

# Low Carbon Environmental Goods and Services Sector Study 2024: Local Authority Short Report for Warwick 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 Coventry & Warwickshire, 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 Coventry & Warwickshire level relevant to the wider geographical region:

- There is support across the Warwickshire region to help businesses to decarbonise. Schemes such as the Business Energy Advice Service, the WM Net Zero Pledge and decarbonisation grants will help further drive the LCEGS sector, although more support and funding are needed in the future to maximise effectiveness.
- The WMCA region of which Coventry is also part has a very strong innovation sector including a number of funding projects and support networks, such as the West Midlands Innovation Programme. The Innovation Accelerator programme has offered £33m of funding for five projects, two of which directly support the LCEGS sector - "Clean Futures" and the "Biochar Cleantech Accelerator" - and offers a strong platform to drive innovation throughout the LCEGS supply chain.
- Energy Capital's work developing a Regional Energy Strategy and a Smart Energy Cluster will provide a useful direction of travel and an opportunity to collaborate for the region's diverse and otherwise disparate energy sector.

- The [Green Business Network](#) connects businesses in the LCEGS sector. Through it, LCEGS businesses can access expert guidance on energy and resource efficiency, networking and supply chain opportunities, access to grants and funding, and free energy and resource audits.

### 3. Recommendations

Recommendations for Warwick District Council are:

- Take advantage of the automotive sector in Warwickshire by promoting, learning from and building upon the Supply Chain Transition Programme, which helps SMEs in the sector diversify their customer base by winning new orders in growing areas of the economy.
- Promote the use of local suppliers for low carbon product installations as part of funding schemes (such as insulation upgrades) and establish quality assurance procedures to ensure effectiveness and build trust in council-led schemes.
- 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 stronger 3-year growth in Warwick 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
- Biomass
- Geothermal
- Photovoltaic
- Wind

These are similar strengths to the wider Coventry & Warwickshire, apart from Nuclear Power, which is a strength of Coventry & Warwickshire due to the large presence in Rugby. The Coventry & Warwickshire Report and dataset includes details of the skills gaps across Coventry & Warwickshire for each sub-sector, providing evidence to feed into local skills plans, ideally formed in collaboration with neighbouring councils.

#### 4. Headline Figures for Warwick

The headline figures for the Warwick District Council area are:

- The LCEGS sector in Warwick was worth £1.03bn in 2023/24 and is forecast to grow to £1.54bn over the next 5 years
- The LCEGS sector accounts for 9.2% of GVA, 10.0% of employment, and sales accounts for 10.0% of GDP in Warwick
- Warwick's LCEGS Sales generates 3.0% of the LCEGS Sales in the MNZH region, higher than the 2.4% of total GDP contribution
- Warwick's LCEGS GVA generated 3.0% of the MNZH's LCEGS GVA, higher than its 2.4% total GVA contribution
- Warwick's LCEGS employment accounts for 3.6% of MNZH's LCEGS employment, lower than its 1.5% of economically active people in the MNZH

