

Business Resource Efficiency Support Strategy and Action Plan for the South East 2008-2011

Helping business to save money and improve their performance through effective management of resources

December 2008

Lead Partners



Contributing Partners

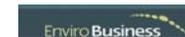


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1. Introduction

Welcome to the Business Resource Efficiency Support Strategy for the South East. This Strategy will move the current availability and uptake of environmental business support to a new level and at the same time fit in with the "Solutions for Business" support being developed nationally by the Government. This will assist businesses in the South East, facing a challenging economic climate at the present time, as well as preparing them for the opportunities presented by the emerging UK and global low carbon economy.

The Strategy has been developed in conjunction with a range of stakeholders (listed in Appendix 4) whose expert input has been invaluable.

2. Background

The South East is committed to stabilising, and then reducing, its ecological footprint, which is currently three and a half times higher than a sustainable rate and still growing. It has set out a route map, published in August 2008 ([www.seeda.co.uk/Publications/Sustainable Prosperity](http://www.seeda.co.uk/Publications/Sustainable_Prosperty)) to help the region achieve this, which includes the role of the business community in reducing its footprint through the more efficient use of resources.

The ecological footprint is one of the 3 headline targets for the RES and the Regional Spatial Strategy (RSS) which is broken down into further targets specifically relating to resource efficiency, as shown below. It is these targets that are addressed in this strategy.

The relevant RES and RSS targets for 2016 are to:

- reduce carbon emissions by 20% by 2016 (RES)
- increase diversion of waste from landfill to 80% (RSS)
- reduce water consumption by 20% (RES)

Baseline: 2003

The reduction needed by the business sector to meet these targets is substantial, revealing the extent of the challenge and the dramatic step change in business action that is required to meet them (please see Appendix 2 for details). Equally, there are significant cost savings for individual businesses, and economic benefits to the region as a whole, from adopting low carbon, resource efficient measures. Across the South East, these have been estimated to amount to £871M/annum (Defra 2007)

3. The Strategy

This Strategy must drive a step change in the volume and type of actions being taken by businesses to become more resource efficient. It also acknowledges the reforms on business support under consideration by government, including the reduction in public subsidy, especially for one to one support, and an expectation that the private sector will increasingly deliver the required level of carbon reduction and resource efficiency services. The new "Improve Your Resource Efficiency" business support offering that will replace the previous BREW¹ funded organisations and programmes will be agreed later during 2008-09 and come on line by March 2009.

¹ BREW – Business Resource Efficiency and Waste

Furthermore, the Strategy positions Business Link as the primary access channel for business support, as required by the Government's Business Support Simplification Programme (BSSP)². SEEDA is responsible for working with national and regional partners in developing Regional Transitional Management Plans to drive delivery of BSSP regionally.

The Strategy has five overarching themes.

1. **Vision and leadership** - to give a clear picture about the future and coordinating activity across the South East to ensure best use of all available resources.
2. **Delivering through partnerships** - including those that have a regulatory, customer or shareholder requirement to reduce carbon emissions and be more resource efficient. This includes local authorities, water, waste and energy companies, trade bodies and associations with the aim of encouraging them to convey the same message for change.
3. **Networking and Community Building** - we know that businesses listen to other businesses so this theme focuses on building networks and communities to facilitate peer to peer learning and sharing.
4. **Incentivising Action** - to overcome the known barriers of cost and time.
5. **Increasing Awareness and Uptake of Business Support** – to maximise awareness and uptake, using Business Link as the key marketing and access channel to businesses.

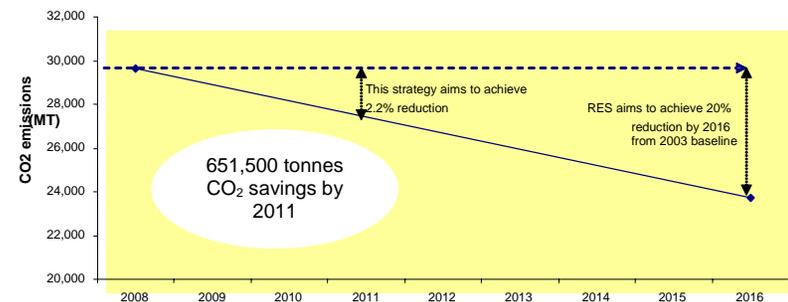
² BSSP - <http://www.berr.gov.uk/whatwedo/enterprise/simplifyingbusinesssupport/page44805.html>

4. Impact

(see Appendix 3 for breakdown)

The Strategy aims to have the following impact:

- 2.2% reduction in carbon emissions by 2011, equivalent to 651,500 tonnes carbon emissions (as shown in graph)
- A diversion of 2.82M tonnes of waste from landfill via the Pathway to Zero Waste Strategy (PTZW) (equal to additional diversion of 30% waste from landfill)
- 7,775 million litres water savings (equivalent to a 2% reduction from current levels).



(Waste and Water actions are similarly in line with the longer term targets)

These savings will be delivered through the 5 themes in the strategy as shown below:

Strategy impacts	CO2 savings	Waste diverted (t)	Water savings (ML)
Theme 1 – Vision and Leadership	Not quantified		
Theme 2 – Delivering through Stakeholders	619,000	2.8M	6,750
Theme 3 – Building more effective networks	7,500	Nil	Nil
Theme 4 – Incentivising Action	25,000	11,500	1,025
Theme 5 – Maximise Awareness and Uptake	Not quantified		
Total impact	651,500	2.82M	7,775

5. Monitoring

There is currently no standard region-wide system to monitor the impact of the strategy. Data are currently captured through the referral and brokerage systems in Business Link and ENWORKS (www.encyclopedia.net) used by the Sustainable Business Partnerships and SEEDA delivery partners, and via other possible sub-regional tools being considered by Local Authorities. Regional impacts may be able to be monitored using the LAA indicators which feed into the REAP (Resource & Energy Analysis Programme <http://resource-accounting.org.uk/>) and the REEIO Model (Regional Economy Input-Output Model <http://www.wflearning.org.uk/scpnet/tools/reeio/>).

Further work is being done to ensure appropriate and transparent measurement and integration of reporting into the RES Monitoring Reports.

