

# Low Carbon Environmental Goods and Services Sector Study 2024: Local Authority Short Report for Malvern Hills District 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 Worcestershire, 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 Worcestershire level relevant to the wider geographical region:

- Net Zero Worcestershire offers free advice, energy assessments and grants for energy efficiency and renewable energy measures to SMEs from all sectors in the region. This includes 75% funding grants of up to £100,000 for businesses wanting to install energy efficiency measures.
- [SkillsBoost Worcestershire](#) is a scheme run by the Worcestershire Growth Hub that helps organisations with the costs of upskilling and training their employees with a 50% grant. This can include improving net zero skills in a company or can be as broad as having a consultant come in to talk about sustainability for a day, both of which drive demand in the LCEGS sector.

### 3. Recommendations

Recommendations for Malvern Hills District Council are:

- Ensure businesses can access short term upskilling courses to give those in traditional sectors the knowledge to transition into the LCEGS sector, for example traditional plumbers retraining as heat pump engineers.
- Ensure rural LCEGS businesses are not being excluded from opportunities in the low carbon sector by directly marketing and tailoring support opportunities such as the Net Zero Worcestershire grant for quick, low-level interventions.
- 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.
- Review procurement processes within the local authority and wider public sector to prioritise sustainable practices across the supply chain, thereby driving growth in the LCEGS sector. Shift focus from short term cost savings to longer term savings and consider savings to other budgets through procurement which brings social and environmental 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 the closest 3-year growth in Malvern Hills to the UK average and are considered strengths are:
  - Waste Management
  - Water Supply & Waste Water Treatment
  - Energy Management

These compare with a wider range of strengths in the wider Worcestershire area, which includes Recovery & Recycling; Alternative Fuel Vehicle; Alternative Fuels; Building Technologies; Nuclear Power; and Geothermal. The Worcestershire report and dataset includes details of the skills gaps across Worcestershire for each sub-sector, providing evidence to feed into local skills plans, ideally formed in collaboration with neighbouring councils.

## 4. Headline Figures for Malvern Hills

The headline figures for the Malvern Hills District Council area are:

- The LCEGS sector in Malvern Hills was worth £181m in 2023/24 and is forecast to grow to £215m over the next 5 years
- The LCEGS sector accounts for 7.5% of GVA, 3.9% of employment, and sales accounts for 8.0% of GDP in Malvern Hills
- Malvern Hills’s LCEGS Sales generates 0.7% of the LCEGS Sales in the MNZH region, in line with the 0.7% of total GDP contribution
- Malvern Hills’s LCEGS GVA generated 0.7% of the MNZH’s LCEGS GVA, in line with its 0.7% total GVA contribution
- Malvern Hills’s LCEGS employment accounts for 0.7% of MNZH’s LCEGS employment, slightly lower than its 0.8% of economically active people in the MNZH

## 5. Malvern Hills’s LCEGS Sector Key Metrics

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

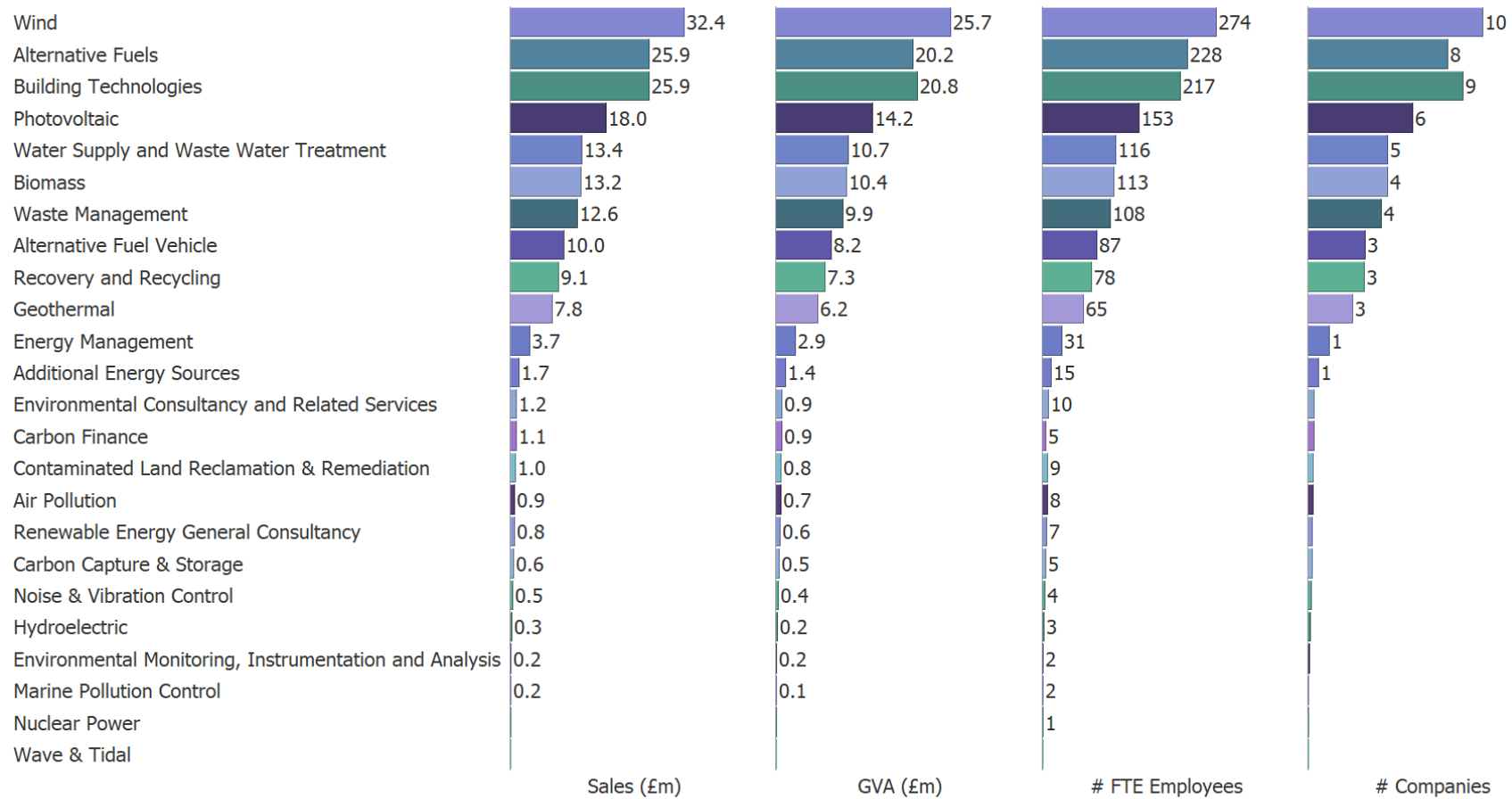
Malvern Hills	2019/20	% growth	2020/21	% growth	2021/22	% growth	2022/23	% growth	2023/24
Sales	£172.1m	-2.2%	£168.4m	2.1%	£171.8m	2.1%	£175.4m	2.9%	£180.5m
GVA	£136.6m	-2.2%	£133.7m	2.1%	£136.4m	1.9%	£139.1m	3.1%	£143.4m
# FTE Employees	1,462	-1.5%	1,441	1.9%	1,468	2.0%	1,496	2.9%	1,540
# Companies	56	-2.2%	54	2.0%	56	2.1%	57	3.0%	58

