

Low Carbon Environmental Goods and Services Sector Study 2024: Local Authority Short Report for South Staffordshire 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 Stoke-on-Trent & Staffordshire, 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 Stoke-on-Trent & Staffordshire level relevant to the wider geographical region:

- The Staffordshire County Council Green Solutions programme in affiliation with Business Energy Advice Service (BEAS) offers support and funding to businesses across the region to reduce their greenhouse gas emissions. This includes free energy assessments, free carbon literacy training and a 50% Low Carbon Grant of up to £100,000 to implement recommended actions, such as the installation of solar panels, thereby helping to drive demand in the LCEGS sector.
- Staffordshire Business Environment Network is one of the biggest environmental networks in the country, with over 750 members. It offers training and support to its members and has been growing the LCEGS sector in Staffordshire for over 30 years.
- Staffordshire Green Skills for Growth is a programme funded by Innovate UK and is run in partnership with Staffordshire County Council and Keele University. It aims to model the pipeline of net zero skills needed in the region through to 2050 and establish a skills development and investment plan in collaboration with the region's major education providers.

- Stoke-on-Trent is a major center of energy innovation and low carbon adoption, and the Stoke District Heat Network and Smart Energy Network Demonstrator are national assets that allow businesses and academic researchers to collaborate, share expertise to innovate and grow.

3. Recommendations

Recommendations for South Staffordshire Council are:

- Promote sustainable practices within the region's agricultural sector, focusing on evidence-based solutions like aerobic digestion (AD), [BioChar](#) and Agri-Tech innovation. Partner with institutions like Harper Adams University to pilot innovations. Learnings can be taken from projects in surrounding regions, such as the [Shropshire AGRI](#) project.
- Work with nearby local authorities to develop a strategy to better collaborate 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. For South Staffordshire, this could be a particular focus on environmental skills such as auditing and sustainable management, as well as ensuring there are a sufficient number of highly trained installers to meet the local demand for low carbon technologies.
- 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 stronger 3-year growth in South Staffordshire than the UK average and are considered strengths are:
 - Recovery & Recycling
 - Waste Management
 - Water Supply & Waste Water Treatment
 - Alternative Fuel Vehicle

- Alternative Fuels
- Building Technologies
- Energy Management
- Geothermal

These are similar strengths to the wider Stoke-on-Trent & Staffordshire area, which also includes Nuclear Power, Biomass, Photovoltaic and Wind. The Stoke-on-Trent & Staffordshire report and dataset includes details of the skills gaps across Stoke-on-Trent & Staffordshire for each sub-sector, providing evidence to feed into local skills plans, ideally formed in collaboration with neighbouring councils.

4. Headline Figures for South Staffordshire

Headline figures for the South Staffordshire Council area are:

- The LCEGS sector in South Staffordshire was worth £249m in 2023/24 and is forecast to grow to £336m over the next 5 years
- The LCEGS sector accounts for 7.3% of GVA, 2.7% of employment, and sales accounts for 7.6% of GDP in South Staffordshire
- South Staffordshire's LCEGS Sales generates 0.8% of the LCEGS Sales in the MNZH region, slightly lower than the 0.9% of total GDP contribution
- South Staffordshire's LCEGS GVA generated 0.8% of the MNZH's LCEGS GVA, in line with its 0.8% total GVA contribution
- South Staffordshire's LCEGS employment accounts for 0.7% of MNZH's LCEGS employment, lower than its 1.1% of economically active people in the MNZH