6. Resourcing/Funding

SEEDA is funding an interim programme of support in 2008-2009, including the Business Link Sustainable Business Service and environmental reviews delivered by the Sustainable Business Partnerships. Also, a new pilot incentive scheme to promote the uptake of private sector services is to be launched in winter 2008.

SEEDA has also released to pre-qualified partners five ERDF specifications for projects on sustainable travel, design, construction, procurement and reduction, reuse & recycling of materials. These are also included in the Strategy and are scheduled for start in early 2009.

Whilst awareness levels of general resource efficiency is relatively high, there is a continued need to work closely with stakeholders to maintain 'demand' and awareness of business resource efficiency support products. Therefore, a SEEDA-funded stakeholder engagement strategy is currently being developed although there will be limited activity in 2008-09.

Total SEEDA funding for the core Business Resource Efficiency programme amounts to around £2M over the 3 year period of the Corporate Plan (2008-11). This will be matched by ERDF funding. In addition, the Pathway Towards Zero Waste programme has a total budget over this period in excess of £8M, from all partners. Together with the effort provided by national delivery bodies, this represents a major investment in the South East towards the resource efficiency agenda that will support businesses in reducing their operating costs, and improve their environmental credentials, thereby helping businesses to become more competitive and thrive in these difficult economic times. In doing so, businesses will be playing their part in reducing the region's ecological footprint, improving the region's resilience to energy security, reducing water stress and reliance on raw materials, at a time of global pressure.

8. Key Resources Consulted

A Framework for Pro Environmental Behaviours, 2007 DEFRA

Bringing innovation to existing approaches to influence the behaviour of small businesses, National Centre for Business and Sustainability/DEFRA, March 2006

Carbon Pathways analysis, Informing Development of a Carbon Reduction Strategy for the Transport Sector, July 2008 DfT

Corporate Plan 2008-11, SEEDA

Future Water, HM Government's Water Strategy for England

Future Water Efficiency Targets, A consultation, Ofwat, July 2008

Prosperity of all in the global economy – world class skills, Leitch, December 2006

Quantification of the Business Benefits of Resource Efficiency October 2007, Oakdene Hollins/DEFRA

Reducing the South East's Ecological Footprint, WWF/SEEDA/SEERA July 2008

Reducing Carbon Emissions from Transport, February 2006, Sustainable Development Commission

Regional Economic Strategy for the South East 2006-2016, SEEDA

Security of Supply, 2006-7, Ofwat

Social and Environmental Responsibility and the Small Business Owner, south east findings, Federation of Small Businesses, South East Policy Unit, March 2008

Stakeholder Review forums – SEEDA 2008

Sustainability in the South East, March 2008, SEEDA

UK Renewable Energy Strategy , Consultation, June 2008, BERR

Business Resource Efficiency Strategy – An Overview

Theme 1 - SEEDA will provide **regional leadership and direction** on Business Resource Efficiency through:

- championing the carbon reduction agenda through the Low Carbon Regional Leadership initiative with key regional bodies and private sector companies
- overseeing delivery of the Pathways Towards Zero Waste regional initiative
- embedding resource efficiency and sustainability throughout SEEDA's activities, including innovation and growth plans and skills programmes
- supporting the Manufacturing Advisory Service, Train to Gain, Business Link and other business support services
- supporting businesses that deliver environmental technology solutions within the SE and globally
- driving sustainable procurement in the public and private sector supply chains,
- working with local authorities with LAA (Local Area Agreement) target (NI 186) to achieve carbon savings within their area, including from business energy and transport
- Developing support tools for Diamond authorities to support their efforts to stabilise and then reduce the ecological footprint within their subregions
- co-ordination, monitoring and reporting of activity by Business Link and other delivery partners
- influencing the commissioning and selection of projects on Sustainable Consumption and Production themes that are funded by European Regional Development Fund (ERDF) and European Social Fund (ESF) streams

Theme 2 - Working with **business stakeholders**, we will harness existing relationships and support mechanisms to drive a co-ordinated programme to help businesses take up energy, water and waste saving measures with bottom line cost savings. These include:

- energy and water utilities to target businesses with high energy/water consumption
- trade and business associations (FSB, IOD, Chambers of Commerce, CBI and others) to target members
- Government-funded delivery partners delivering the Solutions for Business "Improve Your Resource Efficiency" programme

Theme 3 – Capitalise on **business networks and communities** of interest, for example businesses in the same sector or geographically close to each other, to encourage sharing of information and joint action to become more resource efficient.

Theme 4- Whilst the long term objective of the strategy is to stimulate businesses to adopt resource efficiency as an everyday activity, there is a need in the medium term to continue to **incentivise action** funded through the public purse. This Strategy includes a range of existing and new mechanisms to provide financial and other support for resource efficiency, including a programme of support under the (ERDF) covering sustainable procurement, transport, design, and second use of materials and products.

Theme 5 – Ensure effective **marketing** of the programme, through existing Business Link routes and proactive stakeholder engagement, promotion of case studies and campaigns to encourage and support businesses on their journey towards resource efficiency.

Summary Business Resource Efficiency Support Strategy 2008-2011

How are we going to get there?

Where are we now? (please refer to Appendix 1 for more detail)

SEEDA and regional partners

- Need new business support model to fit in with BSSP, shift to privately funded business support & step change in uptake from business community
- Need to leverage all available funding and partners to meet challenging sustainability targets to dramatically cut carbon, waste & water

The region

- Over 760,000 enterprises in the SE of which 365,000 are VAT and PAYE registered. A working population 3.6 million.. Only 25,000 with > 10 employees. Key sectors are services, manufacturing and retail
- Needs to achieve annual carbon savings of 556,000t/a from buildings/processes and 184,500 from transport to deliver 20% savings – approx 70 tonnes/business.
- Needs to put in place infrastructure and services to divert 80% waste (3.8m t/a) from landfill
- Needs to reduce water consumption by 20%, which roughly equates to saving 2.3l/person/day

Businesses – “the norm” today

- Key motivator is personal belief of owner/manager (ref DEFRA research) – but not widespread
- Key barrier is the time & cost of the transaction (eg find the right supplier of energy efficient lighting), relevance & importance. Often don't see the need.
- Cost savings not always effective driver for action – many businesses look at staff cuts before raw material/energy savings - or focus on increasing sales
- To overcome barriers need motivators - pull of economic incentives or push of legislation
- Businesses currently look to peers, council or Environment Agency for help

The region adopts 5 themes:

Theme 1: Vision and Leadership

Create a vision for a low carbon business and align all business support so together it takes the region towards it.

