



The Commercial Impacts of Brexit on Ecology and Environmental Management

August 2018

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Executive Summary

This report outlines the results of a survey, sent to both members and the wider environmental community, to determine how the Brexit vote has affected ecologists and environmental managers commercially. This survey also looked at the measures that are being considered or have been put in place to mitigate any negative commercial impacts.

Key Findings

Many noted that they had not yet seen any impacts, and do not expect to until after exit day. Those that did most commonly cited fluctuation in the value of the pound sterling and funding limitations, for example a reduction in grants. Others clarified that they are unsure of the effects as it is not always possible to distinguish what changes are a direct result of the Brexit vote.

Organisations from the industry sector have seen the most positive commercial benefit with 15% indicating the vote has had a very positive effect, whilst those from the academic sector have had the greatest negative impact with 73% seeing a slightly or very negative effect. Similarly, respondents from the industry sector saw the greatest positive benefits on personal finances, with 16% seeing either very positive or slightly positive effect, while academics have seen the greatest negative effects in personal finances with 56% seeing either slightly or very negative effects of the Brexit vote.

Weakening of nature conservation legislation and impacts on potential clients were thought to have the most negative commercial effect on organisations in the sector, post-Brexit. In contrast, a loss of ability to export services to the EU was seen to have the least effect on the sector, with the exception of those from Northern Ireland and EU countries who mostly thought it would have a negative effect.

Respondents also highlighted the following as potential impacts on the sector post-Brexit:

- Reduced information sharing with European bodies
- Travel difficulties (e.g. visas, time at the border etc.)
- Changes in agri-environment schemes (which could have positive or negative impacts depending on how they are changed)
- Increased cost of products or equipment

A number of responses predicted a 2-3 year reduction in work as a result of the Brexit vote. This was mostly attributed to developers putting surveys on hold until after the Brexit deals are reached. Also mentioned was a reduction in skilled EU workers, funding and commitment to long-term plans from both developers and EU bodies.

Of those who work across the Irish border, Northern Ireland had the highest percentage of respondents who would be affected by an inability to work cross-border and further divergence in legislation, with the majority saying these changes would affect them either

greatly or somewhat. The majority of those in ROI also felt it would impact them, however fewer respondents thought it would have a great effect. In contrast, only 10% of those in England felt further legislation divergence would greatly impact them while 43% felt it would impact them somewhat.

When analysed by job role, 56% of consultants said further cross-border divergence would impact them either greatly or somewhat, while 26% said it would either impact them very little or not at all. 49% of consultants also felt the inability to work cross-border would impact them either greatly or somewhat, whereas 25% indicated it would have very little or no effect. Unfortunately, there were too few responses from other sectors to provide comparison.

When asked to elaborate on cross-border effects, most respondents indicated the difficulty in commenting at this time, as there is currently no indication of what the situation at the Irish border will be, post-Brexit. It was also noted that those in Gibraltar will face similar issues.

The majority (61%) of respondents have not yet put anything in place to mitigate commercial impacts of Brexit, and many explained that they will not until there is more certainty around the final deal. However, 18% have already diversified operations and 9% have opened an office in an EU country. Of the UK nations, Northern Ireland had the largest percentage of people not implementing any mitigation measures at 80%. In contrast, England had the fewest people not implementing some form of mitigation measure with 55%.

Examples of measures being put in place include: strengthening the amount of work in the UK, relocating to EU countries, staff restructuring and taking up alternative work.

Aside from commercial effects, the majority of respondents' concerns were the potential weakening of protection for the natural environment, which of course is the main focus of all of our work in the ecology and environmental management sector. Regardless of difficulties faced by Brexit, there is a strong desire from CIEEM and its members to continue to provide high-quality professional expertise to developers, policy-makers and all other stakeholders.

Recommendations for how CIEEM can help with the issues outlined in the report include:

- Continue to engage with government to ensure no weakening of legislation post-Brexit and improve it as much as possible
- Encourage cross-border and cross-body collaboration on environmental issues
- Update members on policy changes
- Identify and advise on subsequent changes to the profession
- Maintain a high level of contact and support for non-UK members post-Brexit and facilitate information sharing amongst members
- Take a positive approach towards Brexit and view it as an opportunity for change

The Commercial Impacts of Brexit on Ecology and Environmental Management

CIEEM recently sent a survey to both members and the wider environmental management community, to determine how the Brexit vote has affected ecologists and environmental managers commercially. This survey also looked at the measures that are being considered or have been put in place to mitigate any negative commercial impacts. In total, we received 638 responses to the survey.

Responses came from all UK nations, Republic of Ireland (ROI), European Union and from countries outside of the EU. The majority of responses came from people based in England for work (75%).

Most respondents (65%) primarily work in consultancy, however we also received responses from a range of other sectors including academia, local government, central government, statutory agencies, industry and NGOs. There were also responses from public bodies, semi-state bodies, private research, private sector land management, and more.

