the green agenda. Businesses are slowly recovering from the recession but would need monetary support if they were looking to invest in micro-generation equipment or environment technology. Clear, readily accessible information was also a need in this area.
- One in five businesses tended to support displaying of energy certificates for commercial buildings but double that number were concerned that it would be another tranche of regulation that could be used to increase government revenues through fines. A number pointed out that the businesses could always be allowed to display their Energy Performance Certificates if they felt this would help them. Most wanted more information on how this had worked in the public sector in terms of costs and savings before any extension to the private sector was considered.

Recommendations

‘Think Small First’ in setting out environmental policy intentions

- Smaller firms account for almost 50% of commercial energy usage yet business owners feel that environmental legislation is focused on the needs of larger corporations and is excessively complex. Business owners tend to be time-poor and one source of information is always helpful, however some found that support organisations were inaccessible and elements of schemes were not relevant. Smaller firms have an inherent advantage over larger businesses in that they see business and environmental needs as closely aligned. They can work faster and more effectively to reduce wastage and are able to access ideas from staff to reduce insignificant costs that a larger company may simply miss. To achieve this though, we urge the Government to always keep in mind simplicity and conciseness of policy, to give business owners the greatest opportunity to understand and, where appropriate, implement government policy.

Incentivise the green agenda rather than simply taxing businesses

- Businesses still see the green agenda as a way of raising revenue from the Treasury, without necessarily giving anything back to businesses by way of funding to support greater investment. One way to tackle this is to simplify structures around environmental support making it more readily accessible.
- The Green Deal is a good example of an energy efficiency that is not funded through upfront business taxation, but instead allows a more generous time period over which costs can be returned to the Government.

Clarify the business case for energy-efficient technology

- Most members of the panel agreed about the importance of metering/measuring energy usage although there are practical difficulties over installation of smart meters, particularly in rented or listed properties. What would help is greater promotion of information collected by trade associations, to enabling businesses to choose between energy-efficient technologies.

Support earlier adopters

- Greater support could be given to businesses who want to make large scale property improvements with monetary incentives (soft loans, tax relief) and removal of red tape (support with bureaucracy and planning permission).
- A stable long-term sense of direction will enable would-be green technology investors to have to courage to make investments in low carbon infrastructure. The Green Investment Bank should be able to support micro-generation schemes to improve the nation’s energy security.

Support a local agenda

- There should be greater support for local schemes and their promotion to small businesses. Not one business was able to name a local scheme, suggesting that these are badly promoted or not accessible to smaller firms. Closer links between smaller firms and the rest of the community can be used to drive forward the green agenda. This would include allowing retailers to use Energy Performance Certification to show off their green credential, should they wish.
- Create a local green agenda to ensure that regenerating high streets is done in a sustainable way and reduce the barriers put in the way of businesses by planning departments.

- Support for local supply chains from councils would be helpful, if only because they seem to ignore the benefits of retaining money within the local community. Sourcing contractors from the local business community can also cut down on on greenhouse gas emissions and improve local sustainability.

General opinions

We asked panel members to say whether they strongly agreed, agreed, disagreed or strongly disagreed with the following issues. The scoring system indicates the strength of opinion; +2 for strongly agree, +1 for agree, 0 for do not know, -1 for disagree and -2 for strongly disagree. Anything around 1 suggests strong agreement and around -1 strong disagreement.

Figure 1: Opinions on key elements of environmental policy

	Agreed	Disagreed	Uncertain	Score
Environmental legislation is focused on larger businesses and their needs	75%	8%	17%	0.94
Regulators have been effective in protecting businesses from bad practice by utilities providers	8%	71%	21%	-0.96
Environmental taxation inhibits the ability of the business to invest in reducing energy usage	52%	16%	32%	0.48
There should be one single department responsible for utilities regulation and funding schemes	87%	4%	9%	1.09
The cost of energy is less important than a continuous supply	34%	65%	1%	-0.30
To effectively manage environmental resources you first have to measure usage	76%	13%	11%	0.98
Being green is impossible in a recession	14%	77%	9%	-0.82
Green energy providers are not worth considering as they are markedly more expensive than traditional providers	33%	38%	29%	-0.24
Our business cannot be more environmentally friendly until we become more profitable	52%	43%	5%	0.13
Using local suppliers is environmentally responsible	78%	17%	5%	0.95
Fear of extreme weather conditions (flooding, fires etc) is less of an issue than insuring the best returns for my business at the moment	66%	31%	3%	0.53

Source Environmental Members Panel 2011

There was strong agreement that there should be one single department responsible for utilities regulation and funding schemes as this would make it easier for time-poor business owners to contact the most appropriate source and get a comprehensive answer. In general they have been unimpressed with the regulators in keeping the cost down and providing protection for business owners. Those panel members with over 10 staff felt that the expectations on them in terms of understanding utilities contracts were the same as those for large corporations with specialist departments. Small wonder that 75% of respondents agreed that environmental legislation is focused on larger companies.

Anecdotal indications are that some business owners simply do not understand environmental legislation as a third of respondents felt unable to comment as to whether environmental taxation inhibits the ability of a business to invest in reducing energy levels. Businesses were unsure about whether green energy providers are markedly more expensive; this may be simply because they do not really consider whether the energy supply is 'green' or not. However businesses do take into account other environmental factors such as using local suppliers to reduce travelling costs and feel strongly that it is possible to be green during a recession - in fact the high cost of resources (particularly the cost of diesel) have probably reinforced these attitudes.