Theme 2: Delivering through stakeholders

Delivery through partnerships with key players who have regulatory, shareholder or customer demands to reach targets in the South East – including local authorities, utility providers and waste service providers and trade associations

Theme 3: Building more effective networks and communities

Build a community of businesses to share information, successes and activities, tapping into the social networks that are becoming an enduring part of everyday life

Theme 4: Incentivising Action

Provide incentives for businesses to take action that overcome the key barriers of time and cost, fill gaps in current support and support the use of private providers

Theme 5: Maximise Awareness and Uptake

Market available business support through Business Link and all other routes to ensure maximum awareness and uptake

Where do we want to be in 3 years' time?

SEEDA and regional partners

- SEEDA **anticipating the future** for low carbon, resource efficient businesses in the South East and sharing this vision with business leaders of today and tomorrow
- Coordinating a **high impact** joined up offer of market led business support in the South East
- Ensuring support is **easy to find, easy to use** and sourced **locally**
- Ensuring support **enables** businesses to take **action** and leads to **bottom line** and **sales benefits**
- SEEDA able to **track progress** towards RES targets and allow businesses to see how they are doing compared to their peers

The region

- Delivering carbon reductions of 2.2% - approx 500,000 tonnes from buildings/processes and 178,000 tonnes from transport/travel – 17,000 businesses savings 20 t/a from Apr 09 onwards
- Delivering diversion of additional business waste of 2.7Mt (ie extra 30% diversion from 2006 levels) – 26,000 businesses saving 50tpa
- Delivering 2% water savings of 7,500megalitres or 0.25l/person/day or 8,000 businesses saving 5litres/day/annum

Businesses – “the norm” in 3 years

- Businesses recognise the commercial benefit of investing time and money in resource efficiency.
- Starting to see a cultural shift – personal beliefs are more closely correlated to actions taken at work
- See vision for the business of the future

A Vision for the Resource Efficient Business of 2016



Theme 1 – Vision and Leadership

Principles:

- SEEDA has central role in coordinating activity, driving through policy and legislation to a regional level and leading the way with its vision for businesses in 2011
- SEEDA also has a key role through the RES to monitor progress and achievements

Action Plan	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact by 2011
1.1 Coordinate all existing business support activity within the South East to ensure it is aligned and giving the best possible contribution to the 2011 targets.	SEEDA Sub-Regional Solution Providers (inc SBPs), Envirowise, CT, NISP, WRAP, EA, EST, BL	SEEDA environment team	ongoing	An integrated and effective national, regional and local referral, brokerage and delivery process.
1.2 Embedding low carbon, resource efficient ethos across SEEDA – in particular the Diamonds, Innovation & Growth teams, and Investor Development Teams and ensure full integration within the new business support strategy	SEEDA	SEEDA environment team	ongoing	Resource efficiency incorporated in all SEEDA sponsored activity
1.3 Ensure all SEEDA funded skill programmes include low carbon, resource efficient content – specifically Management & Leadership programme as part of business strategy/decision making (NVQ4-5) and other programmes for employees (NVQ2-3) include carbon footprinting, energy management. Upskilling at all business levels is important to ensure that all companies accept resource efficiency as standard practice and understand how to implement.	SEEDA SEEDA ESF team, JobCentre Plus, Train to Gain, HEIs, Sector Skills Councils, IEMA	SEEDA learning and skills team	ongoing	Resource efficiency incorporated in all skills projects
1.4 Establish a “ Business Champions Forum” of business and partners to drive activity and review progress as well as undertaking research on specific policy issues.	SEEDA Business leaders, Sub-Regional Solution Providers (inc SBPs)	SEEDA environment team	2009-10	The region to be seen as a clear leader in supporting the reduction of business carbon
1.5 Measure the impact of business support (and its contribution to the Regional Economic Strategy) and develop the client management role of Business Link to facilitate reporting on impacts. This work will require a clear standard means of reporting potential and actual savings and include activity from all partners	SEEDA BL, GOSE, LAs, Sub-Regional Solution Providers (inc SBPs), Envirowise, CT, NISP, WRAP, EST, MAS	SEEDA environment team	ongoing	A simple, widely used and visible set of targets with annual progress reports.

Theme 2 – Delivering through stakeholders

Principles:

- There is a current range of business support offered by national and local partners whose activities need to be coordinated and plans made for a future transition from a free to a “paid” service
- All businesses in the South East are in a customer relationship with an energy, waste and water provider, with trades people for maintenance and a local authority. The principle underlying this theme is to leverage these relationships and use as a route for step change in number of businesses taking action and accessing support

Action Plan 2009-2011	Target business audience	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact by 2011
<p>2.1 Work with government funded delivery partners on energy, water, waste and transport, including home based businesses, to ensure their existing support has maximum impact in the South East.</p> <ul style="list-style-type: none"> ➔ Explore their plans for ending free services and different models that will be introduced (eg MAS model which provides free consultation, then chargeable services for more detailed support) ➔ Establish joint action planning for the SE 	All with willing to pay for services	<p>SEEDA</p> <p>Carbon Trust, MAS, EEF, Sub-Regional Solution Providers (Inc SBPs), SAFED, BL, EST, Envirowise, WRAP</p>	SEEDA Environment Team	ongoing	<p>364,000t CO₂</p> <p>30,000 tonnes waste</p> <p>1,750MI water</p>
<p>2.2 In line with the UK Waste Strategy 2007 maximise the diversion of materials from landfill, through the Pathway to Zero Waste programme, through focus on priority “waste” streams</p>	Construction (yr 1), food & drink (yr 2) and wood waste producers (yr 3)	<p>Environment Agency, WRAP, SEEDA</p> <p>NISP, Envirowise, IESE, SECBE, Envirobusiness, Sub-Regional Solution Providers (inc SBPs)</p>	Zero Waste Programme Team	ongoing	2.78M tonnes waste diverted from landfill
<p>2.3 Deliver an effective brokerage platform through Business Link of quality assured commercial suppliers of products and services. This work to include:</p> <ul style="list-style-type: none"> ➔ engaging with key trade bodies – starting with Electrical Contractors Association (ECA) and Heating and Ventilating Contractors Association (HVCA) ➔ working with the Carbon Trust Low Carbon Collaboration Programme’ to act as ‘amplifier’ to reach smaller businesses 	Smaller (non half-hourly meter users) business in manufacturing, retail, wholesale, hospitality and tourism sectors	<p>Business Link</p> <p>Carbon Trust, ECA, HVCA, IEMA, BSI, MAS, Sub-Regional Solution Providers (inc SBPs), BL</p>	Sustainable Business Service, Business Link	2009-10	<p>5,000t CO₂</p> <p>1,000 tonnes waste</p> <p>1,000MI water</p>