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1. Commercial impact of the Brexit vote

When asked the question *“how has the EU referendum affected your organisation commercially?”*, the majority of respondents said it has either had no effect (35%) or a ‘slightly negative’ effect (28%) on their organisation. Figure 1 shows the overall percentages of respondents for each given response. Many responses said they were unsure of the commercial effect (25%) and later clarified that it is not always possible to distinguish what changes are a direct result of the Brexit vote.

Looking more closely at the commercial effects on organisations in the four UK nations, 3% of people based in England said the Brexit vote has had either a very or slightly positive effect on their organisation. In contrast, 37% said it has had either a slightly or very negative effect while 34% said it had no effect. In Northern Ireland, most people were unsure (60%), while the remaining 40% were split between seeing no effects and slightly negative effects. Those from Scotland and Wales were similar in their responses, with 30% from both countries seeing no commercial effects and 13% seeing very negative effects. More respondents in Wales were unsure of the effects whereas more respondents in Scotland have seen slightly negative effects.

In the Republic of Ireland (ROI), 5% have seen a slightly positive impact of the Brexit vote and 43% have seen no commercial impact, whereas 25% have seen a slightly or very negative impact.

Figure 2 shows the responses to this question, separated by sector. Respondents from the industry sector have seen the most positive commercial benefit with 15% indicating the vote has had a very positive effect, whilst those from the academic sector have had the greatest negative impact with 73% seeing a slightly or very negative effect.

Commercial impact of the EU Referendum on organisations

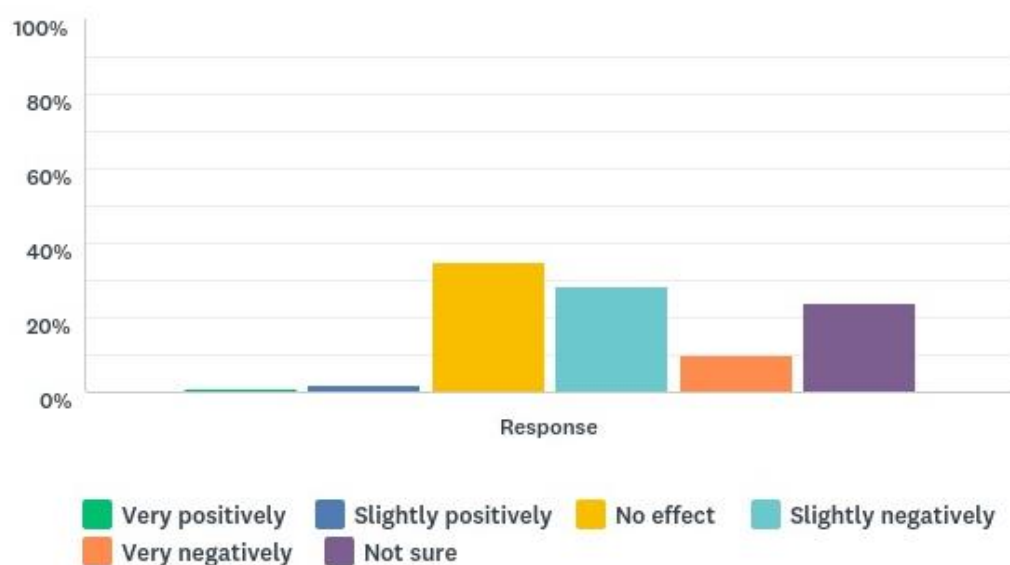


Figure 1: The commercial impact of the EU Referendum vote on the organisations which respondents own/work for. Participants were asked “how has the EU referendum affected your organisation commercially?” on a 5-point rating scale from “very positively” to “very negatively”. They were also given a “not sure” option.