Although businesses believe that it is possible to be environmentally responsible during a recession, there is a limit as to how much more their own business can do, with around half identifying profitability as the main constraint on further action.

Twice as many businesses felt that the cost of energy was more important than the continuity of supply although many recognised disruptions to power supply would have serious repercussions on the ability of the business to deliver their services and products effectively.

Reducing resources

“Purchased EON adapters that switch off all equipment linked to PC when base unit is powered down. (Printers, monitors, speakers, etc.) Switch all unused equipment off using 7 day timers so keep off over weekends. Faster fixing of leaks to reduce water consumption. More general waste recycled. Greater use of email for business documents - invoices and statements, reducing use of paper postage and envelopes. Saving 30% on previous years costs.” Panel Member Response

Many panel members have taken action to reduce costs that have been environmentally friendly. Due to the high cost of utilities, 38% of panel members had changed suppliers and 41% had tightened up processes. 28% had simply reduced usage and a similar proportion of businesses had introduced more efficient equipment. Just 10% had not done anything to cut costs.

A significant number (around 1 in 3) of businesses have tightened up processes in the procurement of purchasing, administrative and travel costs. For many businesses such costs had been relatively small for their business and this may explain why owners were able to tighten up the process. Some businesses reported support from their supply chain in tightening up processes.

A small number of businesses tightened up processes and changed supplier by joining buying groups such as Jangro and the Forum’s Buying Support Agency. 19% felt reducing maintenance/property costs were not appropriate for their business as they rent the property and so there are limited methods of reducing costs available.

Few businesses are using environmental consultants to reduce costs with over half of respondents feeling that this service is not appropriate for their business. However, an audit from the Manufacturing Advisory Service was particularly helpful for one business, who introduced their environmental recommendations.

Figure 2: Methods of reducing costs

	Reduced usage	Introduced more efficient equipment	Changed supplier	Tightened up processes	None of these	Not appropriate
Reducing utility bills (e.g. water, electricity)	28%	26%	38%	41%	10%	0%
Reducing maintenance/ property costs (e.g. electricians)	5%	8%	8%	15%	46%	19%
Reduced environmental consultancy costs (energy audit, carbon consultancy etc).	4%	3%	4%	6%	31%	54%
Reduced purchasing costs (e.g. stock, stationery, waste)	30%	11%	15%	45%	7%	9%
Reduced administrative costs (e.g. stock ordering)	23%	12%	8%	31%	19%	12%
Reduced travel costs	15%	8%	0%	35%	15%	27%

Source Environmental Members Panel 2011

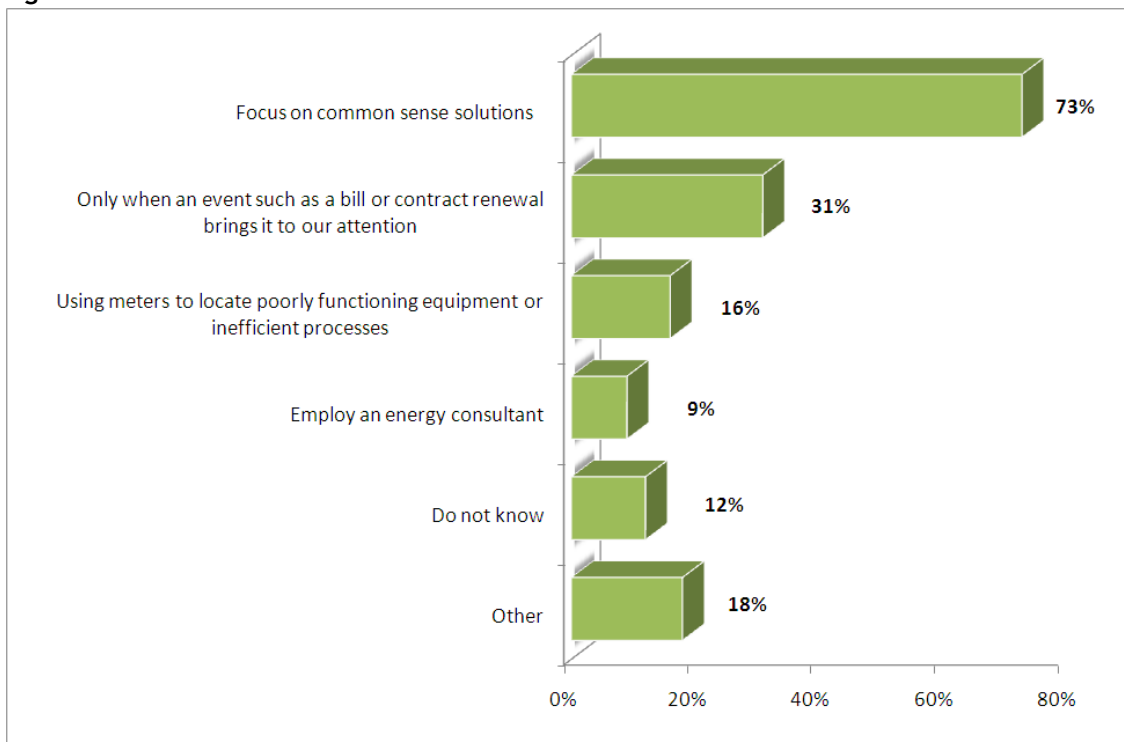
Around 1 in 10 have introduced more efficient equipment, with few businesses looking to invest in this area in the short term. Businesses reported introducing LEDs (Light Emitting Diodes) to provide cheaper lighting, sensors to automatically switch off lighting and services when an area is not being used, as well as adapters and timers. One business has also reverted to ventilation rather than using air conditioning to reduce costs. However usages of photovoltaics and solar panels have been less successful in their introduction, with two panel members having to abort investment in this technology. One cited planning permission whilst the other found the terms and conditions of the contract to be unsuitable as it limited his ability to sell on the property for the foreseeable future.

