BUSINESS BENEFITS FROM INVESTING IN GREENSPACE

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SUMMARY

The Central Scotland Green Network (CSGN) is seeking to encourage more businesses to engage in delivering, using and managing the greenspace. In our ‘Your Green Business Opportunity’ project, ten exemplar businesses have been selected to become Business Case Studies.

Each case study demonstrates that ‘bottom-line’ benefits can be obtained from businesses investing in their green assets. Sometimes these cost savings are direct, for example adoption of an innovative, sustainable on-site approach to waste treatment can reduce transport costs. On other occasions benefits are less obvious, e.g. employees who are happy in their working environment are more productive and less likely to take their skills to a competitor.

The objective of the project is to get businesses to think about making the most of their green assets and working practices and to inspire them to make changes which could benefit different aspects of their business, the wider environment and local residents.

INTRODUCTION

One of the five aims of the CSGN is to create an environment for sustainable economic growth. This cannot be wholly achieved through working with the ‘usual’ public sector partners (such as Scottish Natural Heritage, Forestry Commission Scotland, Local Authorities, Scottish Environment Protection Agency etc). There is a need to reach out and engage with the private sector on this theme. The CSGN Support Unit undertook this project to highlight the positive work of private enterprises (including land managers, manufacturers, the housing sector, and retailers) which are helping to deliver elements of the CSGN Vision.

Recent studies show how, at a city and regional level, investment in green infrastructure can be a catalyst for economic growth (Gore T el al., 2013)\(^1\). This CSGN project demonstrates how a similar appreciation of, and investment in, greenspace
and ecosystem services can deliver commercial benefits at a more localised scale. The research has found that safeguarding and improving the natural environment can be an effective device to minimise staff turnover, help keep building projects on track and enhance a company’s profile. The adoption of sustainable practices can also cut costs, create new commercial opportunities and support existing income generating activities.

The CSGN Support Unit has been working with ten businesses in Central Scotland which have all benefited from investing in their greenspace. Output from this research includes a series of two-page summaries and four-page reports – all available from the CSGN website.2

METHODS

The project started in the Summer of 2012 and the bulk of the work was undertaken October 2012 to March 2013. Identifying businesses that would be suitable for this research was not straightforward. Whilst it was relatively easy to find examples of businesses using sustainable processes and policies, for example adopting energy saving and recycling schemes, it was more difficult to identify those enterprises which have achieved commercial benefits from maximising their green assets. However, drawing upon experience and information forwarded by partner organisations, the CSGN Support Unit was able to identify businesses for the study.

Initial contact with prospective businesses was made by phone and/or email. Sometimes this was directed towards the manager, on other occasions it was a member of the company’s PR team. Meetings were arranged and semi-structured interviews were conducted to discuss the manner in which each business was adopting sustainable practices and to explore the reasons behind this approach.

During the subsequent drafting of the case study reports, information gathered from each interview session was supplemented by follow-up emails and phone calls. The CSGN Support Unit also commissioned a professional photographer to visit several businesses in order to gather high quality images of the business premises and surrounding areas.

As effective communication of the research findings is of critical importance to the success of this project, the CSGN Support Unit worked with a design agency to create a suite of ‘punchy’ materials which would convey the message to the business sector that investing in greenspace makes economic sense. From this, a series of two and four page leaflets, specific website content2 and pop-up banners were created. During the Spring, Summer and Autumn of 2013 these materials were used in various events such as local Chamber of Commerce shows, the Royal Highland Show, the CSGN Forum and the National Small Business Exhibition. In addition, a number of adverts were placed in the Glasgow Chamber of Commerce magazine and links to the study have also appeared in a variety of electronic newsletters and on partner websites.
RESULTS

The findings from this research suggest that the private sector can contribute towards delivering aspects of the Central Scotland Green Network and that this activity can be profitable and achieve commercial objectives. To demonstrate this, the results can be grouped together under three broad headings: new income streams; processing benefits and effective communications.

New Income Streams

The creation of a new profitable activity is perhaps the most overt and easily recognisable business benefit from investing in and improving greenspace and associated ecosystem services. A good example of this is Oakwell Farm near Livingston, West Lothian. For many years a sheep farmer rented a 1.15ha field to graze his sheep there. When this agreement ended, a local allotment group offered to take up the option of using the field and were willing to pay ten times the amount that the previous tenant paid. The only outlay to the owners was time (to submit a planning application) and a small cost to install running water in the field. Around 70 plot holders now grow fruit and vegetables on the land, this reduces ‘food miles’ and increases opportunities for healthy exercise and social interaction.