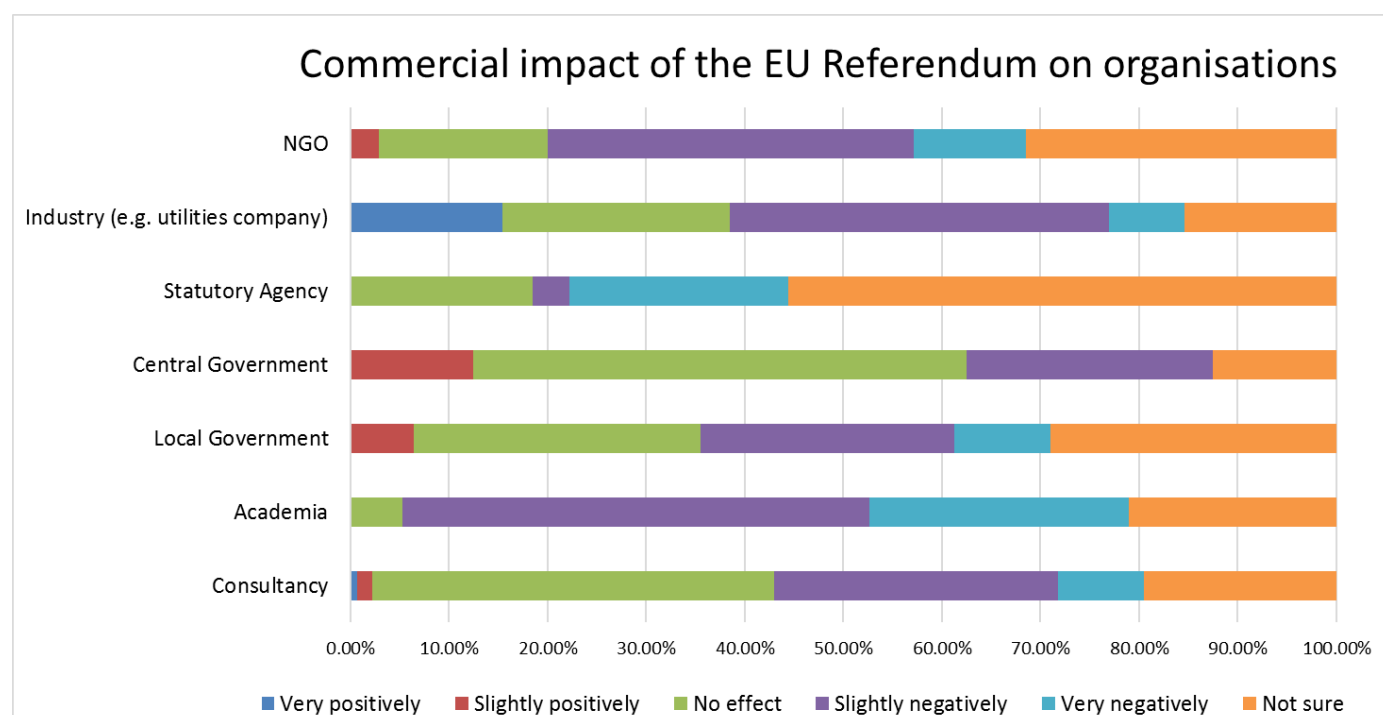


Figure 2: The commercial impact of the EU Referendum vote on the organisations which respondents own/work for, separated by sector.

Participants were then asked, “*how has the EU referendum affected you personally in an economic capacity?*”. Overall, responses were similar to the previous question, as shown in Figure 3. However, respondents from the industry sector saw greater positive benefits with 16% responding with either very positive or slightly positive. In academia, local government, central government and NGOs, no one reported positive benefits. Most negative impacts on personal finances were reported by academics with 56% seeing either slightly or very negative effects of the Brexit vote.

Figure 4 shows the economic impact of the Brexit vote on individuals, according to where they are based. Many of the countries/regions follow a similar pattern, however a small number of respondents from ROI and most England regions have reported positive economic impacts of the vote.

When asked to comment further on the above impacts of the Brexit vote, respondents voiced their concerns over a reduction in jobs, as developers put surveys on hold until after the Brexit deals are reached. Also mentioned was a reduction in skilled workers, funding and commitment to long-term plans from both developers and EU bodies.

Many noted that they had not yet seen any impacts, and do not expect to until after exit day. Those that did most commonly cited fluctuation in the value of the pound sterling and funding limitations.

Economic impact of EU Referendum on respondents

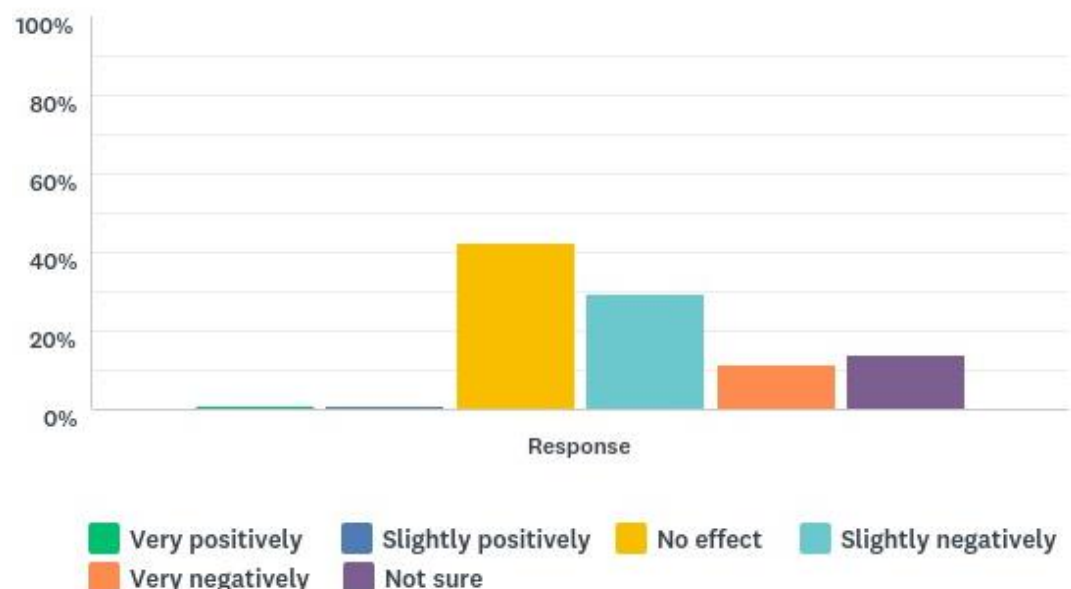


Figure 3: The economic impact of the EU Referendum vote on the respondents personally. Respondents were asked “how has the EU referendum affected you personally in an economic capacity?” on a 5-point rating-scale ranging from “very positively” to “very negatively”, along with a “not sure” option.