“We are in business to make a profit. We have always ensured our 'bottom line' is reviewed regularly. The mad mullahs can increase climate levy as many time as they like, unfortunately the energy we use is the energy we use. Our profits, therefore, have been drastically reduced and we have nowhere to go!” Panel Member Response

Respondents do feel that there are limits to what they can realistically do and some are worried about climate change levies making smaller local suppliers in the UK uncompetitive compared to larger corporations who manufacture overseas. Bakers, metal fabricators and printers were particularly concerned about the ever-increasing levels of environmental taxation.

76% of business owners felt that to effectively manage resources you first have to measure them and around 30% of businesses look at the bills to see what the impact has been. 73% of members consider the art of the possible when assessing high utility costs, looking at common sense solutions to reduce wastage. 16% use meters to locate poorly functioning equipment or inefficient processes and 9% would use an energy consultant as part of an energy review.

Figure 3: Assessment of costs

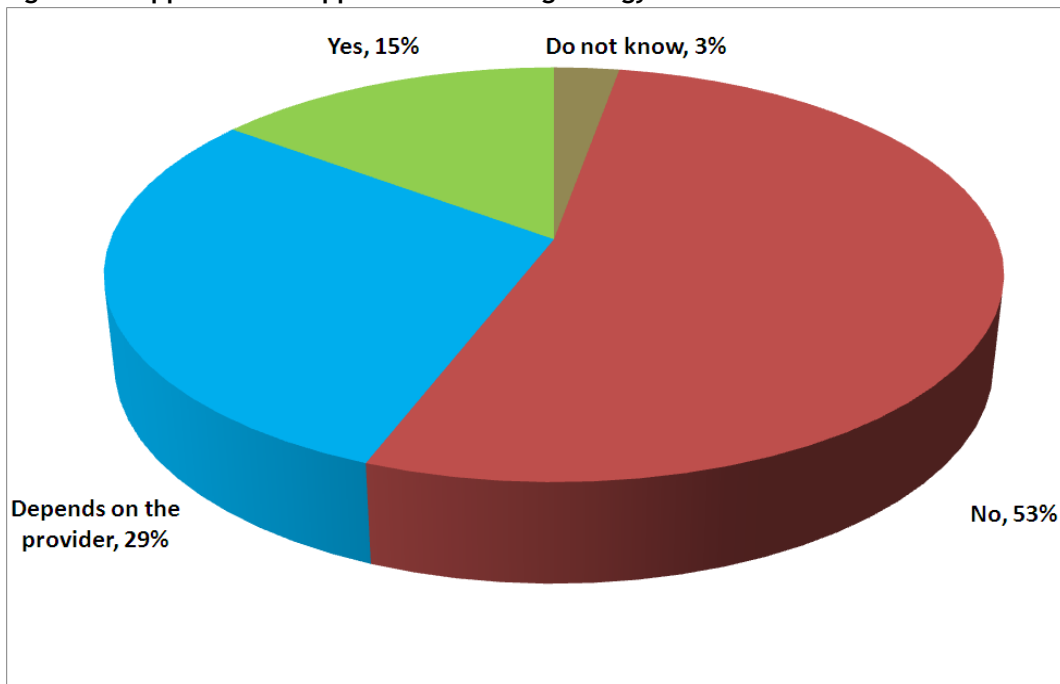


Source Environmental Members Panel 2011

Of the 18% that stated 'Other' - the significant majority of these (15%) stated that this was due to having a process in place to continuously assess their energy/water contracts as they would all major costs.

Despite significant promotions by energy suppliers, 53% of businesses did not feel that they were getting any support from their suppliers in reducing energy bills. Some even suggested that more complex contracts had made it harder for their companies to assess whether or not a price was competitive or not.

Figure 4: Support from suppliers in reducing energy bills



Source Environmental Member Panel 2011

Businesses clearly appreciate good practice, particularly from the few utilities companies that give them the information they need to reduce their consumptions.

“Water bills show comparison usage form last year. This is very helpful and it is reducing.” Panel Member Response

Although there are some cases of suppliers who have helped with small scale support, providing adapters or compact fluorescent bulbs, the problem appears that good practice is not typically associated with utilities providers. Respondents complained of excessively convoluted contracts and formulae for working out billing (especially electricity companies), which meant that the information on unit cost and consumption were difficult to understand. In other cases the information was simply not provided.

Gas providers seemed to be more supportive than electricity companies, although in some cases this may be due to the customer service operator rather than the organisation itself:

“Gas provider very helpful after 3 months of badgering them! Electricity supplier - standard responses all the time”. Panel Member Response

Most stated simply that they had not had much contact with their suppliers about reducing consumption and would be sceptical of any business that offered to do so, particularly as these companies appear to be in the enviable position of raising their prices at will.

