

# Low Carbon Environmental Goods and Services Sector Study 2024: Local Authority Short Report for Herefordshire County Council

Commissioned by the Midlands Net Zero Hub, this report provides 2024 data of the LCEGS sector, updating the 2021 study.

## 1. Introduction

This document has been prepared to provide an overview summary of the LCEGS sector within this Local Authority. Reports on the wider picture of the MNZH region and The Marches, including skills forecasts relevant to this Local Authority, and datasets are available [here](#). Additional detailed data is available from kMatrix; and further recommendations and details on areas of focus are available through the Climate Action Benchmarking study.

## 2. Current Activity Supporting the Growth of the Sector

Activity at The Marches level relevant to the wider geographical region:

- The Marches has invested £1.2m in the Herefordshire Low Carbon Technology Centre which will develop industry-lead training in green skills and support 750 learners in the first 3 years.
- The Marches Energy Grant offers free advice, energy assessments and grants for energy efficiency and renewable energy measures to SMEs from all sectors in the region. This includes grants worth up to £60,000 for eligible businesses, and matched (75%) funding grants of up to £100,000 for businesses wanting to install energy efficiency measures.
- The Marches region, particularly Shropshire, is increasingly utilizing anaerobic digestion (AD) technology to manage agricultural waste and generate renewable energy. By expanding AD infrastructure, the region has the opportunity to become a leader in sustainable farming, further growing the LCEGS sector.

- The Marches Energy Agency is a long-standing organisation focusing on the delivery of renewable energy and energy efficiency programmes. They supported over 11,000 people in fuel poverty last year, increasing knowledge and driving demand in the LCEGS sector.

### 3. Recommendations

Recommendations for Herefordshire County Council are:

- Adopt learnings from the LGA-funded '[Creating Sustainable Manufacturing in Telford & Wrekin](#)' for implementation in Herefordshire, allowing resource efficiency in the manufacturing sector to continue to grow.
- Promote sustainable practices within Herefordshire's large agricultural sector, focusing on evidence-based solutions like AD, [BioChar](#) and Agri-Tech innovation. Partner with institutions like Harper Adams University to pilot innovations. This includes promoting and developing the [Shropshire AGRI](#) project for wide-spread use across the region.
- Work with nearby local authorities to develop a strategy to better work with local skills providers, education institutions and LCEGS businesses to ensure training and apprenticeships are available that address the specific skills gaps in the area. This work could include pooling funding.
- Encourage local agricultural businesses to apply for the [Countryside Stewardship](#) scheme, which provides financial incentives for farmers, foresters and land managers to look after and improve the environment.
- Review procurement processes within local authorities and the wider public sector to prioritize local LCEGS businesses, encouraging sustainable practices across the supply chain. Shift focus from solely cost-driven decisions to those considering long-term environmental and social benefits.
- Contact the Midlands Net Zero Hub and request the supplementary booklet of additional data to provide further information and context to the LCEGS sector in your area.
- Large sub-sectors which saw stronger 3-year growth in Herefordshire than the UK average and are considered strengths are:

- Recovery & Recycling
- Waste Management
- Water Supply & Waste Water Treatment
- Energy Management

These are similar strengths to the wider Marches, which also includes Alternative Fuel Vehicle; Alternative Fuels; Building Technologies; Geothermal and Photovoltaic. The Marches report and dataset includes details of the skills gaps across the Marches for each sub-sector, providing evidence to feed into local skills plans, ideally formed in collaboration with neighbouring councils.

#### 4. Headline Figures for Herefordshire

Headline figures for the Herefordshire County Council area are:

- The LCEGS sector in Herefordshire was worth £495m in 2023/24 and is forecast to grow to £790m over the next 5 years
- The LCEGS sector accounts for 7.7% of GVA, 2.7% of employment, and sales accounts for 8.5% of GDP in Herefordshire
- Herefordshire's LCEGS Sales generates 1.7% of the LCEGS Sales in the MNZH region, slightly higher than the 1.6% of total GDP contribution
- Herefordshire's LCEGS GVA generated 1.7% of the MNZH's LCEGS GVA, slightly higher than its 1.6% total GVA contribution
- Herefordshire's LCEGS employment accounts for 1.2% of MNZH's LCEGS employment, lower than its 1.9% of economically active people in the MNZH

## 5. Herefordshire’s LCEGS Sector Key Metrics

Key metrics in Herefordshire for each financial year from 2019/20 to 2023/24, with growth between years:

Herefordshire	2019/20	% growth	2020/21	% growth	2021/22	% growth	2022/23	% growth	2023/24
Sales	£445.1m	-5.6%	£420.1m	4.0%	£437.1m	5.3%	£460.5m	7.6%	£495.4m
GVA	£350.6m	-5.6%	£330.8m	4.1%	£344.3m	5.4%	£362.9m	7.9%	£391.7m
# FTE Employees	2,522	-3.5%	2,434	4.1%	2,534	5.0%	2,661	7.9%	2,871
# Companies	184	-5.7%	174	5.3%	183	5.5%	193	7.6%	207

All metrics have recovered from the pandemic in 2020 and saw growth across the reporting period from 2021/22 to 2023/24.

## 6. Herefordshire’s Sub-sectors Key Metrics

All 24 sub-sectors of the LCEGS sector have activity in Herefordshire, with the 2023/24 values for Sales, GVA, FTE Employees and number of companies in figure 1.

Figure 1: Sales, GVA, FTE Employees and number of companies in Herefordshire in 2023/24 by sub-sector



The largest 11 sub-sectors account for 96% of sales, 96% of GVA, 95% of employment and 95% of companies in the LCEGS sector. These 11 sub-sectors are: Building Technologies; Wind; Alternative Fuels; Photovoltaic; Biomass; Water Supply & Waste Water Treatment; Waste Management; Alternative Fuel Vehicle; Recovery & Recycling; Geothermal and Energy Management.