5. South Staffordshire’s LCEGS Sector Key Metrics

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

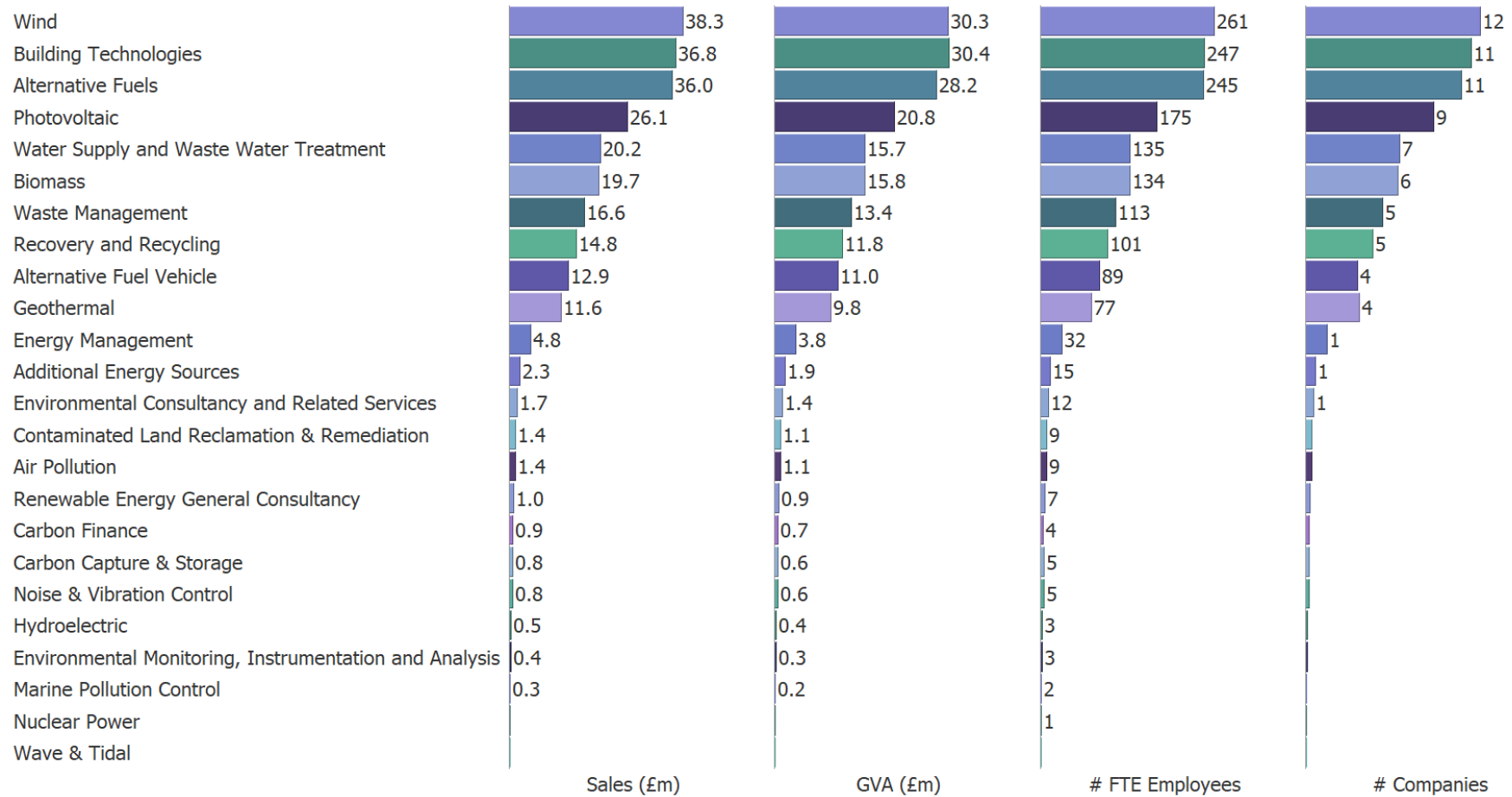
South Staffordshire	2019/20	% growth	2020/21	% growth	2021/22	% growth	2022/23	% growth	2023/24
Sales	£214.7m	-8.0%	£197.5m	5.8%	£208.9m	7.6%	£224.9m	10.9%	£249.3m
GVA	£173.2m	-8.0%	£159.3m	5.8%	£168.5m	7.2%	£180.7m	10.7%	£200.1m
# FTE Employees	1,400	-5.1%	1,329	5.8%	1,406	8.1%	1,520	10.8%	1,684
# Companies	67	-8.0%	62	5.9%	66	7.8%	71	11.1%	79