## 5. Warwick's LCEGS Sector Key Metrics

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

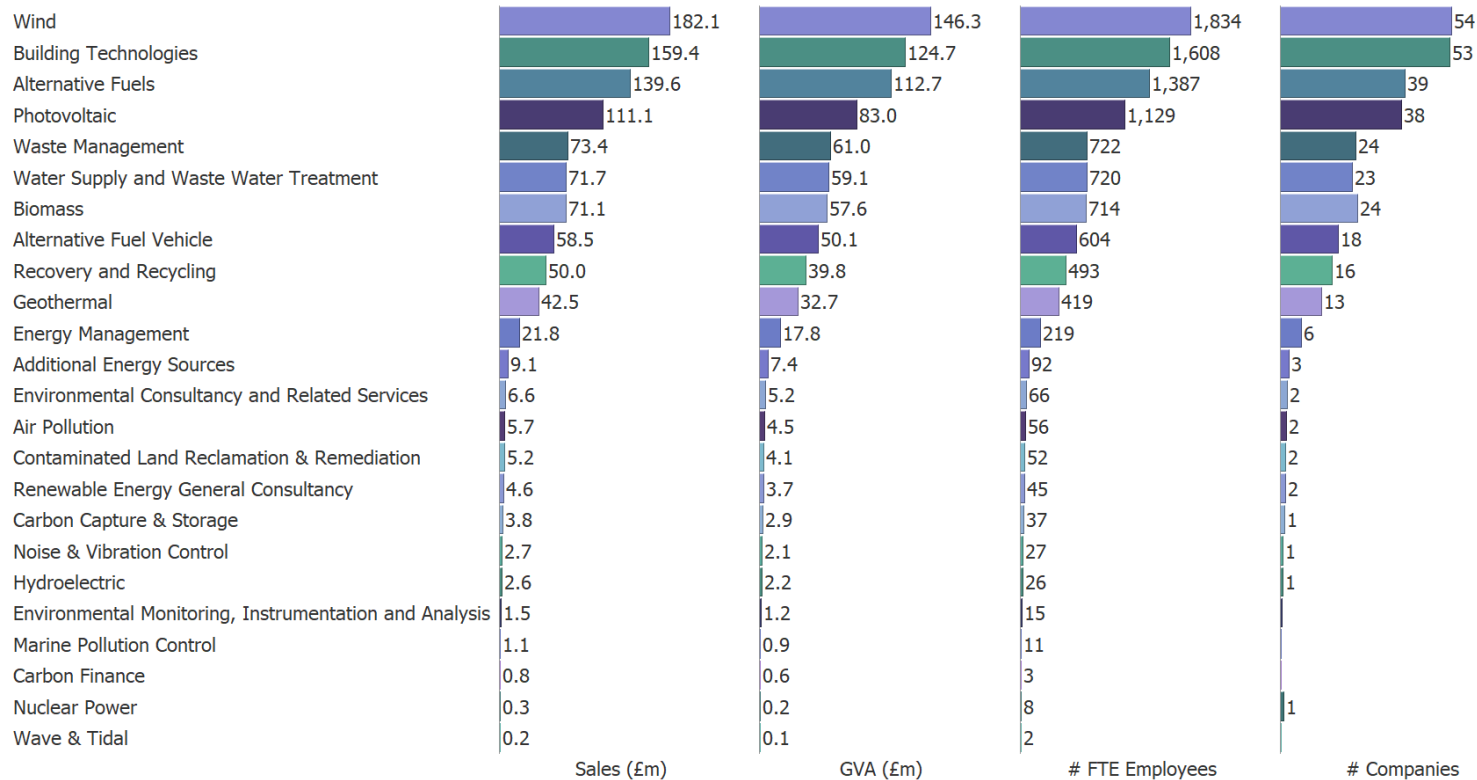
Warwick	2019/20	% growth	2020/21	% growth	2021/22	% growth	2022/23	% growth	2023/24
Sales	£809.4m	-13.7	£698.8m	9.3	£763.7m	13.0	£863.4m	18.7	£1,025.2m
GVA	£645.8m	-13.7	£557.6m	9.3	£609.4m	13.4	£690.8m	18.7	£819.8m
# FTE Employees	7,618	-8.5	6,967	9.4	7,623	13.4	8,643	19.0	10,290
# Companies	254	-14.0	219	9.9	240	13.2	272	19.0	324

