

Low Carbon Environmental Goods and Services Sector Study 2024: Local Authority Short Report for South Holland 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 Greater Lincolnshire, 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 Greater Lincolnshire level relevant to the wider geographical region:

- The "Find a Grant" service on the Business Lincolnshire website gives businesses the chance to see all available grants and support schemes available to them in one place, including those that support the low carbon sector.
- Business Lincolnshire also run net zero business support workshops, hosted by PECT. They provide support to SMEs in the region, educating them on the challenges and opportunities presented by the low carbon transition, as well as actions for businesses to implement to decarbonise and increase sustainability.
- Lincolnshire's South Humber Bank is a key hub location for large-scale low carbon sector investment projects. This includes industrial decarbonisation such as carbon capture and clean hydrogen, renewable energy generation and innovation clusters.
- A prototype STEP fusion powerplant is planned for construction in on the Bassetlaw – West Lindsey border, with the area acting as a hub for fusion-related engineering and commercial progress, generating thousands of jobs in the industry.

- Grimsby's offshore renewables cluster is supported by a number of specialist training providers, including HETA, Grimsby Institute and CATCH, who offer training and courses for companies, workers and students in the industry.
- The Greater Lincolnshire LEP has recently completed a study to baseline the level of commercial, industrial and research activity within the circular economy across Greater Lincolnshire, with a view to exploring the potential for circular economy clusters and growing the level of circular activity.

3. Recommendations

Recommendations for South Holland District Council are:

- The strong agricultural sector in the region offers a great opportunity to decarbonise and grow the LCEGS sector. Continue to grow (anaerobic digestion) AD investment in the region, engaging with local stakeholders to create structured and coordinated AD infrastructure. Expand on work done by UK Food Valley to create agrifood clusters, increasing use of low carbon technology and driving innovation.
- Ensure rural businesses are not being excluded from opportunities in the low carbon sector by directly marketing and tailoring support opportunities such as Low Carbon Lincolnshire to encourage engagement and investment in the LCEGS sector.
- 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.
- 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 local authorities and the wider public sector to prioritise 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 South Holland 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 more varied than the wider Greater Lincolnshire area, where Alternative Fuels; Building Technologies; Biomass; Geothermal; Photovoltaic and Wind did not grow stronger than the UK average in Greater Lincolnshire. The Greater Lincolnshire report and dataset includes details of the skills gaps across Greater Lincolnshire for each sub-sector, providing evidence to feed into local skills plans, ideally formed in collaboration with neighbouring councils.

4. Headline Figures for South Holland

The headline figures for the South Holland District Council area are:

- The LCEGS sector in South Holland was worth £307m in 2023/24 and is forecast to grow to £473m over the next 5 years
- The LCEGS sector accounts for 7.7% of GVA, 4.3% of employment, and sales accounts for 8.5% of GDP in South Holland
- South Holland's LCEGS Sales generates 0.9% of the LCEGS Sales in the MNZH region, in line with its 0.9% of total GDP contribution
- South Holland's LCEGS GVA generated 0.9% of the MNZH's LCEGS GVA, in line with its 0.9% total GVA contribution

- South Holland's LCEGS employment accounts for 1.0% of MNZH's LCEGS employment, in line with its 1.0% of economically active people in the MNZH

