



## The Active Business Series

### Going Green



*An increasing number of businesses are introducing measures to reduce their impact on the environment.*

They are driven in part by pressure from customers, shareholders, employees, and local communities concerned about the state of the planet we are passing onto the next generation, and in part by the need to comply with a raft of environmental legislation.

But there are also sound business reasons for adopting green measures. Businesses can benefit from significant cost savings, greater efficiency, and possible reduced insurance premiums by introducing improved environmental practices.

And in some sectors at least having green credentials can provide a competitive edge and strengthen your position in the marketplace.

**Call us today to discuss how your business can benefit from implementing green measures.**

### Developing an environmental policy

*When developing an environmental policy for your business:*

- Make sure you are up-to-date and in full compliance with any relevant environmental regulations on air pollution, hazardous substances, waste disposal, water management, packaging, land use, etc
- Look for synergy between stakeholders concerns and regulatory requirements on the one hand and your business goals, organisational capability, and potential financial benefits on the other
- Pay particular attention to the evolving policies of existing and potential customers. For example, public sector agencies are now required to procure only products and services that meet certain green standards
- Keep a close eye on your competitors' strategies in this area



### Cost Savings

- An average business wastes 20% of the energy it uses, much of which can be avoided with simple energy saving measures
- Many businesses can save up to 50% of their water costs through implementing simple and inexpensive water minimisation measures
- Modern energy management systems can save up to 60 per cent on the energy costs associated with running a computer network
- A good environmental policy can considerably mitigate the effects of escalating fuel costs and environmental taxation

## Financial Assistance

*There is Government help available for small businesses to invest in green technologies. For example, businesses can now receive interest-free loans worth up to £200,000 to buy new energy-efficient equipment, such as lighting, boilers and insulation.*

It is estimated that there is £1.2 billion in funds available from various sources to help businesses with projects such as introducing recycling schemes, switching to green packaging, purchasing hybrid vehicles, installing solar panels, and many more.

## Tax Advantages

*There are various tax advantages for businesses adopting green policies. For example, enhanced capital allowances enable a business to claim 100% first-year capital allowances on spending on qualifying plant and machinery in three areas:*

- Energy-saving plant and machinery
- Low carbon dioxide emission cars and natural gas and hydrogen refuelling infrastructure
- Water conservation plant and machinery

There are also other tax incentives aimed at encouraging businesses to reduce vehicle use and emissions, such as lower vehicle tax for vehicles with lower emissions, reduced fuel duty on alternative fuels, and tax and NIC breaks for green travel arrangements.



## Success Story

**Just a year ago, 13 billion plastic bags a year were being given out free to UK shoppers - with each one taking 1,000 years to decay!**

**In response to pressure from press and the Government, various supermarkets introduced initiatives such as keeping single use bags behind counters, selling bags for life, issuing green incentive points, and in some cases charging for single use bags.**

**As a result they are now on course to cut the number of bags given out by half in just one year!**

## Green Check-list



*How many of the following apply to your business:*

- Have you checked how you can improve energy efficiency, water conservation, etc. in your buildings and equipment?
- Can you introduce more environmentally friendly materials into your manufacturing and/or packaging processes?
- Can you harness technology and automate processes to increase efficiency and reduce waste?
- Can you introduce more energy efficient, environmentally friendly IT equipment?
- Can you encourage a green culture throughout your business - switching off equipment when not in use, using printers more efficiently, controlling heating and air conditioning, etc.?
- Are your janitorial supplies environmentally friendly and energy efficient?
- Do you have a comprehensive recycling programme?
- Have you considered ways you might reduce vehicle use?
- Can you upgrade your vehicle fleet to reduce emissions and take advantage of tax breaks?
- Have you considered introducing green travel arrangements for employees such as those recommended by HM Revenue & Customs?

This is obviously a complex area and we would be happy to advise if you would like to explore the matter further.