Economic impact of EU Referendum on respondents

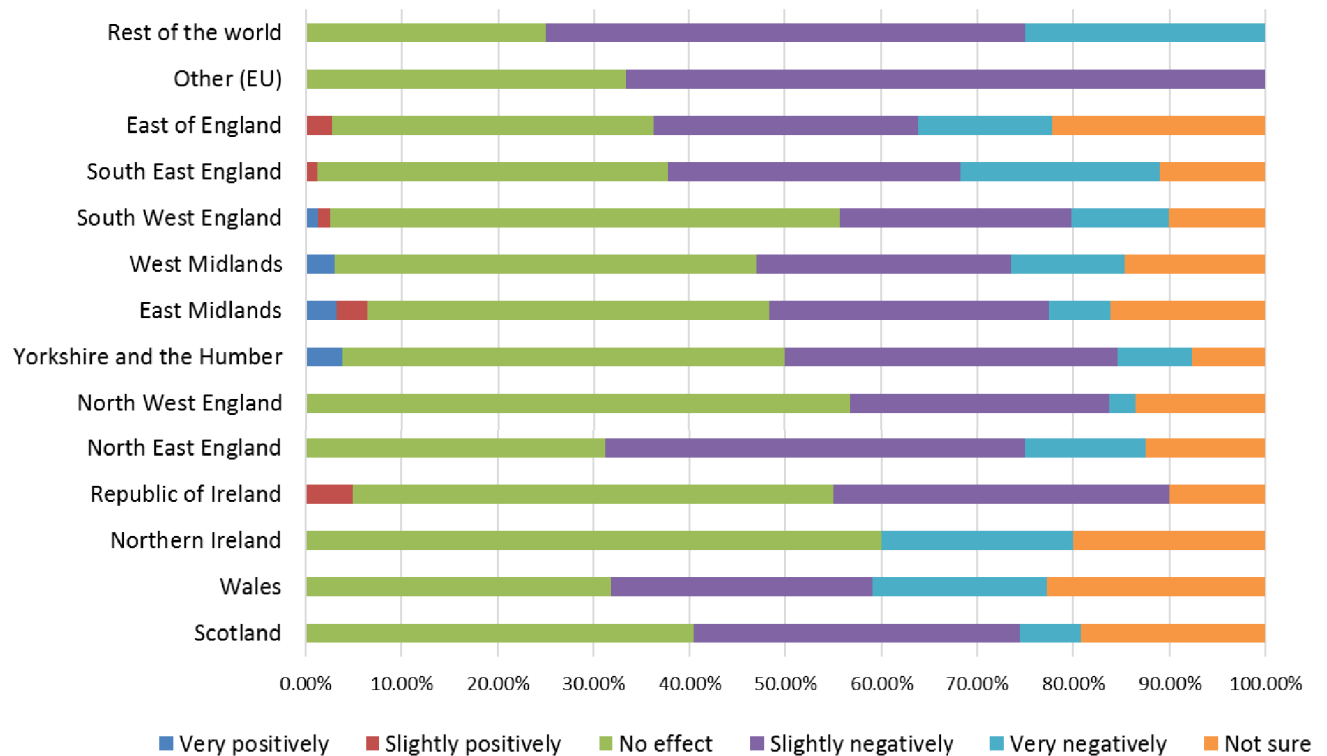


Figure 4: *The economic impact of the EU Referendum vote on the respondents personally, separated by country/region they are based in.*

2. Mechanisms by which the vote impacts the ecology and environmental management sector

When asked “*how much would the following affect your organisation post-Brexit?*”, most responses agreed that any weakening of nature conservation legislation post-Brexit would have a very negative impact on the ecology and environmental management sector (67%). In contrast, a loss of ability to export services to the EU post-Brexit was seen as having no effect by the majority of respondents (58%). Loss of EU citizen staff was also mostly seen as having no effect (51%).

Figure 5 shows a summary of responses to this question. Very few respondents viewed the potential effects outlined in the survey as positive, however further divergence of legislation in the devolved countries was seen as slightly positive by 5%.