Action Plan 2009-2011	Target business audience	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact by 2011
2.4 Work with top 3 energy providers in the SE on a combined approach to half hourly meter users, including those with obligations under the Carbon Reduction Commitment, to ensure they access support from the Carbon Trust or commercial providers to reduce energy use. If successful, roll out to remaining energy providers.	Half hourly meter users – manufacturing, retail, hospitality (>£50k/annum)	Business Link Energy Suppliers, CT, ,NISP, EST, MAS, Sub-Regional Solution Providers (Inc SBPs), BL	SEEDA Environment Team	Q4, 2008-09	50,000t CO ₂
2.5 Work with Local Authorities to: <ul style="list-style-type: none"> ➔ maximise the business engagement required by LAA indicators in line with the BSSP ➔ leverage supply chains 	All businesses	GOSE, SEEDA Area Teams Local Authorities, CT, EST, Envirowise, BL, Sub-Regional Solution Providers (inc SBPs), IESE	GOSE	ongoing	200,000t CO ₂
2.6 Work with all water companies in the SE on a combined approach to reduce water consumption from all big water consumers (leveraging mandatory reductions per business property under consideration by OFWAT) Promote the uptake of shared savings water efficiency schemes with limited capital cost	Businesses with > £5,000/yr water cost	SEEDA, Environment Agency Water companies, Envirowise, Aquafund, SECBE	SEEDA Environment Team	ongoing	4,000M L water
2.7 Stimulate demand for environmental services through the introduction of an “environmental review taster pack”	All businesses	Business Link IEMA, Sub-Regional Solution Providers (inc SBPs)	Sustainable Business Service, Business Link	2009-10	None

Theme 3 – Building more effective networks and communities

Principles:

- Businesses respond to other businesses' experiences
- Businesses are made up of people who live in communities

Action Plan	Target business audience	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact by 2011
3.1 Develop county based growth/sustainable business groups. To include areas of business density (business parks, high streets etc) and best mechanism to encourage and facilitate peer-to-peer learning using existing networks (eg trade bodies, Rotary, Round Table, Inner Wheel, WIs)	Business motivated to take action in same geographic location, Sub-Regional Solution Providers	Business Link SBAs Town Centre Managers, Sub-Regional Solution Providers, Park Managers, Local Authorities, Chambers	SEEDA Environment team	2009-10	5,000t CO ₂
3.2 Set up an on-line community platform for sharing experiences (blogs), recording carbon and other savings, building local networks and celebrating successes	Business motivated to take action	Business Link, SBAs	SEEDA Environment Team	2009-10	2,500t CO ₂

Theme 4 – Incentivising Action

Principles:

- Business owner/manager and employees who are motivated and personally believe in low carbon resource efficient business, are most likely to take action
- Incentives for action need to reinforce behaviour change in the workplace and within the community
- Incentives must further support the DEFRA policy transition from public to privately funded business support – ERDF and other funding will be used to support this transition
- BL is the principal gateway for business support, providing a seamless referral/brokerage system to providers, running targeted campaigns and raising awareness of available support

Action Plan	Target business audience	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact by -2011
4.1 Pilot an incentive scheme with 1000 SMEs to get them actively engaged in their energy management and follow with a small financial incentive to support action on priority areas Roll out incentive scheme to support water reduction, waste diversion as well as carbon reduction (anticipate this could be in line with smart metering policy currently under consideration in the <i>Energy Act 2008</i>)	SMEs	Business Link Energy companies, MAS, Sub-Regional Solution Providers (inc SBPs), BL, Carbon Trust, LAs Envirowise (waste/water)	SEEDA funding for pilot. ERDF funding for roll-out (tbc)	ongoing	9,000t CO ₂ 1,000 tonnes waste 1,000 MegaL water
4.2 Deliver 300 Environmental Reviews in 2008-2009.	businesses with 10+ employees, non-office based, in owned premises	Sustainable Business Partnerships	SEEDA funding for 2008-2009 only Investigate alternative funding model for 2009-2010 (linked to work with environmental taster pack - theme 2.7)	ongoing	6,000t CO ₂ 500 tonnes waste 25 ML water
4.3 Offer incentives for reduced business transport, including support on developing and implementing green transport policies, improved route planning and a “stay put” programme to step up the transition to on-line meetings, web-broadcasting to reduce business travel. Ensure link support with council Local Transport Plans	All businesses with regional transport requirements	SEEDA	SEEDA ERDF team	ongoing	10,000t CO ₂