5. South Holland's LCEGS Sector Key Metrics

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

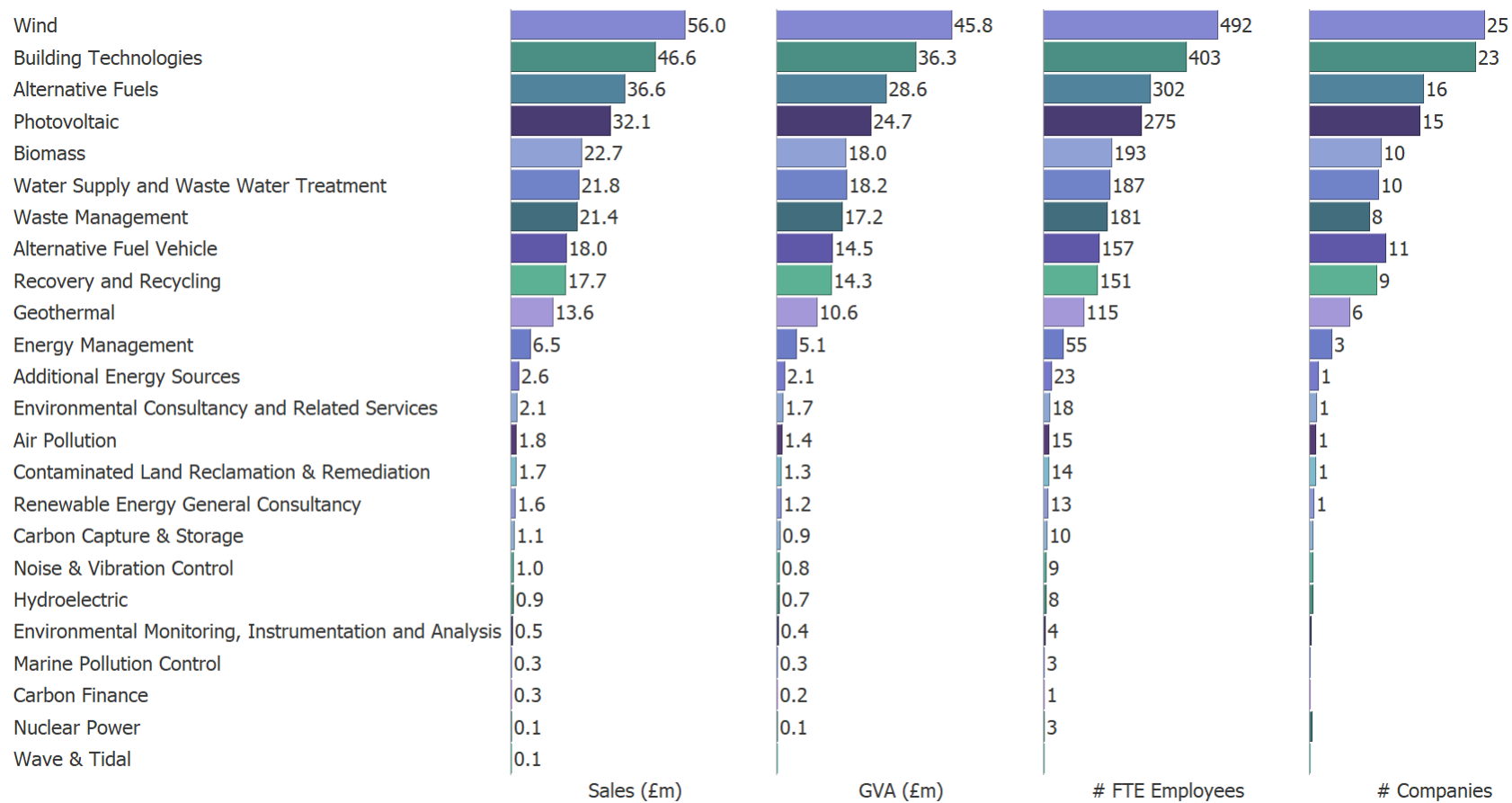
South Holland	2019/20	% growth	2020/21	% growth	2021/22	% growth	2022/23	% growth	2023/24
Sales	£252.2m	-12.2%	£221.5m	7.9%	£239.0m	11.0%	£265.3m	15.7%	£307.1m
GVA	£201.0m	-12.3%	£176.3m	7.9%	£190.2m	11.1%	£211.4m	15.6%	£244.3m
# FTE Employees	2,057	-8.2%	1,888	8.0%	2,039	11.4%	2,271	15.9%	2,632
# Companies	117	-12.1%	103	8.2%	111	11.1%	124	16.0%	144

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

6. South Holland's Sub-sectors Key Metrics

All twenty-four sub-sectors of the LCEGS sector have activity in South Holland, 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 Holland 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; Biomass; Water Supply & Waste Water Treatment; Waste Management; Alternative Fuel Vehicle; Recovery & Recycling; Geothermal and Energy Management.