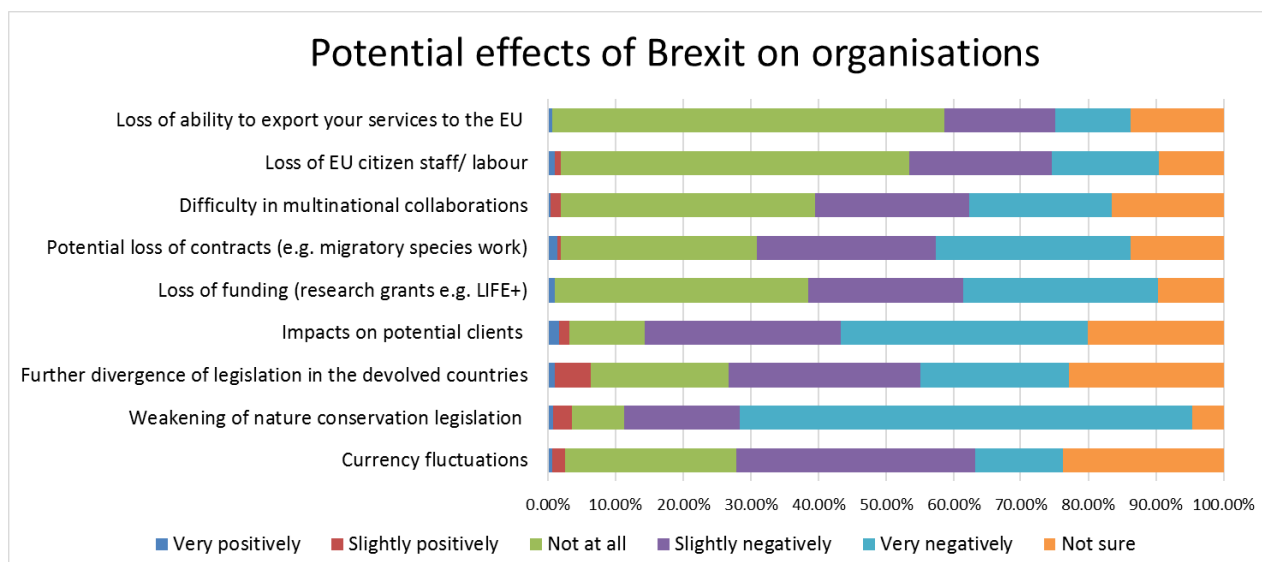


Figure 5: Responses to the question “how would the following affect your organisation post-Brexit?” Participants were given a list of potential effects and asked to rate them on a 5-point scale from “very positively” to “very negatively”.

Currency fluctuations were seen to be very positive for a third of those based in the EU (not including ROI) while the rest said it would have no effect. In contrast, 75% of those from Northern Ireland said it would affect them either slightly or very negatively, while the rest were unsure. Of the respondents based in ROI, 63% said it would be either slightly or very negative, although 10% thought it would be slightly positive.

In Scotland, 26% said it would have no effect, while 42% said it would have a negative effect. This was reversed in Wales where 41% said it would have no effect, while 30% said it would have a negative effect. Of those based in England, 25% said it would have no effect, 37% said it would have a slightly negative effect whilst 14% said it would have a very negative effect. 22% were unsure.

As previously mentioned, weakening of nature conservation legislation was seen by most as having a very negative commercial effect post-Brexit. However, in ROI 29% said it would have no effect and 48% said it would have a slightly negative effect. Similarly, in other EU countries only a third said it would have a very negative effect while the rest chose slightly negative. 5% of people in both Wales and Scotland said it would have a slightly positive effect.

Further divergence in legislation in the devolved countries was seen as slightly more positive by the devolved nations with 19% of people in Scotland, 14% in Wales and 20% in Northern Ireland saying this would have either a very or slightly positive commercial impact. Only 2% of people in Scotland thought this would have a very negative impact. In contrast, 100% of those from EU countries (excluding ROI) thought further divergence would have a slightly or

very negative impact commercially. Other countries were largely similar to each other in their responses.

Impacts on potential clients was seen as slightly or very negative by the large majority across all countries, with the exception of EU countries (excluding ROI) where two-thirds said it would have no effect while the rest were unsure. EU countries were also different in their response for a potential loss of contracts, whereas 66% said it would have no effect while the rest chose slightly negative.

For difficulty in multi-national collaboration, responses from UK nations and ROI were very similar, however other EU countries differed in that none thought it would have a positive or no effect and the majority (66%) thought it would have a very negative effect.

In most countries, the majority felt that loss of ability to export services would have no effect on their organisation, however 60% of those based in Northern Ireland felt it would have either slightly or very negative effects post-Brexit. In addition, 100% of those from EU countries (excluding ROI) felt this way.

Responses for loss of funding and loss of EU citizen staff were similar across countries or regions.

Participants were then asked whether there are any other mechanisms by which Brexit may affect their organisation. Responses include:

- Reduced information sharing with European bodies
- Travel difficulties (e.g. visas, time at border etc.)
- Changes in agri-environment schemes could benefit or negatively impact depending on how they are changed
- Increased cost of products or equipment

3. Methods of mitigation

Figure 6 shows the responses to the question *“Have you put anything in place to mitigate the potential effects of Brexit?”* The majority (61%) of respondents have not yet put anything in place and many explained that they will not until there is more certainty around the final deal. However, 18% have already diversified operations and 9% have opened an office in an EU country.