Action Plan	Target business audience	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact by -2011
4.4 Facilitate the increased uptake of business recycling services through encouraging directly managed LA trade waste services and innovative private and not for profit companies to provide recycling services based on good practice learned by SE and WRAP national SME recycling trials	All businesses in discrete geographical locations – eg business parks	SEEDA via ERDF and Sustainable Prosperity teams	SEEDA ERDF team	ongoing	10,000t waste diverted
4.5 Through the Pathway Towards Zero Waste programme, increase the available infrastructure for recycling business waste materials in priority sectors through targeted support including funding of exemplar or demonstrator plant	Construction sector	Pathway towards Zero Waste team	Pathway towards Zero Waste team SEEDA, WRAP capital grant competitions	ongoing	impacts included in Action 2.2
4.6 Support growth businesses looking to produce products and services designed to reduce environmental impact. Support to help reduce risk of owner/manager associated with time/resources required to develop the new products/services	Manufacturing & business service sectors	SEEDA Growth & Innovation Teams, MAS, Envirobusiness ³ , Business Support Kent	SEEDA ERDF team, Interreg 4a ⁴	ongoing	TBA
4.7 Supporting and encouraging public and private organisations operate sustainable procurement processes.	All	SEEDA ERDF	SEEDA ERDF team	2009-11	TBA
4.8 Explore the establishment of an investment fund (similar to Aquafund) to resource waste, water and energy saving projects under consideration by businesses in the South East. The investment fund take a shared savings scheme approach and be suitable for larger water, energy users or high waste companies.	All	SEEDA	SEEDA Environment Team	2009-10	TBA

³ Envirobusiness awarded SEEDA funding - Sustainable Prosperity and Global Leadership in Environmental Technologies,

⁴ Eco-mind, Interreg 4a (North Programme) – 3 year programme across Netherlands, France and part of SEEDA region to support Eco-Innovation - Business Support Kent

Theme 5 – Maximise Awareness and Uptake

Principles:

- Make goals visible, inspire change and make action easy

Action Plan	Target business audience	Lead (bold) & other delivery partners	Resources	Start date	Estimated impact in 2010-2011
5.1 In line with BSSP, continue to promote Business Link as the key route for support and brokerage, utilising the Business Link Advisers as proactive salesforce on this agenda	All businesses	BL Sustainable Business Service	SEEDA funded Sustainable Business Service delivered as part of the core Business Link service in the South East	ongoing	Increase in number of businesses engaged and taking up support via BL gateway Savings included within other Actions
5.2 Proactive stakeholder engagement with professional trade, community and business organisations/networks. This will involve a programme of activity to a wide ranging target audience and linking to activities in the partnership theme.	All businesses	BL Sustainable Business Service	SEEDA funded activity for 2008-2009 Need to investigate options for 2009-2011	ongoing	As above
5.3 Promote business stories (case studies) through regional and national press, partner websites and new Business Link national website podcast facility. Manage this process.	All businesses	BL Sustainable Business Service	SEEDA funded activity for 2008-2009 Need to investigate options for 2009-2011	ongoing	As above
5.4 Planned and proactive press campaign – a South East view of business issues/ more tabloid and personal approach	All businesses	BL Sustainable Business Service	SEEDA funded activity for 2008-2009 Need to investigate options for 2009-2011	ongoing	As above
5.5 Hold an annual "Mayday" event to support and promote the Prince of Wales' initiative to get businesses to commit to actions to mitigate climate change	All businesses	BITC BL SBS, IEMA	SEEDA environment team	ongoing	As above

Appendix 1

Where are we now? What do Businesses in the South East look like?

Over 3.5million people are employed by businesses in the South East; 60.3% by SMEs

Who is the Owner/Manager

Just over 60% of businesses are managed solely by men, and of those with employees over 50% Women lead 12% of business, with just 6% being led by Black or Ethnic Minorities
Source: BERR, Annual Small Business Survey 2005

Working from Home?

For people, in the UK whose main place of work is not the home, 15% worked from home at least one day a week
Convenience (31%) and cost (21%) were the two key reasons for homeworking.
Source: BERR Annual Small Business Survey 2005

Where does growth come from?

92% of businesses aiming to grow anticipated growth simply from increasing the volume of turnover or sales
Source: BERR Annual Small Business Survey 2005

Needing Business Advice?

The most common reason for UK businesses not seeking business advice was the lack of need for it (75%)
Source: BERR Annual Small Business Survey 2005

What Size?

75% have **no** employees
21% are **Micro companies** (1-9 employees)
3.2% have **10-49** employees
0.5% have **50-249** employees
0.2% have more than **250** employees

Source: BERR Annual Small Business Survey 2007, SE Businesses

What Sector?

Manufacturing (inc mining, utilities) **7.9%**
Construction **20%**
Financial/Service Sector **30.2%**
Land Based **1.9%**
Wholesale, Retail, Hotels/
Restaurants **14.9%**
Transport and Communications **5.1%**
Education/Health, Other **20%**

Source: BERR Annual Small Business Survey 2007, SE Businesses

Family or Corporate?

In the UK, 65% of businesses describe themselves as family owned, with most (77%) controlled by the first generation
Source: BERR, Annual Small Business Survey 2005

Homebased Business?

Almost 40% of South East businesses are run from home – they are most likely to be run solely by men (39%), aged 25-44 (46%) who have children (43%), and be middle-management/knowledge-worker job level.

Almost 50% of the construction and business/financial service companies in the SE are home based.

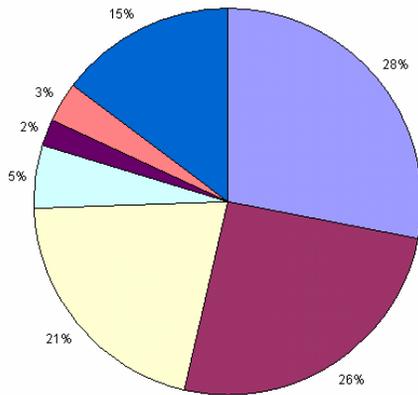
Not surprisingly 41% of micro businesses (1-10 employees) are home based, however 16% of companies employing 11-49 employees are also based at home
Source: Home Based SME's, Business Link Hot Topic Spotlight, Nov 2006

Public or Private customers?

Only 15% of UK companies have done public sector work in the past 12 months and only 7% expressed an interest in bidding for public work
Source: BERR Annual Small Business Survey 2005

What resources are the South East's businesses currently using?