## 7. Herefordshire’s Sub-sector Growth Compared with the UK

Sub-sectors that saw stronger growth in sales than the UK average between 2021/22 and 2023/24 for Herefordshire include:

Sub-sector	Herefordshire Sales 2023/24	Herefordshire Growth 2021/22 to 2023/34	UK Growth 2021/22 to 2023/34
Air Pollution	£2.7m	14%	7%
Contaminated Land Reclamation & Remediation	£2.6m	14%	9%
Environmental Consultancy and Related Services	£3.2m	14%	11%
Recovery & Recycling	£25.5m	13%	11%
Waste Management	£34.3m	16%	8%
Water Supply and Waste Water Treatment	£37.6m	14%	5%
Additional Energy Sources	£4.0m	14%	10%
Energy Management	£10.0m	13%	10%
Renewable Energy General Consultancy	£2.5m	12%	7%

Only sub-sectors contributing more than 1% of the total Sales in Herefordshire have been included in this table.

Of the 8 sub-sectors that grew stronger than the UK, Recovery & Recycling; Waste Management; Water Supply & Waste Water Treatment; and Energy Management are also large sub-sectors and should be considered a strength of Hertfordshire.

## 8. MNZH Regional summary

Headline figures for the MNZH area are:

- The LCEGS sector in MNZH Region was worth £31.0bn in 2023/24 and is forecast to grow to £46.6bn over the next 5 years
- The LCEGS sector accounts for 7.4% of GVA, 4.2% of employment, and sales accounts for 8.3% of GDP in MNZH Region
- MNZH Region's LCEGS Sales generates 11.9% of the LCEGS Sales in the UK, slightly lower than the 12.4% of total GDP contribution
- MNZH Region's LCEGs employment accounts for 15.5% of the UK's LCEGS employment, lower than its 16.8% of economically active people in the UK
- Net Zero 2030 targets are expected to require between 30,192 and 146,162 FTE employees in addition to those employed now in the MNZH region
- Net Zero 2050 targets are expected to require between 263,907 and 727,184 FTE employees in addition to those employed now in the MNZH region
- The MNZH region's LCEGS sector could generate up to 727,184 jobs between 2023/24 and 2050\*
- Between 2019/20 and 2023/24, Investment in R&D for the LCEGS sector has varied, but is now similar, shrinking slightly from £2.2bn to £2.1bn for Private Equity Investment; being £3.6bn for Venture Capital Investment for both years; and increasing slightly from £4.9bn to £5.2bn for Other Investment.
- Exports in the LCEGS sector for MNZH Region have increased from £2.8bn in 2019/20 to £3.2bn in 2023/24.

\*The majority of increase from 2030 targets due to additional 20 years of wider economic growth

## 9. The Marches summary

Headline figures for The Marches are:

- The LCEGS sector in The Marches was worth £2.1bn in 2023/24 and is forecast to grow to £3.3bn over the next 5 years
- The LCEGS sector accounts for 7.4% of GVA, 3.8% of employment, and sales accounts for 8.3% of GDP in The Marches
- The Marches' LCEGS Sales generates 6.7% of the LCEGS Sales in the MNZH region, in line with the 6.7% of total GDP contribution
- The Marches' LCEGS GVA generated 6.7% of the MNZH's LCEGS GVA, in line with its 6.7% total GVA contribution
- The Marches' LCEGS employment accounts for 6.1% of MNZH's LCEGS employment, lower than its 6.9% of economically active people in the MNZH
- Net Zero 2030 targets are expected to require between 3,501 and 12,039 FTE employees in addition to those employed now in The Marches
- Net Zero 2050 targets are expected to require between 11,284 and 55,763 FTE employees in addition to those employed now in The Marches
- The Marches' LCEGS sector could generate up to 55,763 jobs between 2023/24 and 2050 \*
- Between 2019/20 and 2023/24, Investment in R&D for the LCEGS sector has grown from £84m to £136m for Private Equity Investment; £171m to £241m for Venture Capital Investment; and £264m to £346m for Other Investment.
- Exports in the LCEGS sector for the Marches have increased from £187m in 2019/20 to £213m in 2023/24.

\*The majority of increase from 2030 targets due to additional 20 years of wider economic growth



## 10. Example Companies in Herefordshire

Examples companies in Herefordshire.

Note: Some or all of the company's activity and employment are either currently in the LCEGS sector or have the potential to be. In some cases, turnover and/or employment may include activity in other locations.

Company Name: **HSL Compliance Ltd**  
Web: <https://hslcompliance.com/>  
Turnover: £22.34m  
Employees: 327  
SIC Codes: Water collection, treatment and supply  
Additional Products and Services: Legal compliance services and training  
About the company: HSL Compliance is a risk and compliance leader, specialising in water, hazardous materials, fire safety and associated Health Safety and Environmental services. HSL Compliance provide a full range of ACoP L8 and HSG274 services from water quality monitoring and sampling through to a full Legionella risk assessment. They also offer an extensive range of water hygiene and water treatment remedial services, including water tank replacement and refurbishment.

Company Name: **Mayglothing Waste Limited**  
Web: <https://mayglothingwaste.com/>  
Employees: 79  
SIC Codes: Treatment and disposal of non-hazardous waste  
Treatment and disposal of hazardous waste  
Construction of utility projects for fluids

Plumbing, heat and air-conditioning installation

About the company:

Provide domestic, commercial and industrial waste solutions to a wide variety of businesses, from public sector and non-governmental to food production & packaging and local authorities. They specialise in Sewage, Total Waste Management, Transport and Logistics and Industrial Cleaning.