When asked to elaborate on the above question and provide any additional measures, responses included:

- Strengthening the amount of UK work
- Focusing skills in the farming wildlife sector in anticipation of environment-led payments
- Ensuring practices will be compliant on exit day by monitoring legislation changes
- Staff restructuring or downsizing
- Relocating to EU

- Increasing work outside of the UK and EU (examples included Asia and USA)
- Changing careers outside the sector or changing focus to national projects as opposed to smaller developments
- Taking up work elsewhere to replace loss of contracts, for example one respondent has taken up more part-time lecturing in Higher Education

Methods of mitigating commercial impacts of Brexit

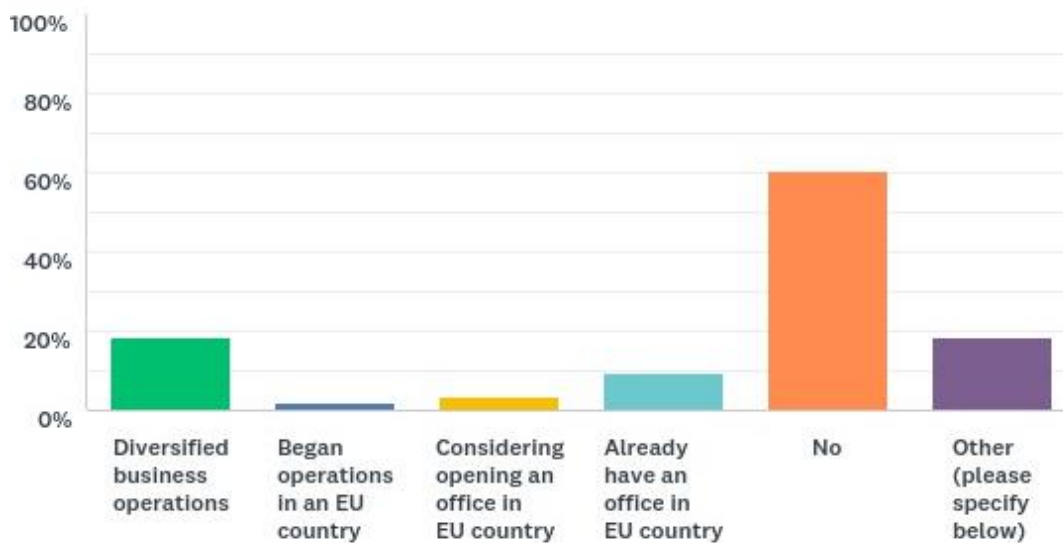


Figure 6: Responses to the question “Have you put anything in place to mitigate potential effects of Brexit?” Participants were asked to tick all that apply. If “other” was chosen, they were asked to specify in a comment box.

When analysed according to the country they are based in, those from Wales had the largest percentage of respondents who are diversifying operations (24%), while England and Scotland both had 17%. ROI had 9% and Northern Ireland had no respondents that are currently diversifying operations.

Of the UK nations, Northern Ireland had the largest percentage of people not implementing any mitigation measures at 80%. In contrast, England had the fewest people not implementing some form of mitigation measure with 55%. Scotland and Wales had 63% and 62% respectively.

The majority of respondents from ROI indicated they were implementing mitigation measures, while 48% were not.

In terms of job role, respondents from consultancies, NGOs and those in industry indicated they were diversifying operations. Only consultants are considering, or have already begun, operations in an EU country in response to the Brexit vote.

4. Effects across the Irish border

In total, 14% of respondents work across the Irish border. Consultants and academics had the highest proportions of people working across the border (18% and 16% respectively) along with a small number of participants from local government, industry and NGOs.

As expected, the places with the highest percentage of people working in Ireland were in ROI and Northern Ireland (86% and 100% respectively). England had the lowest percentage of people working across the border with only 9%. Participants based in both Wales and Scotland also work across the border.

These participants were asked how being unable to work across the border in the future and how further cross-border divergence in legislation would affect their organisation.

In response to the question *“to what extent would being unable to work cross-border impact on your organisation?”*, the most popular answer was ‘somewhat’ with 36%, whereas 26% of people stated this would have very little or no impact on their organisation. In contrast, 14% said it would affect them to a great extent. The remaining responses were unsure what effect being unable to work cross border would have on their organisation.

When analysed by occupation, only 10% of consultants who responded felt the inability to work cross-border would impact them to a great extent, although 39% felt it would impact them somewhat. On the other hand, 25% indicated it would have very little or no effect. Unfortunately, there were too few responses from other sectors to provide reliable comparison.

In Northern Ireland, 60% of responses felt the inability to work cross-border would impact them to a great extent while the rest said it would somewhat impact their organisation. However, of the respondents in ROI, only 24% said it would impact them to a great extent, whilst 41% chose ‘somewhat’, 12% chose ‘very little’ and 24% were unsure. In other countries and regions, there were too few responses to provide reliable comparison.

Figure 7 shows the percentage of respondents for each given response to the question *“to what extent would further cross-border legislation divergence affect your organisation?”* in reference to the Irish border. Responses were similar to the previous question, however, a greater percentage of people said further cross-border divergence would somewhat affect their organisation (43%) and fewer people were unsure (17%).