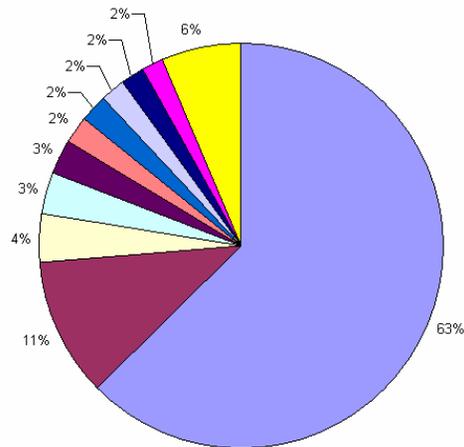
Energy Use by User 2008



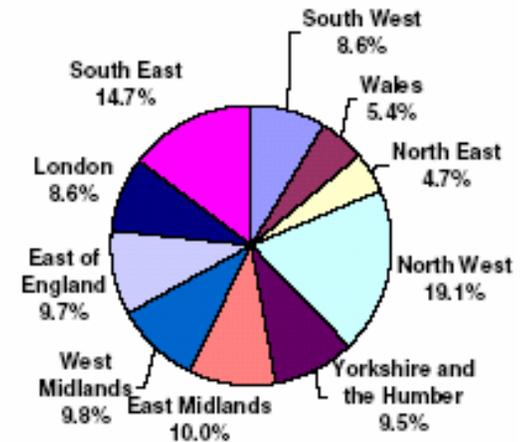
- Power generation
- Road transport
- Domestic use (households)
- Energy industries' own use: other
- Paper, printing & publishing
- Other non-business
- Other business and industry

Source: RAMEA

Water Use by User 2008



- Domestic use (households)
- Chemicals
- Wood, paper etc
- Agriculture
- Retail and wholesale distribution
- Education
- Hotels & catering
- Food, drink & tobacco
- Electrical engineering
- Electronics
- Other



Estimated Share of Annual Waste savings

Source: Defra 2007

DEFRA estimate that South East Businesses could save £871M

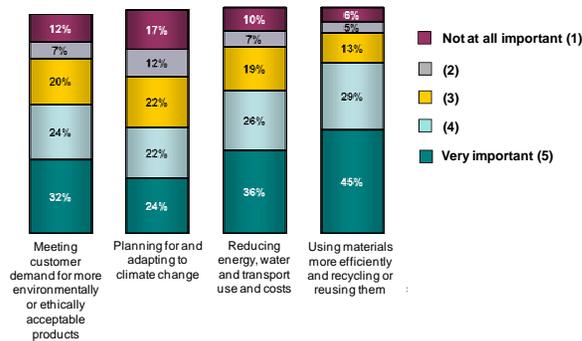
Waste £336M

Water £47M

Energy £488M

What is the attitude of smaller businesses to resource efficiency?

South East Businesses



Source: SEEDA, Sustainability in the South East 2008

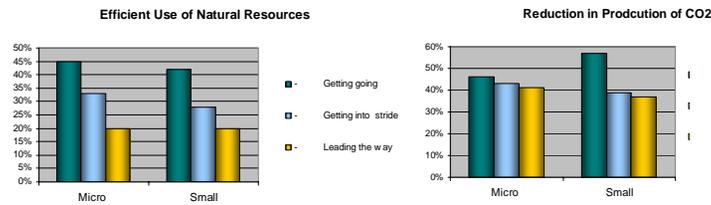
By company state

Growth businesses are most likely see that **meeting the demand for more environmentally or ethically acceptable products** is very important (35%) than steady state or decline companies

When a company is under pressure (**decline**) they are much more **likely to reduce resource use** (49%) and use materials more efficiently (56%) compared to growth businesses.

Source: SEEDA, Sustainability in the South East 2008

By company size



Source: SEEDA, Sustainability in the South East 2008

How do opinions differ by sector?

Sector:	<i>Sustainable Business Practices considered as their top priority by Business Sector</i>
Construction	- Using materials more efficiently and recycling or reusing them (53%)
Financial, Business & ICT Services	- Using materials more efficiently and recycling or reusing them (41%)
Health & Social Care	- Recruiting and retaining staff by promoting their safety, well-being and personal development (66%)
Land-Based	- Being involved with or supporting the local community (61%)
Manufacturing	- Using materials more efficiently and recycling or reusing them (45%)
Tourism & Hospitality	- Reducing energy, water and transport use and costs (54%)
Transport, Storage & Communications	- Using materials more efficiently and recycling or reusing them (45%)
Retail & Wholesale	- Recruiting and retaining staff by promoting their safety, well-being and personal development (50%)

What are the barriers and motivators for change?

What Action is being taken now?

Efficient Use of Natural Resources	Have cut the amount of materials you have used over the last 2 years 44%	Have redesigned a product/service to use less materials 31%	Changed the way you do business to offer a service instead of a product (e.g. lease/service/takeback product) 20%
Reduction in Production of CO2	Work with staff to make sure all lights/equipment are switched off when not in use 51%	Monitor how much energy you use and actively try to reduce this 41%	Trying to reduce your company's Carbon Footprint 39%
Reduction in Production of Waste	Recycle materials or pay for your waste contractor to recycle 55%	Monitor how much waste you produce and actively try to reduce this 36%	Targeting suppliers to reduce packaging on items they supply 17%
Addressing Work/ Life Balance	Offered support and flexible working to staff when needed 54%	Encouraged homeworking to reduce travel time and stress 18%	Actively managed homeworking - provide technology/support – part of your business strategy 18%
Sustainable Transport Initiatives	Encourage staff to find other ways than car to get to work 19%	Offer incentives to staff to use low-emission cars 5%	Set targets to reduce company and staff mileage by car and 'plane 14%

Barriers to taking resource efficiency action

Shortage of time (importance of issue)
Cost savings not 'enough'
Unable to act – eg rented premises
Higher costs than status quo
No easy routes to take action
Poorly monitored/managed area

Incentives/Motivators to taking resource efficiency action

Personal belief
'policed' legislation
Increased sales
Easy to do
No increased costs

Source: SEEDA, Sustainability in the South East

Appendix 2

Background paper - to inform the development of SEEDA's Environmental Business Support Strategy

Prepared by Jane Ollis and Erica Russell – Business Link,

June 2008

This paper has been prepared to support the development of SEEDA's Environmental Support Strategy. It focuses on the relevant RES targets, looks at current performance and then identifies gaps in support based on business need. This is intended to help shape the vision for environmental business support and strategies that will help SEEDA achieve that vision.