7. South Holland'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 Holland include:

Sub-sector	South Holland Sales 2023/24	South Holland Growth 2021/22 to 2023/34	UK Growth 2021/22 to 2023/34
Air Pollution	£1.8m	28%	7%
Contaminated Land Reclamation & Remediation	£1.7m	38%	9%
Environmental Consultancy and Related Services	£2.1m	29%	11%
Recovery and Recycling	£17.7m	28%	11%
Waste Management	£21.4m	28%	8%
Water Supply and Waste Water Treatment	£21.8m	28%	5%
Additional Energy Sources	£2.6m	29%	10%
Alternative Fuel Vehicle	£18.0m	34%	12%
Alternative Fuels	£36.6m	23%	14%
Building Technologies	£46.6m	28%	16%
Energy Management	£6.5m	26%	10%
Biomass	£22.7m	28%	24%
Geothermal	£13.6m	27%	18%
Photovoltaic	£32.1m	26%	21%
Renewable Energy General Consultancy	£1.6m	29%	7%
Wind	£56.0m	34%	23%

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

Of the sixteen 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 South Holland.

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. Greater Lincolnshire Combined Authority summary

Headline figures for Greater Lincolnshire area are:

- The LCEGS sector in Greater Lincolnshire was worth £2.6bn in 2023/24 and is forecast to grow to £3.8bn over the next 5 years
- The LCEGS sector accounts for 6.3% of GVA, 3.2% of employment, and sales accounts for 7.0% of GDP in Greater Lincolnshire
- Greater Lincolnshire's LCEGS Sales generates 8.9% of the LCEGS Sales in the MNZH region, slightly lower than the 10.5% of total GDP contribution
- Greater Lincolnshire's LCEGS GVA generated 8.8% of the MNZH's LCEGS GVA, lower than the 10.5% total GVA contribution
- Greater Lincolnshire's LCEGS employment accounts for 7.9% of MNZH's LCEGS employment, lower than its 10.5% of economically active people in the MNZH
- Net Zero 2030 targets are expected to require between 3,711 and 12,933 FTE employees in addition to those employed now in Greater Lincolnshire
- Net Zero 2050 targets are expected to require between 17,430 and 59,852 FTE employees in addition to those employed now in Greater Lincolnshire
- Greater Lincolnshire's LCEGS sector could generate up to 59,852 jobs between 2023/24 and 2050*
- Between 2019/20 and 2023/24, Investment in R&D for the LCEGS sector has grown from £120m to £196m for Private Equity Investment; £233m to £321m for Venture Capital Investment; and £352m to £451m for Other Investment.
- Exports in the LCEGS sector for Greater Lincolnshire have increased from £251m in 2019/20 to £281m in 2023/24.

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

10. Example Companies in South Holland

Examples companies in South Holland.

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: **C G Godfrey Limited**

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

Employees: 30

SIC Codes: Construction of other civil engineering projects n.e.c.

Additional Products and Services: Vacuum sewerage systems and deep drainage

About the company: "C.G. Godfrey Ltd was established in 1973 and today the company is one of the region's leading independent civil, mechanical and electrical engineering contractors, specialising in vacuum sewerage systems and deep drainage."

Company Name: **Harkenn Limited**

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

Employees: 14

SIC Codes: Recovery of sorted materials

About the company: "Our objective, going forward, is to raise the profile of the recycling industry to the public eye and feel it important to be servicing companies within our local and surrounding area. With our recycling service we aim to enable you to reduce costs and minimise your environmental impact. Harkenn continuously invests to ensure consistent and sustainable growth. We currently service many of the leading sites in and around Spalding with the aim to raise our portfolio."