“Whilst our consumption is small anyway, I am not aware of our supplier suggesting ways to cut their own profit!” Panel Member Response

Some businesses mentioned how their supply chain had helped them reduce their resources use. One or two found this very successful in keeping costs down rather than simply changing suppliers.

Barriers to metering

“In an SME world there are many who rent small offices or work from home, so it would be impractical for many to use metering techniques. Larger consumers would one hopes be far more able to engage in metering.” Panel Member Response

Half of respondents did not indicate any barriers towards greater use of meters and some respondents stated elsewhere in the research that they already used metering. Of those that listed barriers 64% indicated that cost was a major barrier to introduction of smart metering. High capital costs, high unit costs, the cost of installation and poor payback times were all mentioned as key issues that stopped businesses considering this as an issue.

“Most people think that meters increase costs and give the utility companies better information to force bigger payments.” Panel Member Response

Others felt that poor information and lack of government leadership had led to a lack of understanding about smart metering. Lack of government leadership was also felt to be responsible for the lack of trust of metering suppliers as few companies trusted the suppliers or the utilities regulators to stop unit prices rising if the programme was a success.

However around 20% of respondents felt that this was not appropriate for smaller firms, either due to the lack of an economy of scale, difficulties in installation because their property was terraced, listed or rented, or because their equipment was high usage and that rendered metering inappropriate.

The inconvenience of changing to meters were also mentioned as reasons why some respondents felt hesitant about installing them, particularly as one business feared that it might inhibit the core functions of the business. Another closely-related barrier was time (management and staff); this was mentioned by two respondents.

Staff and business alignment

The table below indicates just how closely aligned the business owners personal beliefs are with the reaction of their staff to environmental changes. This gives smaller employers an innate advantage over larger corporations in introducing changes that are environmentally-friendly policies.

Figure 5: Assessment by business owners of their staff’s view of environmental changes and their personal beliefs

	Panel alignment of business and personal beliefs			
	Completely aligned	Closely aligned	Not closely aligned	Total
Total	12%	80%	8%	100%
Proactive, they suggest changes to reduce resources	1%	10%	0%	11%
Generally positive	10%	37%	3%	50%
Apathetic	1%	32%	3%	37%
Slightly negative, they complain or grumble a bit	0%	1%	0%	1%
Extremely negative, they are hostile to any changes	0%	0%	2%	2%

Source Environmental Members Panel 2011

“Beliefs are based on efficiency rather than green ethics” Panel Member Response

92% of respondents felt that their personal and business beliefs were closely aligned, with only 8% feeling that their business and personal beliefs were not aligned. Most highlighted a small management structure or that, as Managing Director, they decided policy and their closeness to the business meant that wasteful practices were quickly identified and changed.

Some business owners stated that they had been recycling for years before it was fashionable to do so, while others felt that there were clear benefits for the Board, company, employees and customers in aligning completely personal and business beliefs.

Those that had not aligned their business and personal beliefs cited the lack of recycling support (paper, cardboard or in one case, any recycling facilities) or the cost of recycling further. A few respondents felt that the economic argument on cost reduction made a 'green' policy advantageous for the company, even if they did not agree with the concept of climate change.

“Once they understand our reasoning they are keen to offer support” Panel Member Response

However for most businesses the proximity of the decision-maker to the staff created strong team values and allowed them to create a strong and clear management message that staff can act upon. The recession and increased need to cut costs have also made employees more likely to come up with ideas to save money to support themselves and their colleagues through this period of uncertainty.

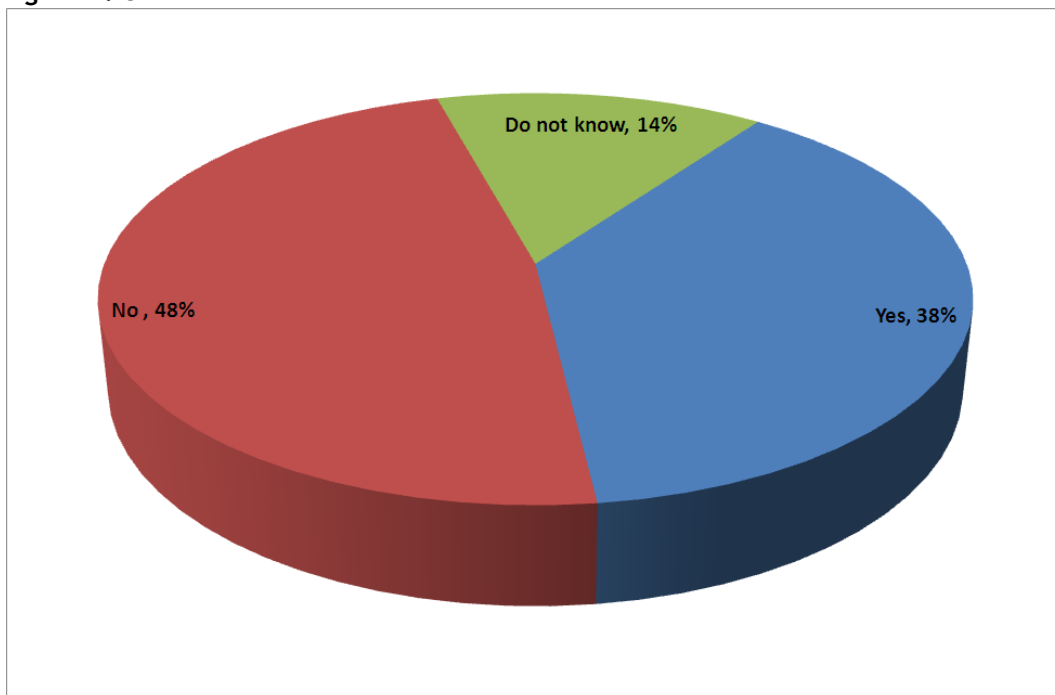
“All are aware and participate in our policy” Panel Member Response