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

## 6. Malvern Hills’s Sub-sectors Key Metrics

All twenty-four sub-sectors of the LCEGS sector have activity in Malvern Hills, 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 Malvern Hills in 2023/24 by sub-sector



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

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

No sub-sectors saw stronger growth in sales than the UK average between 2021/22 and 2023/24, however, those who were closest to the UK average in Malvern Hills include:

<b>Sub-sector</b>	<b>Malvern Hills Sales 2023/24</b>	<b>Malvern Hills Growth 2021/22 to 2023/34</b>	<b>UK Growth 2021/22 to 2023/34</b>
Air Pollution	£0.9m	5%	7%
Contaminated Land Reclamation & Remediation	£1.0m	5%	9%
Environmental Consultancy and Related Services	£1.2m	5%	11%
Waste Management	£12.6m	5%	8%
Water Supply and Waste Water Treatment	£13.4m	5%	5%
Additional Energy Sources	£1.7m	5%	10%
Energy Management	£3.7m	6%	10%

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

Of the seven sub-sectors closest to the UK average, Waste Management, Water Supply & Waste Water Treatment; and Energy Management are also large sub-sectors and should be considered strengths of Malvern Hills.

## 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. Worcestershire County Council summary

Headline figures for Worcestershire area are:

- The LCEGS sector in Worcestershire was worth £1.8bn in 2023/24 and is forecast to grow to £2.8bn over the next 5 years
- The LCEGS sector accounts for 7.6% of GVA, 4.2% of employment, and sales accounts for 8.3% of GDP in Worcestershire
- Worcestershire's LCEGS Sales generates 5.8% of the LCEGS Sales in the MNZH region, in line with its 5.8% of total GDP contribution
- Worcestershire's LCEGS GVA generated 5.8% of the MNZH's LCEGS GVA, slightly higher than its 5.6% total GVA contribution
- Worcestershire's LCEGS employment accounts for 6.1% of MNZH's LCEGS employment, in line with its 6.1% of economically active people in the MNZH
- Net Zero 2030 targets are expected to require between 1,427 and 8,244 FTE employees in addition to those employed now in Worcestershire
- Net Zero 2050 targets are expected to require between 17,453 and 42,283 FTE employees in addition to those employed now in Worcestershire
- Worcestershire's LCEGS sector could generate up to 42,283 jobs between 2023/24 and 2050\*
- Between 2019/20 and 2023/24, Investment in R&D for the LCEGS sector has grown from £77m to £143m for Private Equity Investment; £152m to £230m for Venture Capital Investment; and £228m to £317m for Other Investment.
- Exports in the LCEGS sector for Worcestershire have increased from £191m in 2019/20 to £220m in 2023/24.

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

## 10. Example Companies in Malvern Hills

Examples companies in Malvern Hills.

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: **Aquabio Limited**  
Web: <https://aquabio.co.uk/>  
Turnover: £8m  
Employees: 23  
SIC Codes: Water collection, treatment and supply  
Additional Products and Services: Aerobic, Anaerobic and reverse osmosis solutions  
About the company: “Aquabio is a pioneering company born with a passion for innovation combined with a strong ethos for environmental sustainability. For over 20 years we have provided some of the world’s most advanced systems for the treatment and reuse of industrial wastewater at our customer facilities.”

Company Name: **Microtrol Limited**  
Web: <https://www.microtrol.co.uk/>  
Employees: 8  
SIC Codes: Manufacture of electronic industrial process control equipment  
Additional Products and Services: Plumbing, heat and air-conditioning supply chain  
About the company: “Systems to monitor and control heat pumps, air conditioning and HVAC units”