It is suggested that strategies proposed are ones over which SEEDA has direct control and in addition support the government's move towards privately funded business support. There is obviously a huge role for SEEDA in influencing government policy and regional stakeholders to help deliver regional targets.

1. RES target - Reduce carbon emissions by 20%

What does the target mean for the business sector in the South East?

	Current emissions kt CO ₂ pa	Reduction target t CO ₂ per annum	Assumptions
Business premises	22,249	556,000	Data sourced from DEFRA indicator emission for CLG indicator N186. Per annum targets calculated by dividing end target equally 8 years
Business transport (movement of goods and services)	5,286	132,000	As above + based on 13% total emissions from light vehicles and 21% HGV – DfT
Business travel	429	10,700	Regional and local road transport consumption statistics 2005 BERR + DfT Statistics on modes of travel 2007 – est 15.2% of all car travel is commuting
Commute to work	1,671	41,800	Regional and local road transport consumption statistics 2005 BERR + DfT Statistics on modes of travel 2007 – est 3.9% of all car travel is for business

What needs to happen to meet the target & where are we now with business premises?

Where to target	Reductions t CO ₂ pa	Assumption	Current business support?	Gaps based on business need?
Business premises with half hourly meter reading (big users!)	190,000	Businesses with half hourly metered account for 9,549kt Co2 annum. Could save 190,000t if 25% users saved 8% (based on CT experience of % recommendations for carbon saving implemented)	Carbon Trust – Carbon Management Programme, energy audits, interest free loans, ETL	More incentives to install renewables (long pay back), more help finding suppliers
Business premises (all else!)	228,000	Average energy spend approx £3k pa. Energy audits in SE show potential savings 20tpa on average	Carbon Trust – interest free loans, ETL	Help understanding bills and costs – smart metering. Help reducing cost and time of transaction – eg to switch to green tariff, find new lighting suppliers.... More incentives to manage user behaviours (motion sensors, timers, power down technologies to turn things off) Landlords do more – leverage EPCs
Business premises (home based)	138,000	Average consumer in South East generates 9tpa 138,000 home based businesses in the SE	EST	As above plus incentives for loft and cavity wall insulation of home office
TOTAL	556,000			

What needs to happen to meet the target and where are we now with business transport?

Where to target	Reductions t CO ₂ pa	Assumption	Current business support?	Gaps based on business need?
Business transport (movement of goods and services)	132,000	Intelligent routing of road transport can cut emissions by 20% All new cars have emissions <130g/km (DfT Low Carbon Transport Innovation Strategy)	EST for green fleet review	Incentives for telematics, location routers, advanced driver assistance systems. More incentives to use low emission vehicles – plus convert to LPG.
Business travel	10,700	To reach target need to reduce business travel (assuming car only) by 35.6m miles per annum – or 7,000	EST for green fleet review	Support and incentives for virtual meetings

		businesses reducing business travel by 5,000 miles per annum (Note: At BT replacing physical conferencing with teleconferencing saved 47,000t CO ₂ /annum)		
Commute to work	41,800	3.6million working population in the South East. To reach target need to save 140m miles road travel (based on average emission of 0.3kg CO ₂ /mile). Average commute is 36 miles per day – so need to save 3.8m commutes – equivalent to 82,000 employees working from home 1 day a week.		Support and incentives for teleworking
TOTAL	184,500			

External factors influencing business support

- ▶ BSSP Products
 - Low Carbon Resource efficient business
 - Low Carbon Resource efficient products and services
 - Low carbon, resource efficient business culture
- ▶ National support can be supplemented at a regional level but must be complementary and not duplicating support available at the national level and does not create confusion for business.

2. RES Target 12 – divert 80% waste from landfill by 2015

What does the target mean for the business sector in the South East?

	Current waste diversion?	Reduction target (tonne pa)	Assumptions
Business	4.4m	2.76m	Based on 9m tonnes commercial and industrial waste (2002-2003 Environment Agency figures for the SE) and current diversion 49% (national figure – this includes not recorded and treatment/transfer)
Construction	5.5m	1.1m	Construction and demolition waste 2005 approx 10m tonnes per annum.
Total SE		3.86m	28.6m tones waste to landfill (EA figures)

What needs to happen to meet the target and where are we now?

Where to target	Potential	Assumption	Current business	Gaps based on business
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	diversion tpa		support?	need?
Construction	1,140,000	Zero waste strategy will deliver 50% reduction construction waste to landfill by 2011	WRAP – tools and guides NISP – material exchange	Development of recycling infrastructure, creation of consolidation centres, standards for recycled products Legislative push – greater enforcement SWMP, waste carries and licensed facilities
Food	?	Zero waste strategy will deliver this diversion (although no targets yet set for food waste) 60% organic waste from the food and drink sector 25% from retail and wholesale 6m tonnes organic waste produced in the South East	WRAP – tools and guides NISP – material exchange	Development of processing infrastructure
Wholesale, retail and service sector	?	Increasing recycling rates in this sector from 22% to 50% will deliver 630,000 additional tonnes diverted from landfill	WRAP on-line recycling directory Recycling services from private providers	Easy “bag for recycling” from councils/private suppliers, combined with push from Environment Agency.
TOTAL SE				

External factors including the business support landscape

- ▶ National Waste Strategy DEFRA 2007 – clear brief for RDAs to their role on business waste
- ▶ South East Technical Advisory Waste Planning Body – planning on infrastructure shortly to be commissioned
- ▶ Pathway to Zero Waste – focus on construction in year 1
- ▶ SEEDA experience in piloting different business recycling services via councils

3. RES Target 12 – Reduce per capita water consumption by 20% (169 l/day in 2003 to 135 l/day in 2016)

What does the target mean for the business sector in the South East?

	Current Water Use/person l/day	Reduction Target l/day per person	Assumptions
Total SE	169	4.3	<i>Per annum targets calculated by dividing target equally 8 years</i>
Business premises	335,070Ml/year	2.3	<p><i>Based on Ofwat data and working population SE 3.6million</i></p> <p><i>Note 1 the water data is based on the following companies data for water delivered unmetered and metered 2006-7 (Ofwat) - Southern, Thames, Folkestone and Dover, Mid Kent, Portsmouth, South East, Sutton and East Surrey</i></p> <p><i>Note 2 Thames Water data will include none SE usage companies (total for Thames = 568.7ml/day)</i></p> <p><i>Note 3. Ofwat groups business within non household - this will also include public sector, charity and other non domestic groups</i></p>

What needs to happen to meet the target and where are we now?