Employees also benefited from being able to suggest ideas to managers in a relatively informal atmosphere rather than the more formal approach necessitated by larger corporations

“We have a good team which works hard together for the benefit of the business” Panel Member Response

A slight majority of respondents who had not aligned their business and personal beliefs had staff who were at best apathetic to environmental changes. Some business owners feel that the staff are happy to leave the burden squarely with the employer and have not given any feedback or ideas even when this has been brought up in meetings. One employer was also disappointed with the reaction when they asked staff to make some adjustments themselves.

Figure 6: Use of local and national environmental schemes



Source Environmental Members Panel 2011

38% stated that they had used or encouraged the use of local and government environmental schemes. Apart from the Cycle to Work scheme (which was given as an example in the questionnaire) few schemes mentioned could be identified as specifically environmental schemes as most mentioned car sharing and support for public transport usage. One or two schemes were suggested such as the campaign through the Carbon Trust to switch off electrical appliances. One business also mentioned the international UN Global Compact which helps provide tools and support to businesses looking to follow universal social, environmental and sustainable principles. There was not one local scheme provided as an example,

indicating that either promotion of local schemes is poor or that where they do exist, they have not made much meaningful impact.

Some businesses felt that the limited schemes were not appropriate for their staff, one mentioning they could not have cyclists in an area with lorries and heavy machinery for reasons of health and safety.

Government support for business owners

Business Link was a first point of call for a significant minority of panel members who were looking for support. Government agencies including the Manufacturing Advisory scheme, the Carbon Trust and the Department of Energy and Climate Change were also mentioned as sources of information.

“Business Link introduced us to Envirolink which has proved a very valuable relationship. Carbon Trust has helped us to calculate Carbon footprint” Panel Member Response

There were mixed reviews about the Carbon Trust from the handful of members who had used it. One or two found it relatively helpful, however others reported accessibility problems.

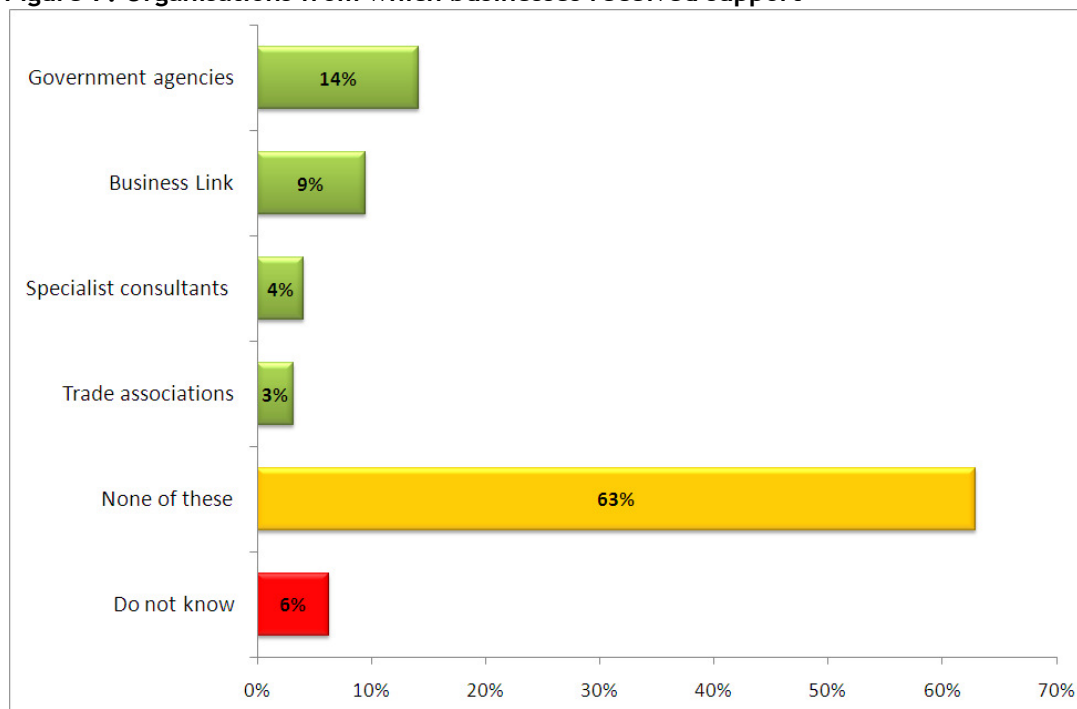
Business Link was also patchy in its support for businesses and it very much depended on the quality of their signposting. One business felt that it was useful purely as they received a free energy adapter plug. Both extremes were indicated in a small sample with one business indicating the start of a valuable relationship whilst another referred to them as utterly useless. There were also a few businesses who felt that their support was average or useful only up to a point.