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

## 6. Warwick's Sub-sectors Key Metrics

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



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

## 7. Warwick'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 Warwick include:

Sub-sector	Warwick Sales 2023/24	Warwick Growth 2021/22 to 2023/34	UK Growth 2021/22 to 2023/34
Air Pollution	£5.7m	32%	7%
Contaminated Land Reclamation & Remediation	£5.2m	33%	9%
Environmental Consultancy and Related Services	£6.6m	29%	11%
Recovery and Recycling	£50.0m	33%	11%
Waste Management	£73.4m	34%	8%
Water Supply and Waste Water Treatment	£71.7m	30%	5%
Additional Energy Sources	£9.0m	31%	10%
Alternative Fuel Vehicle	£58.5m	31%	12%
Alternative Fuels	£139.6m	36%	14%
Building Technologies	£159.4m	34%	16%
Energy Management	£21.8m	35%	10%
Biomass	£71.1m	39%	24%
Geothermal	£42.5m	31%	18%
Photovoltaic	£111.1m	34%	21%
Wind	£182.1m	36%	23%

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

Of the 15 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; Biomass; Geothermal; Photovoltaic; and Wind are also large sub-sectors and should be considered a strength of Warwick.

## 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. Coventry & Warwickshire summary

Headline figures for Coventry & Warwickshire are:

- The LCEGS sector in Coventry & Warwickshire was worth £3.9bn in 2023/24 and is forecast to grow to £5.6bn over the next 5 years
- The LCEGS sector accounts for 8.2% of GVA, 6.1% of employment, and sales accounts for 9.1% of GDP in Coventry & Warwickshire
- Coventry & Warwickshire's LCEGS Sales generates 12.4% of the LCEGS Sales in the MNZH region, higher than the 11.2% of total GDP contribution
- Coventry & Warwickshire's LCEGS GVA generated 12.4% of the MNZH's LCEGS GVA, higher than the 11.2% total GVA contribution
- Coventry & Warwickshire's LCEGS employment accounts for 13.7% of MNZH's LCEGS employment, higher than its 9.5% of economically active people in the MNZH
- Net Zero 2030 targets are expected to require between 5,754 and 21,426 FTE employees in addition to those employed now in Coventry & Warwickshire
- Net Zero 2050 targets are expected to require between 28,998 and 100,014 FTE employees in addition to those employed now in Coventry & Warwickshire
- Coventry & Warwickshire's LCEGS sector could generate up to 100,014 jobs between 2023/24 and 2050\*
- Between 2019/20 and 2023/24, Investment in R&D for the LCEGS sector has grown from £167m to £278m for Private Equity Investment; £330m to £467m for Venture Capital Investment; and £483m to £647m for Other Investment.
- Exports in the LCEGS sector for Coventry & Warwickshire have increased from £350m in 2019/20 to £405m in 2023/24.



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

## 10. Example Companies in Warwick

Examples companies in Warwick.

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: **Ree Automotive UK Limited**

Web: <https://ree.auto/>

Employees: 131

SIC Codes: Manufacture of motor vehicles  
Business and domestic software development

Additional Products and Services: Manufacture of motor vehicles Electric Lorries

About the company: "REE Automotive is an electric platform leader reinventing e-mobility. Unrestricted by legacy thinking, REE has developed the next generation EV platform, which is completely flat, scalable and modular providing customers full design freedom to create the broadest range of EV and autonomous vehicles for current and future applications, including last mile delivery, MaaS, light to medium duty EV logistics and robo taxis."

Company Name: **A Bright Solution**

Web: <https://abrightsolution.co.uk/>

SIC Codes: Plumbing, heat and air-conditioning installation

Additional Products and Services: Solar panel installation  
Battery storage installation  
Ground Source Heat Pump installation  
Air source heat pump installation  
LED lighting Installation  
Recycling equipment supply chain

About the company: “At A Bright Solution we always look to new and innovative solutions that work for business and the environment. By decentralising energy generation and deploying energy conservation technologies, we provide budget certainty, guaranteed savings against current market prices and significant reductions in CO2. All of which is achievable without expensive capital investment from our clients.”

Company Name: **Allwood Recycling Solutions Limited**

Web: <https://www.allwoodrecycling.co.uk/>

Turnover: £15.4m

Employees: 118

SIC Codes: Collection of non-hazardous waste

About the company: “We have evolved into a complete waste management service; from initial consultancy to delivering a tailored full waste management program designed only for your business.”