Where to target	What they could save (l/person/day)	Assumption	Current business support?	Gaps from business perspective?
Key sectors- food & drink, agriculture, chemicals, rubber and plastic	1.3	<i>£14.57M (Defra report – Oakdene Hollins)</i>	Envirowise for telephone consulting advice ETL for water	?
All other business Users	1	<i>1L/day/property. Used low end of scale to allow for Thames region.</i>	Envirowise help line. ETL for water	Incentives to reduce toilets & urinal flushing and washing, cleaning (push taps and flow restrictors) – but hard when water cost £0.01/litre – it's not a priority!
TOTAL	2.3			

External factors including the business support landscape

- ▶ Future Water published Feb 2008 – Ofwat consulting mandatory reductions per property through water company initiatives. Currently targets under consultation - 5.8Ml/day/ saving from Water companies operating within SEEDA region

Appendix 3

Estimation data used for the target calculations

	Theme		Carbon	Waste	Water	notes
2.1	Work with all partners		364,000	30,000	1,750	CT est of national savings 200,000 approx the SE EST transport campaign and green homes save 4,000 Other partners delivers 160,000 combined
2.2	Waste Strategy			2,780,000		Based on PTZW strategy
2.3	Brokerage platform		5,000	1,000	1,000	Assumes brokerage platform delivers 2,000tonnes carbon saving - 500 businessss save 4 tonnes each. Work with 2 key trade associations results in 3000 businesses saving 1 tonnes each. 500 businesses save 2 tonnes waste each and 2,000litres water
2.4	Work with top energy users		50,000			CT estimate they only working with 20% major users. If can find 100 more with savings
2.5	With with Las		200,000			DEFRA/CLG data suggest they will achieve 2,185kt CO ₂ by 2010 from business savings. Have assumed 200,000 unique tonnes here not included in other activity
2.6	Work with water companies				4,000	Assumes 5000 businesses with spend >£5,000 year we can work with who can save
2.7	Enviornmental taster pack		0	0	0	Not quantified
		Sub total	619,000	2,811,000	6,750	

	Theme		Carbon	Waste	Water	notes
3.1	Develop networks		5,000			Assumes engages with 500 businesses who save total 10t each
3.2	Develop online community platform		2,500			Assumes engages with 2500 businesses who save total 1t each
		Sub total	7,500			
4.1	Pilot incentive scheme then roll out		9,000	1,000	1,000	Assumes 1,800 grants with each business saving 5 tonnes each Assumes additionally 500 businesses save 2 tonnes waste and 2000litres water
4.2	SBP reviews		6,000	500	25	Based on ENWORKS data for 2006-2007
4.3	ERDF transport		10,000			Assumes reduced trips of 33million miles based on 0.3kg CO2/miles. Or 1000 businesses saving 33,000miles over 2 years - 16,500miles per year
4.4	ERDF facilitate uptake business recycling			10,000		Assumes 5,000 businesses save 20 tonnes - or 10 tonnes a year
4.5	PTZW		0	0	0	Included under 2.2 – longer term impact
4.6	ERDF - design		0	0	0	Not quantified
4.7	Sustainable Procurement		0	0	0	Not quantified
4.8	Explore aqua fund		0	0	0	Not quantified
		Sub total	25,000	11,500	1,025	
		Total	651,500	2,822,500	7,775	

Appendix 4

List of partners where consulted on the development of the strategy

AEA
Carbon Trust
BERR
Business Link Sustainable Business Team
Bucks Sustainable Business Partnership
East Sussex Sustainable Business Partnership
EEF
Energy Saving Trust
Envirobusiness
Envirowise
Federation of Small Businesses
GOSE
Hampshire Sustainable Business Partnership
IEMA
Kent County Council/Kent Sustainable Business Partnership
London ReMaDe
MAS
NISP
ReMaDe SE
SECBE
SEEDA Area Teams
SEEDA ERDF Team
The Social Marketing Practice
Surrey Chambers/ Sustainable Business Partnership
West Sussex Sustainable Business Partnership
WRAP

Appendix 5

Acronyms used within this document

BERR – Department Business Enterprise, & Regulatory Reform
BITC – Business in the Community
BL – Business Link
BL SBS – Business Link Sustainable Business Service
BREW – Business Resource Efficiency and Waste
BSI – British Standards Institute
BSSP – Business Support Simplification Programme
CLG – Department of Communities and Local Government
CT – Carbon Trust
DEFRA – Department of Environment, Food and Rural Affairs
DoT – Department for Transport
EA – Environment Agency
ECA – Electrical Contractors Association
EEF – Manufacturers Association
ENWORKS – (brand name of internet based data gathering tool)
EPCs - Energy Performance Certificates
ERDF – European Regional Development Fund
EST – Energy Saving Trust
ESF – European Social Fund
ETL – Energy Technology List
GOSE – Government Office for the South East
HEIs – Higher Education Institutions
HGV – Heavy Goods Vehicle
HVCA – Heating and Ventilating Contractors' Association
IEMA – Institute of Environmental Management and Assessment
IESE - Improvement and Efficiency South East
LAA – Local Area Agreement
LAs - Local Authorities
LPG – Liquid Petroleum Gas
MAS – Manufacturing Advisory Service

NISP – National Industrial Symbiosis Programme
NVQ2-3 – National Vocational Qualification level 2 and 3
NVQ4-5 – National Vocational Qualification level 4 and 5
OFWAT– Water Services Regulatory Authority
RES - Regional Economic Strategy
RSS – Regional Spatial Strategy
SAFED – Safety Assessment Federation
SE – South East
SEEDA – South East Economic Development Agency
SECBE – South East Centre for the Built Environment
SME – Small and Medium Sized Enterprises
SUB-REGIONAL SOLUTION PROVIDERS –Sustainable Business Partnership, private and third sector
SWMP – Site Waste Management Plans
WRAP – Waste Resources Action Programme