The Manufacturing Advisory Service was popular with the respondents who used it as were specialist consultants and lenders. One business was about to re-engage with a consultant and there was a clear feeling that using a specialist consultant was helpful (whether or not it was through the MAS) to the business.

“Manufacturing Advisory Service was extremely helpful if not all relevant.” Panel Member Response

Trade associations were helpful to one or two businesses but there were clear limits to what they could do and unsurprisingly their ability to help members varied even amongst those who stated that they used such a service.

Figure 7: Organisations from which businesses received support

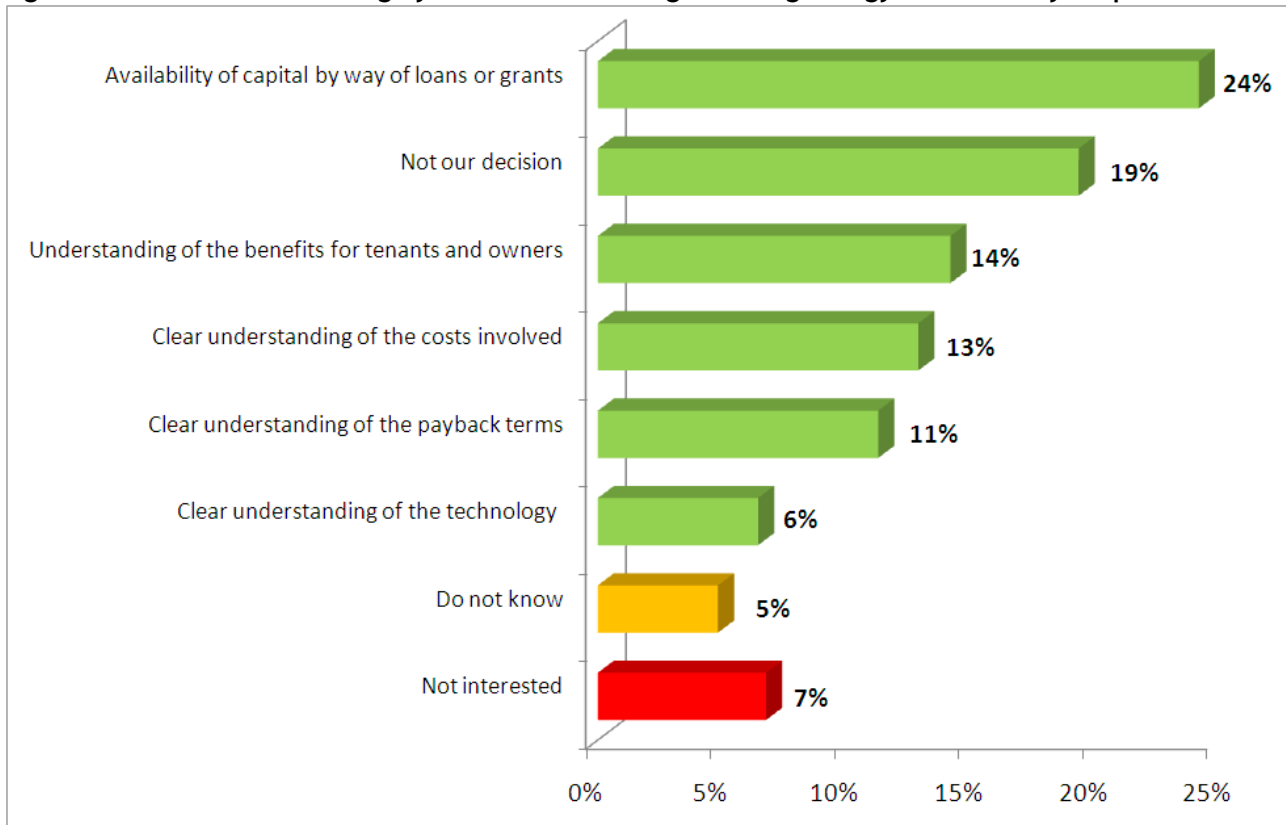


Source Environmental Members Panel 2011

Incentivisation of larger scale property improvements

24% of panel members would consider installing energy generating equipment such as wind turbines or solar panels if there was increased availability of loans or grants to support such schemes. Around 20% said it was not their decision as they rented the property, the property was listed or they were about to sell. However some businesses renting would be interested on greater promotion of how tenants and owners could benefit from property improvements. As important for many respondents was accurate information giving them clear understanding of the costs involved and the pay back terms. 11% would like to know more about the technology so that they can maximise the technology.

