

# SUSTAINABLE INDUSTRIES

www.birminghampost.net  
anna.blackaby@xxxxx  
0121 234 5216

## Green light to saving on tax

ANNA BLACKABY  
Sustainable Industries Editor  
anna.blackaby@birminghampost.net

Companies who adopt certain green practices could benefit from tax relief according to a top Birmingham employment tax specialist.

Ernst & Young employment tax director David Paul said although the increase in carbon emission reporting likely to arise from the Climate Change Bill will increase pressure on companies in the short term, there are tax advantages to going green.

By embracing practices like subsidised buses for employees, video conferences and carbon offsetting, companies could benefit from lower tax rates, he said.

Climate change and energy consumption have become an increasingly hot

topic in the business world as employees and investors seek to understand how companies are managing their carbon footprints.

Although some sections of the West Midlands and UK businesses community already monitor their greenhouse emissions and have set reduction targets, it will soon become mandatory for all companies.

The Climate Change Bill – which was passed last week and commits Britain to reducing its greenhouse gas emissions by 80 per cent by 2050 – could result in major changes to the way some companies do business.

Mr Paul said: “The Climate Change Bill is likely to make it necessary for all businesses to reveal and account for their carbon emissions in their annual reports by as soon as 2012.

“Significantly, this won’t just include the carbon emissions resulting from the running of an office or a factory for example, but will also include employee travel – from business trips to the daily commute to work.”

Mr Paul said that the logistics of collating this information will inevitably add to the administrative burden on the West Midlands corporates.

“Collating carbon emissions data, particularly when looking at business travel, will be major challenge for many companies. The government still needs to establish how this reporting procedure would operate, but it is likely to add to the administrative demands on an already stretched business community.”

He added: “However, in the long run, regular reporting should make it easier

for the West Midlands corporates to identify and devise strategies for reducing their energy consumption and carbon footprints.

“In most cases this is likely to result in cost savings for the employer and provide a boost to corporate reputation, increasing a competitive advantage.”

Mr Paul explained that by adopting certain green business practices, some companies would also benefit from tax relief.

“Corporates should be looking at these issues sooner rather than later as there are already a range of green initiatives available to businesses that will not only help to reduce a company’s carbon emissions but which also offer a competitive rate of tax.”

For example, by offering free or subsidised works buses, employers help to

reduce car usage and also benefit from a tax exemption.

Mr Paul said: “We are also seeing a growing number of employers review their fleet policies, to ensure their cars and vans are as fuel efficient as possible.

“This has obvious environmental benefits but it is also important to remember that the more fuel efficient the vehicle, the lower the tax band.

“Introducing video conference calling, promoting car sharing and perhaps exploring tax efficient carbon offsetting as a way of dealing with international travel, may also help businesses to improve their green credentials,” he said.

“The green agenda is about more than just doing the right thing, it is set to become intrinsic to the way companies do business.”

## Birgit’s crunch message: Eat your five a day

A female answer to Jamie Oliver has launched her own healthy eating business spreading the five-a-day message to schoolchildren, the homeless and people on low incomes.

Birgit Kehrer of Birmingham is the owner of Bsustained – an ethical community scheme using locally-produced food, including her own home-grown organic produce.

A vegetarian for over 20 years, Birgit takes her fresh fruit and vegetables to schools and community centres, giving cookery demonstrations on preparing and eating healthy food on a budget.

She said: “My main passion is healthy living and especially the five-a-day message for people on a budget.

“I work with all sorts of groups, from homeless people who have recently been resettled, to single parents, people on low incomes right through to schoolchildren and their parents.

“It is possible to eat good, healthy food on a low income. I give cookery demonstrations to primary and secondary school level – which is also part of the national curriculum – and teach the importance of a healthy diet.

“I’m looking at doing after-school clubs as well, where the

parents come in and learn how to cook healthily rather than relying on convenience meals.”

Birgit has worked with some of the schools to set aside plots for the children to grow their own vegetables and has found allotments to grow the food for her other community groups – such as the homeless, single parents recently rehoused people and those on low incomes.

Business Link in the West Midlands helped Birgit on the road to setting up Bsustained by putting her in touch with Sweda (Sandwell Women’s Enterprise Development Agency).

She attended a three-day start-up course to master some business basics such as taxation and finances before drawing up a structured business plan with her adviser, Jo Burrill.

Jo said: “Birgit has a very good idea for a business and hopes to expand that into even more schools and disadvantaged community groups.”

**“It is possible to eat good, healthy food on a low income”**  
BIRGIT KEHRER



Birgit Kehrer (right) on her Birmingham allotment with adviser Jo Burrill