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

6. South Staffordshire’s Sub-sectors Key Metrics

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



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

7. South Staffordshire’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 South Staffordshire include:

Sub-sector	South Staffordshire Sales 2023/24	South Staffordshire Growth 2021/22 to 2023/34	UK Growth 2021/22 to 2023/34
Air Pollution	£1.4m	19%	7%
Contaminated Land Reclamation & Remediation	£1.4m	18%	9%
Environmental Consultancy and Related Services	£1.7m	19%	11%
Recovery and Recycling	£14.8m	21%	11%
Waste Management	£16.6m	16%	8%
Water Supply and Waste Water Treatment	£20.2m	20%	5%
Additional Energy Sources	£2.3m	19%	10%
Alternative Fuel Vehicle	£12.9m	20%	12%
Alternative Fuels	£36.0m	21%	14%
Building Technologies	£36.8m	21%	16%
Energy Management	£4.8m	18%	10%
Geothermal	£11.6m	23%	18%

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

Of the twelve sub-sectors that grew stronger than the UK, Recovery & Recycling; Waste Management; Water Supply & Waste Water Treatment; Alternative Fuel Vehicle; Alternative Fuels; Building Technologies; Energy Management; and Geothermal are also large sub-sectors and should be considered a strength of South Staffordshire.

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. Stoke-on-Trent & Staffordshire Growth Hub summary

Headline figures for the Stoke-on-Trent & Staffordshire area are:

- The LCEGS sector in Stoke-on-Trent & Staffordshire was worth £3.3bn in 2023/24 and is forecast to grow to £5.3bn over the next 5 years
- The LCEGS sector accounts for 7.1% of GVA, 3.7% of employment, and sales accounts for 7.9% of GDP in Stoke-on-Trent & Staffordshire
- Stoke-on-Trent & Staffordshire's LCEGS Sales generates 10.2% of the LCEGS Sales in the MNZH region, slightly lower than the 10.7% of total GDP contribution
- Stoke-on-Trent & Staffordshire's LCEGS GVA generated 10.1% of the MNZH's LCEGS GVA, slightly lower than its 10.6% total GVA contribution
- Stoke-on-Trent & Staffordshire's LCEGS employment accounts for 9.7% of MNZH's LCEGS employment, lower than its 11.2% of economically active people in the MNZH
- Net Zero 2030 targets are expected to require between 2,549 and 14,807 FTE employees in addition to those employed now in Stoke-on-Trent & Staffordshire
- Net Zero 2050 targets are expected to require between 31,955 and 76,017 FTE employees in addition to those employed now in Stoke-on-Trent & Staffordshire
- Stoke-on-Trent & Staffordshire's LCEGS sector could generate up to 76,017 jobs between 2023/24 and 2050*
- Between 2019/20 and 2023/24, Investment in R&D for the LCEGS sector has grown from £129m to £209m for Private Equity Investment; £267m to £376m for Venture Capital Investment; and £404m to £537m for Other Investment.
- Exports in the LCEGS sector for Stoke-on-Trent & Staffordshire have increased from £298m in 2019/20 to £338m in 2023/24.

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

10. Example Companies in South Staffordshire

Examples companies in South Staffordshire.

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: **H2o Hygiene Limited**
Web: <https://h2ohygiene.co.uk/>
Employees: 56
SIC Codes: Water collection, treatment and supply
Additional Products and Services: Water testing
Legionella testing
Air hygiene services
Training
About the company: "Water compliance services with a family feel. Our relationships are at the heart of everything we do; we work tirelessly to provide full ACoP L8/HSG274 water compliance services to organisations across the country."

Company Name: **Eurofins Water Hygiene Testing Wolverhampton**
Web: <https://www.eurofins.co.uk/water-hygiene-testing/>
Turnover: €6.7bn global group turnover (Eurofins Group includes wide variety of testing)
Employees: 62,000 globally

SIC Codes: Manufacture of electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment
Engineering related scientific and technical consulting activities
Technical testing and analysis
Post-graduate level higher education

About the company: “Eurofins is a leading provider of water testing services at our UKAS No. 9658 and No.9508 accredited laboratories in Wolverhampton, Grimsby, Heathrow, Livingston and Sheffield. We are also members of the Legionella Control Association.
Eurofins Water team has experienced, highly trained and knowledgeable employees who understand the need for an accurate and robust testing partner. We serve the commercial, industrial and healthcare sectors.”