Figure 8: What would encourage you to install micro-generating energy facilities at your premises

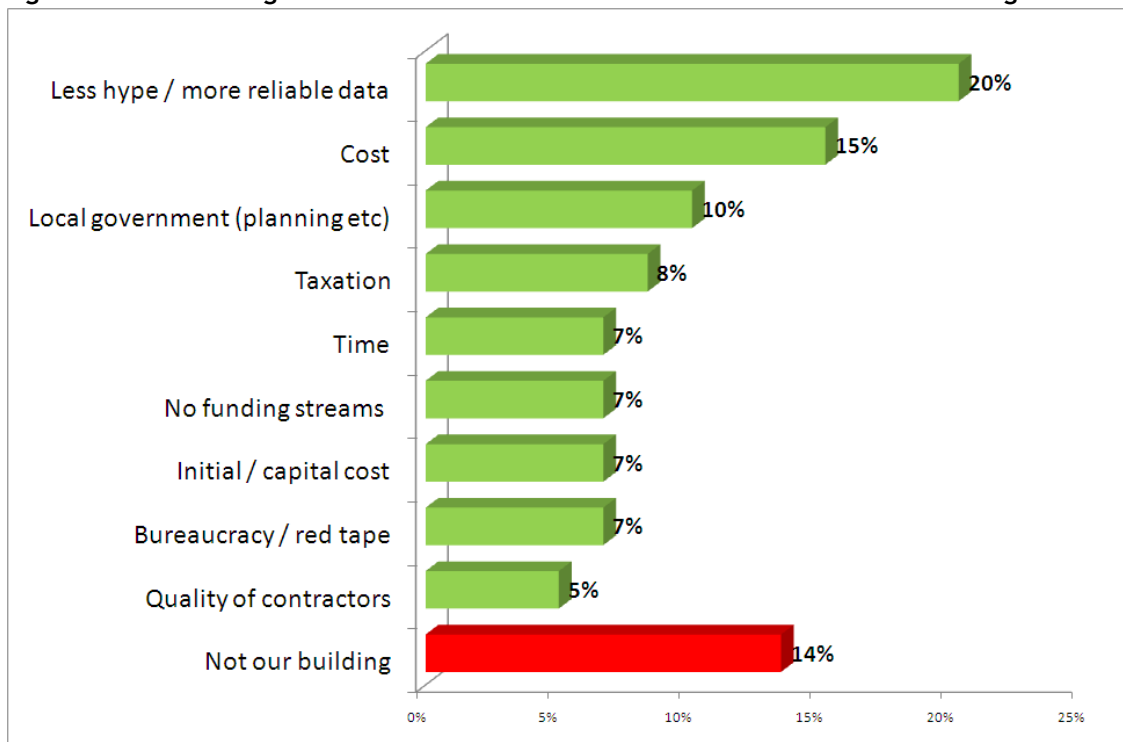


Looking at more general barriers to large scale property investment showed similar barriers for business. The question was open ended and some similar themes reoccurred. Cost and affordability were concerns for 36% of businesses with 15% stating cost was a problem, 8% specifying initial or capital cost was an issue, 7% stating that taxation (especially VAT and green taxation) made it difficult to afford such improvements and a similar number reported that there were few funding schemes available for businesses wanting to undertake larger scale improvements.

Another key issue for businesses was more reliable data and less hype so that they could make a more informed decision.

The other main problems reported were the bureaucratic nature of making improvements and the lack of support provided by local government. This tended to be concerned with decisions on planning permission and a low regard for the ability of the council to support the process of environmental improvement by businesses. Closely allied to this was the concern about red tape - this could be over the forms needed to apply for planning permission or compliance with building regulations.

Figure 9: Barriers to greater investment in environmental services and technologies



Specific measures wanted by business owners

Business owners were asked what measures they would like to see put in place to help them to invest further in environmental schemes. One member summed up a large proportion of the items mentioned by business owners:

“Impartial advice, greater depth of advice, clear case studies, easier to understand funding proposals.”
Panel Member Response

Information was a key theme for businesses, they want it to be easily available over the internet, be in an obvious place and be clear and relevant. Sometimes there is little indication whether a scheme is likely to be relevant or not, while the temporary nature of some schemes can lead to frustration as owners find out they have been looking at a scheme that is already over.

Making the environment tax neutral would also help businesses sceptical about the value of green schemes. Currently the Government makes £29bn from green taxation but only 2% is given back to taxpayers in the form of incentives(1). One possibility would be to reduce VAT on green technologies or simply use the tax system to help insure green projects are cost neutral for the business. Currently VAT is 0% on micro-generation projects but this could be significantly extended as green tax reliefs (including this project and Cycle to Work scheme) cost the Government £5m in 2010. Grants and soft loans for businesses would also be beneficial at a time when some businesses are struggling to make a profit.

Simplifying environmental taxation would generally be helpful to smaller firms and would help them invest. Lack of clarity on the cost of green taxation over the short and medium term inhibits the ability of smaller firms to judge whether they could afford further investment.

Businesses also feel that local government should be part of the solution rather than a barrier to greater development. Planning departments should support green schemes and encourage grants to regenerate high street on a more sustainable level.

A couple of businesses felt that a scheme to improve the updating of vehicles similar to the scrappage scheme would also support businesses who want to reduce the cost of their fleet. Whilst other business owners felt that extending energy ratings to all electrical equipment such as IT equipment rather than more complicating entities such as buildings.

The Green Deal

“It hasn’t yet [made any impact on a decision to invest further in green technology]- because the devil is in the detail and we have no details” Panel Member Response

Most businesses are not looking to change let alone increase investments as a result of the recent Green Deal announcements. A number pointed out that many schemes in the past have been overly subscribed, not providing enough savings for the amount of time spent form-filling and not appropriate for their business. Others feel that they have already done a large amount of work in reducing resources and that this will not change matters significantly - if the calculations are right then they will invest.

15% were looking for further details and a further 10% stated that they may invest in technology to reduce energy or energy generating equipment such as CHP (combined heat and power) or solar power if these were options. There was little discernible interest amongst members for lagging and boiler improvements as most businesses had either undertaken such improvements or were not in a position to do so.

