

◀ CLIMATE CHANGE: IMPROVING RESILIENCE FOR YOUR BUSINESS ▶

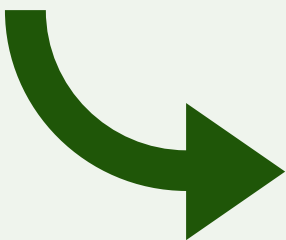
ADAPT TO SURVIVE

The climate is changing and the impacts of this are becoming more apparent. In the future, the UK is likely to experience warmer, wetter winters and hotter, drier summers. Additionally, the frequency and intensity of storms and severe weather is likely to increase resulting in more damaging and costly floods, droughts and heatwaves. Even if current efforts to reduce greenhouse gas emissions are successful, some degree of change will still occur.

It is essential businesses plan for the future to realise opportunities and mitigate risks from climate change. Impacts are already being felt in the UK, so the best time to start preparing your business is now - 33% of the opportunities from climate change are likely to arise before 2022. Being aware of how climate change could affect your business is vital for future resilience and may give you a competitive advantage.

NOT A STRETCH

It is essential businesses plan for the future to realise opportunities and mitigate risks from climate change. You can increase the resilience of your business to climate change by increasing your **adaptive capacity**. This means ensuring your business is flexible, able to thrive under changing conditions and is prepared for new markets. It also means being ready to respond to risks such as decreased availability of raw materials, reliability of logistics, increased severe weather events and other changes.



Developing or updating your **business continuity plan** is a good place to start. Many plans already contain some adaptive actions - they just need to be identified. The key to ensuring that your plans are adaptive is to make sure they consider future changes and contain a mix of short-term (1-5 years), medium (5-10 years) and long-term actions (10-20 years).



Identify the relevant climate risks to your business and think about the opportunities and threats that these may present



Assess the risks to your business - consider site locations, access to capital, labour, distribution and supply chain networks



Identify and implement adaptation actions to your business such as altering working practices or moving premises

CLIMATE RESILIENCE CONSIDERATIONS

When thinking about your adaptive capacity consider:

Site

- Are your premises at risk of flooding?
- How would your business continue to operate in a flood or if left without power?
- Do you have water storage facilities?
- Can customers get to you in the snow?

Employees

- How would commutes be affected?
- Could staff work from home?
- How productive could your staff be in a hot or cold building?
- How would a flood affect staff availability?

Finances

- How would severe weather affect your access to loans and finance?
- How might your bottom line be affected?
- Does your insurance cover storm damage to property and people?

Products and services

- Will there be a change in demand for your services or new markets?
- How might consumer behaviour change?
- How will you maintain supply in a severe weather event?

Distribution networks

- How would distribution networks be affected?
- How will you continue to export?
- What happens to products damaged in transit?

Supply chain

- How would your supply chain be impacted by severe weather?
- What raw materials do you need?
- What if you could not source them - are there alternatives available?

Severe weather and climate change

The frequency of severe weather events is likely to increase with climate change. The impacts of severe weather on businesses in the UK are already high, and SMEs have been found to be under prepared - this could lead to greater impacts in the future. Severe weather events like the heavy snow in March 2018 cost the UK economy an estimated £1bn per day. During the heavy snow in 2012, businesses reported average losses of £52,000 with some reporting losses of up to £1m.

For more information on how to prepare for climate change visit:

The Environment Agency website to check if your business is in an area of flood risk, and for tips on preparing for a flood:
www.gov.uk/check-flood-risk

The Kent Prepared website for information on business continuity planning for emergencies:
www.kentprepared.org.uk

The UK CCRA Business and Industry section covers the key risks for UK PLC from climate change:

www.theccc.org.uk/tackling-climate-change/preparing-for-climate-change/uk-climate-change-risk-assessment-2017/synthesis-report