The impact of further cross-border legislation divergence on organisations

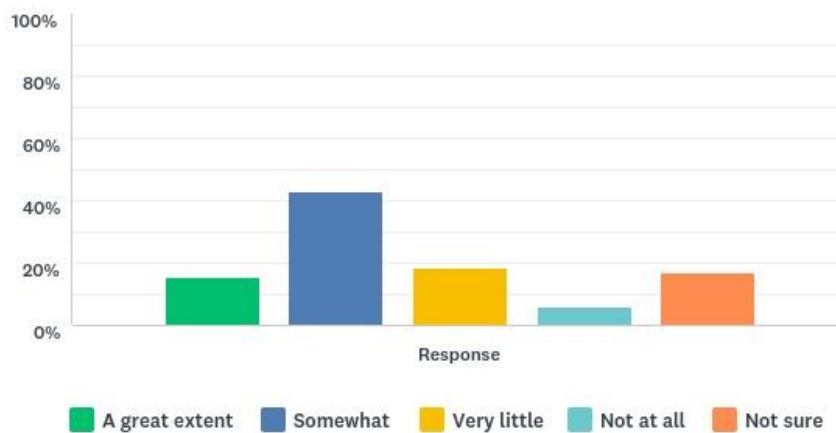


Figure 7: responses to the question “to what extent would further cross-border legislation divergence affect your organisation?” Participants were given a 5-point rating scale from “a great extent” to “not at all”. A “not sure” option was also given.

In response to the above question, 56% of consultants said further cross-border divergence would impact them either greatly or somewhat, while 26% said it would either impact them very little or not at all. Unfortunately, there were too few responses from other sectors to provide reliable comparison.

Figure 8 shows responses to this question separated by region. It is important to note that for north-east England and the east of England, only one person responded, and no one responded from Yorkshire and the Humber, EU countries (excluding ROI) and non-EU countries. As a result, these regions have been removed from the graph.

Most people based in Northern Ireland (80%) felt that further divergence in legislation would either greatly or somewhat impact them. Similarly, the majority of respondents from ROI (65%) felt it would impact them either greatly or somewhat. In contrast, only 10% of those in England felt it would greatly impact them, 43% felt it would impact them somewhat, 20% responded with “very little”, only 7% felt it would have no effect and 20% were unsure.

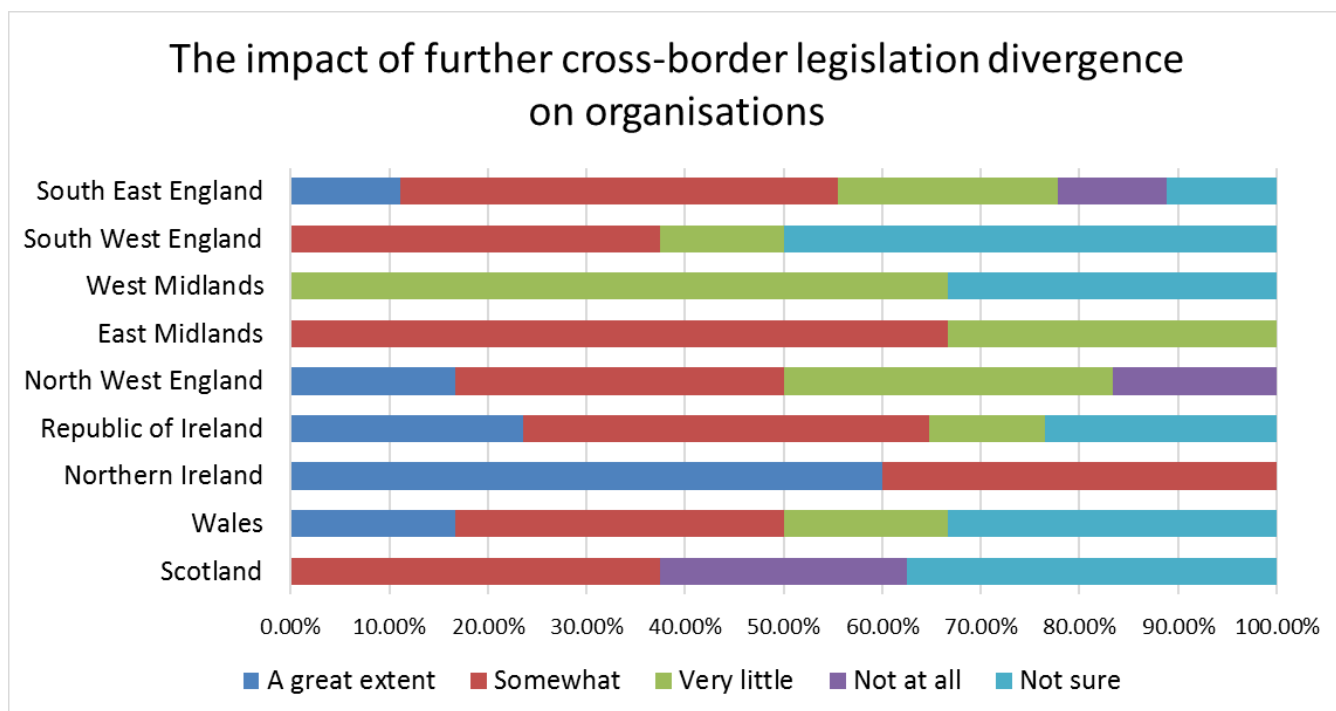


Figure 8: Responses to the question “to what extent would further cross-border legislation divergence affect your organisation?”, according to what country/region the participant is based in.