As shown earlier, 63% had not used public sector or specialist support recently to help them, so this response is understandable from a group of proactive but highly independent small business owners.

Business owners are concerned over how the green deal will affect their business as they feel that the costs of utilities are already high enough. There are also concerns about how the scheme will actually improve their ability to make their businesses more efficient and reduce long-term operating profits. Others wanted simple clear information about what the scheme would do, who was eligible for it, how long it lasts and how they could access funding. Others wanted specific information:

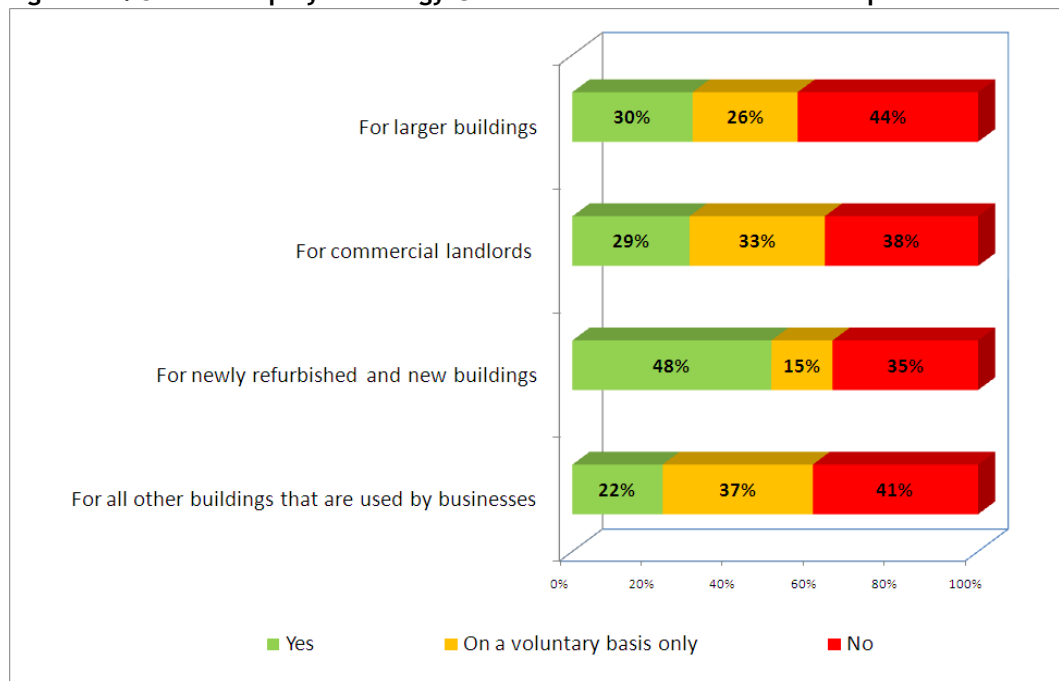
“The maximum potential saving based on a number of scenarios where a building has already had some work done - e.g. if I add 10cm of roof insulation to the existing 10cm what effect will it have on the fuel bill?” Panel Member Response

For such businesses consultant recommendations are important and these businesses also need to know what is included in the scheme.

Display of energy certification

Currently Energy Performance Certificates (EPCs) are required when any building is sold, rented or constructed, and sometimes after refurbishment work, however the Display Energy Certificates include further information, providing charts on the operational rating, CO2 emissions and previous operational ratings. There would also be a fine for businesses who did not display it or whose advisory report was not valid.

Figure 10: Should Display of Energy Certification be extended to the private sector?



30% were set against any sort of display of energy certification in the private sector, pointing out that it would create another tranche of bureaucracy, create more “jobsworths” who would cause disruption to the business by demanding to see their certificate and a general feeling that this would actually waste more resources than it was designed to save. Some businesses were generally sceptical of regulation being used in this way and would be interested in knowing the cost to the taxpayer and the effectiveness of the scheme in the public sector. Others wanted to know how such schemes would improve the environment in which they lived and what they had done about unfortunate side effects which encourage people to ignore legislation rather than support it. One business cited the recent proscriptive waste regulations as incentivising fly tipping and felt that not enough had been done in this respect.

Respondents were most likely to support displaying certification for recent refurbishments and new builds as these were least likely to cause disruption to the business and would give the organisation an opportunity to highlight the value of the construction work. Seeing an improvement in the energy efficiency of a building might assuage staff who had had the inconvenience of working alongside a building site for a few weeks. Energy Performance Certificates (EPCs) have been required since October 2008 for such buildings as well as commercial landlords and so around 15-20% felt that this was all that was needed as it would help businesses understand the cost implications of renting a particular property.

Some businesses felt that the current system did not do enough to ‘name and shame’ poor landlords, whilst others were concerned that certification adds cost to the process. Some felt that punitive measures were needed to bring the worst offenders into line and one business felt that coercion would also put pressure on councils that were dragging their heels. A number argued that energy certification was already required for most building changes and so displaying this ought to be sufficient. Retailers in particular saw the benefits of displaying an energy certificate, providing that there was sufficient funding and support available for them to increase the efficiency of their premises.

Many businesses simply had not heard of the display energy certificates scheme in the public sector and so were reluctant to comment on the idea.

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