Craufurdland Estate is an example of another business that has re-assessed its assets and explored new ways in generating profit from existing resources. It offers plots for green burials with only marginal outlays for planting a tree and flowers on the grave and it also hosts outdoor competitive events, generating income from entrance fees and associated retail and catering opportunities.

Processing Benefits

It is perhaps obvious that happier workers are more productive and, all things being equal, will want to remain at his or her existing employer. Academic studies have provided support for this idea (Oswald AJ et al., 2009)\textsuperscript{3} and several businesses which we spoke to acknowledged the importance of this concept. Some had enhanced the local environment to improve staff morale and retain staff with key intellectual and technical capital within the organisation rather than lose this to a competitor. The Head of Office of the Royal Bank of Scotland is an excellent example. The 78ha Gogarburn Campus houses some 4,000 employees in a new building set within a high quality greenspace environment with access facilitated through an extensive path and trail network with additional seating areas and information boards noting local biodiversity.

Land owned by businesses can also play a key role in reducing production costs and overheads. Simon Howie’s meat processing factory in Dunning has an innovative waste treatment solution which is a cheaper option than traditional methods which are reliant on tanker-based transport and chemicals so it is also better for the environment. The soak-away treatment system paid for itself within two years.
Similarly, at the Heartlands development near Whitburn, Ecosse Regeneration Ltd was able to recycle on-site oil and shale bing (waste) material into a viable growing medium which was used in the creation of two golf courses. It is estimated that this innovative use of waste material saved the organisation some £4.5million.

Taking care of the environment can also have a positive role in keeping construction works on track and within budget. This is particularly true when considering large scale building projects where the cost of objections and delays in the planning process can be significant. Scottish Water’s Glencorse water treatment works in East Lothian is an excellent example of this. The company was keen to work with local residents and stakeholders such as the Pentland Hills Regional Park to ensure that the installation of the £130million project had minimum visible impact on the area. This included clever contouring of the site and covering the works with the largest green roof in Europe - seeded with native wild flower grass mix.

Effective Communications

Whilst not an immediately obvious source of profit, companies recognise that good PR and positive communications of the enterprise’s commitment to environmental concerns including the reduction of its carbon footprint can help build up a loyal and committed client base. Witmuir the Organic Place is a perfect example of this approach. This small farm, which includes a farm shop and restaurant, has a strong commitment to food quality, biodiversity and sustainability. Although this has required extra investment of time and money, this self-imposed obligation is the key marketing strength of the enterprise providing it with a competitive edge to take on large supermarkets and other suppliers.

Another application of this approach has been undertaken by CEMEX. After the successful extraction of building materials from Kettlestoun Mains in West Lothian, the owners, saw the potential to develop this site as a flagship project. This approach was taken to demonstrate how a former quarry can be remediated into a greenspace resource of great benefit to local residents and wildlife. As such, it can be used as an exemplar for other proposed projects by CEMEX throughout the UK, helping to allay fears that could lead to delays in the planning and development process. Additionally, the project also demonstrates the company’s sustainability credentials within the building industry itself, something which is becoming increasingly important in tendering for large scale public projects.

**DISCUSSION**

The research outlined in the paper has clearly shown that it is not only possible for private enterprises within Central Scotland to engage in sustainable development activities, but it also demonstrates how modest investments in greenspace and ecosystem services can bring about positive commercial benefits like increased income or cost savings which can make the businesses more competitive.

The challenge now is to publicise this information, stimulate interest in this concept
within the private sector and encourage as many enterprises as possible to reconsider their assets and reap similar multiple benefits. The CSGN Support Unit is taking this forward and, over the next 12 months, will continue to publicise the project and investigate the possibility of working with other enterprises throughout the central belt which can demonstrate that the natural environment can play a key positive role in achieving business objectives.

ACKNOWLEDGEMENTS

We acknowledge the support of each of the enterprises that helped us to create these case studies.

REFERENCES


2. All the case studies are downloadable from the CSGN website http://www.centralscotlandgreennetwork.org/delivering/our-themes/a-place-for-growth/green-network-businesses