When asked to elaborate on cross-border effects, most respondents indicated the difficulty in commenting at this time, as there is currently no indication of what the situation at the border will be, post-Brexit.

Many who gave the response ‘somewhat’ explained a lack of ability to work cross-border would affect them financially, however the majority of their business is based in-country. Others cited travel barriers, currency differences, diversion of resources from staff funding to mitigation, and restrictions on tendering for work across the border, as the main mechanisms by which they would be affected.

One response also highlighted similar implications could be applied in Gibraltar.

5. Additional comments

Respondents were given an opportunity to provide any other comments about the effect of the Brexit vote on the ecology and environmental management sector. Many clarified that it is still too early to pass judgement on potential impacts as it is unclear what final deal the UK government will reach with the EU.

Some did, however, highlight the possibilities posed by development of new wildlife legislation, for example, one stated: *“Brexit could just be the push required to design environmental schemes that are actually based on environmental outcomes... which can only*

be positive for the environment generally and for us, as professional advisors, in terms of commercial benefits.” Another recognised the commercial worries of ecologists, particularly with respect to a reduction in Protected Species work, however the respondent also noted Brexit provides an opportunity to *“re-evaluate how the ecological consultancy industry works”*. One response said *“this can be an opportunity to strengthen our national laws and tighten loopholes. We can adjust laws to suit the British geomorphology, biodiversity, heritage, culture, etc.”*

In contrast, some highlighted the risk of the new independent environmental watchdog(s) not having strong enough powers to maintain the current levels of governance. One response said this result would likely lead to a *“free-for all with losses in biodiversity”*. Responses linked this loss in protection to a loss in environmental regulatory drivers for ecologists’ work, thus having a negative economic impact on the sector. Others were concerned that over a longer period, there may be an increase in competition for limited land and public resources, reducing the possibility for environmental management.

Other key factors that were mentioned include:

- A potential loss of grants and funding which, over the long-term will reduce our ability to protect our environment
- Divergence of legislation across borders with EU countries leading to difficulty working cross-border.
- A reduction in skilled workers from EU countries.

A number of responses predicted a 2-3 year reduction in work as a result of these changes.

Aside from commercial effects, a large majority of respondents’ primary concern was potential weakening of protection for the natural environment, which of course is the main focus of all of our work in the ecology and environmental management sector. Regardless of difficulties faced by Brexit, there is a strong desire from CIEEM and its members to continue to provide high-quality professional expertise to developers, policy-makers and all other stakeholders.

6. What is expected of CIEEM

When asked *“As a professional body for ecologists and environmental managers, what action would you expect from CIEEM to help with any of the issues outlined in this survey?”*, many responses indicated that they would like CIEEM to continue to engage with government to ensure there is no weakening of legislation regarding nature and the environment and, preferably, push for improved legislation. Another comment stressed the importance of continuing the encouragement of cross-border and cross-body collaboration, as environmental issues do not respect political boundaries. Many also indicated they would like CIEEM to continue to provide them with updates on policy and, following this, responses suggested CIEEM work on identifying changes to or impacts on the profession and educating members on how to prepare for them.

Others suggested CIEEM take a positive approach to Brexit and view it as an opportunity for change.

In terms of supporting our members who will remain within the EU, one comment suggested CIEEM could create a communication area specifically for non-UK members to ask questions and share advice on post-Brexit issues. The importance of maintaining a high level of support for these members in terms of contact, training and advice was also highlighted.

Many of the responses view CIEEM as a strong voice for wildlife which should be used to better existing practices. One response stated *"CIEEM needs to be seen as part of the solution, not the problem"*.

CIEEM will continue its work, actively engaging with government with sound, professional advice to successfully improve the natural environment both in the UK and abroad. CIEEM will also continue to ensure it is giving members the most up-to-date advice on professional practice in the ecology and environmental sector.

7. YouGov questions

In addition to the main survey, we also included three standardised YouGov questions, which feed directly into national polls. In total, 442 people responded to these questions.

Once we know what terms the government has negotiated with the EU, should there be a final vote by MPs to decide whether to accept or reject the deal?

84% of participants responded 'Yes' to this question, 10% responded 'No' and the rest were unsure.

Once the negotiations between Britain and the European Union over a Brexit deal have been completed, do you think the public should or should not have a final say on whether Britain accepts the deal or remains in the EU after all?

75% of participants responded 'Yes, the public should have a vote' to this question, 17% responded 'No, the public should not have a say' and the rest were unsure.

If there was a public vote on Britain's membership of the European Union, how would you vote?

This question is in regard to how respondents would vote if there was a second referendum.

10% of participants responded 'Leave' to this question, 86% responded 'Remain' and the rest were unsure.

100% of respondents from Northern Ireland, ROI, other EU countries and other non-EU countries said they would vote to remain within the EU. In England, 92% said they would remain in the EU. Within England, the East Midlands had the highest percentage of 'leave' responses at 25%, with North East England having the lowest at 6%. In Scotland and Wales, 91% and 92% said they would vote 'remain', respectively.