



Pro Enviro
ENGINEERING A GREENER WORLD



BEAS 2 Programme Outcomes

*Strategic Decarbonisation & Efficiency Report
for the Reviews Conducted by Pro Enviro Ltd*

April 2025 to January 2026

Table of Contents

1. Executive Summary.....	3
2. Programme Methodology & Scope.....	4
3. Analysis: Standard Audits (Low-Mid Intensity)	4
3.1 Sector Demographics	4
3.2 Opportunity Breakdown	4
.....	5
3.3 Economics of Standard Interventions	5
4. Analysis: Energy Intensive Audits (High Intensity)	6
4.1 Sector Demographics	6
4.2 Opportunity Breakdown	6
5. Comparative Performance: Where is the Value?.....	7
6. Strategic Investment Recommendations	10
Recommendation 1: Targeted "Replacement or Upgrading Production Process" Grants for Manufacturers	10
Recommendation 2: The "Renewables and Solar Generation" for High Energy Users	11
Recommendation 3: Building Services "Standard Stream" for SMEs.....	11
Recommendation 4: Special Funding for Innovative Decarbonisation Solutions for a Number of Regional Pilot Mini Clusters	12
7. Conclusion	12
8. Case Studies	13
8.1 Thomas Dudley	13
8.2 Alucast	14
8.3 Ramsden and Whale.....	15

1. Executive Summary

As a delivery partner for the **Business Energy Advice Service (BEAS 2)**, we have completed a comprehensive audit of **593 businesses**¹ across the region. The programme was segmented into two distinct streams based on energy consumption: **Standard Audits** (Low-Mid Energy Use: 25k–749k kWh) and **Energy Intensive (EI) Audits** (High Energy Use: >750k kWh).

Key Findings:

- **Disproportionate Impact of EI Sector:** While Energy Intensive (EI) audits represented only **20.7%** of the total cohort (123 companies), they accounted for **61%** of the total identified Carbon Savings (17,509 tCO₂e per year) and **60%** of the total financial savings (£8.25M per year).
- **The "Low-Hanging Fruit" is in Building Services:** For the Standard cohort, **56.8%** of recommendations focused on Building Services (Lighting and HVAC). This represents high-volume, lower-CapEx interventions essential for baseline efficiency.
- **The "Deep Decarbonisation" is in Production:** For the EI cohort, the focus shifts dramatically. **37.5%** of recommendations targeted replacement or upgrading of production equipment. This is where the significant carbon reduction lies, requiring higher CapEx but delivering greater operational and GVA improvement and significant energy and carbon savings.
- **Renewables are the Financial Driver:** Across both streams, Renewable Energy recommendations (specifically Solar PV) offered the highest average financial savings per intervention, crucial for insulating businesses against grid price volatility.
- **Regional Mini-Cluster Study to Encourage Collaborative Decarbonisation:** The Programme facilitated part funding of a place-based regional pilot mini-cluster study in Worcester City, where innovative solutions to remove barriers to Fuel Change, and adoption of collaborative energy efficiency and decarbonisation measures were reviewed. The participating Energy Intensive companies learned in some details the opportunities that the Electricity Market Reforms currently offers the Energy Intensive industries to reduce electricity costs. These included collaborative options for adoption of shared renewable generation and use, Peer-to-Peer (P2P) technologies and Behind the Meter (BtM)

¹ The figures cited in this Impact Assessment (593 audits, and associated savings and carbon reduction totals) reflect a snapshot taken in January 2026, prior to programme conclusion. Following contract close-out and final data reconciliation, approximately 30 companies included in this snapshot were re-attributed to BEAS Phase 1 (October 2023–March 2025), rather than Phase 2. The final, reconciled Phase 2 figures are: 564 audits completed, identifying over £11.6 million in potential annual client savings and 23,700 tCO₂e of carbon reduction.

Private Wire options, and Power Purchase Agreements (PPA) and Virtual Power Purchase Agreements (VPPA).

Strategic Recommendation:

Future investment phases must adopt a three-fold approach. **Standard Stream** requires grant support for high-volume, low-tech retrofits options i.e. Replacing Building Services, to build market momentum. However, to achieve Net Zero targets, funding **must prioritise the Energy Intensive Manufacturing sector**, specifically de-risking CapEx for production equipment upgrades and on-site generation, where the carbon return on investment (ROI) is **6.0x higher per facility** than in the Standard Stream. The third leg must support funding for innovative decarbonisation solutions for a number of regional pilot mini clusters to accelerate the collaborative adoption of collective decarbonisation opportunities such as Behind the Meter opportunities, P2P, PPA and VPPA.

2. Programme Methodology & Scope

The data presented in this report is derived from verified audits conducted under the BEAS 2 framework from March 2025 to the end of January 2026. Note this is before the conclusion of the project and includes 29 companies carried forward from BEAS 1.

- **Standard Stream:** 470 Companies audited.
 - *Threshold:* 25,000 kWh – 749,000 kWh annual energy usage.
 - *Target:* Smaller SMEs, Service Sector, Light Industry.
- **Energy Intensive (EI) Stream:** 123 Companies audited.
 - *Threshold:* 750,000 kWh+ annual energy usage.
 - *Target:* Heavy Manufacturing, Large Processors.

3. Analysis: Standard Audits (Low-Mid Intensity)

The Standard Stream represents the volume market. These businesses act as the economic backbone of the region but often lack dedicated energy management personnel and resources.

3.1 Sector Demographics

As indicated by the SIC Code distribution, this cohort is diverse. While **Manufacturing** is the largest single wedge, there is significant representation from **Wholesale/Retail, Hospitality, Hotels, Pubs and Restaurants, Construction** and **Education** sectors.

3.2 Opportunity Breakdown

- **Total Identified Savings:** £5.52M | 11,094 tCO₂e.

- **Building Services Dominance:** **56.8%** of all recommendations fell under "Building Services." This indicates that the UK SME stock is still plagued by basic inefficiencies: poor insulation, outdated lighting, and inefficient boilers.
- **Renewable Energy:** Represented **21.4%** of recommendations but delivered the highest total energy savings (~15.6 GWh).

3.3 Economics of Standard Interventions

- **Implementation Cost:** £38.4M total estimated CapEx.
- **Average Savings per Company:** ~£11,700/year.
- **Carbon ROI:** The "Best Value" metric (avg kgCO₂e/£) is highest in **Replacing or Upgrading Production Equipment (5.88 kgCO₂e/£)**, suggesting that even in smaller companies, process efficiency beats building fabric upgrades for pure carbon reduction.



Observation: The "Electrification" category is alarmingly low (2.0% of recommendations). This suggests that without targeted intervention, SMEs are not naturally choosing to switch fuel sources (e.g. Gas to Heat Pump) due to the high disparity in electricity vs. gas unit costs.



4. Analysis: Energy Intensive Audits (High Intensity)

The EI stream represents the "Heavy Hitters." These companies have complex energy profiles and significant baseloads.

4.1 Sector Demographics

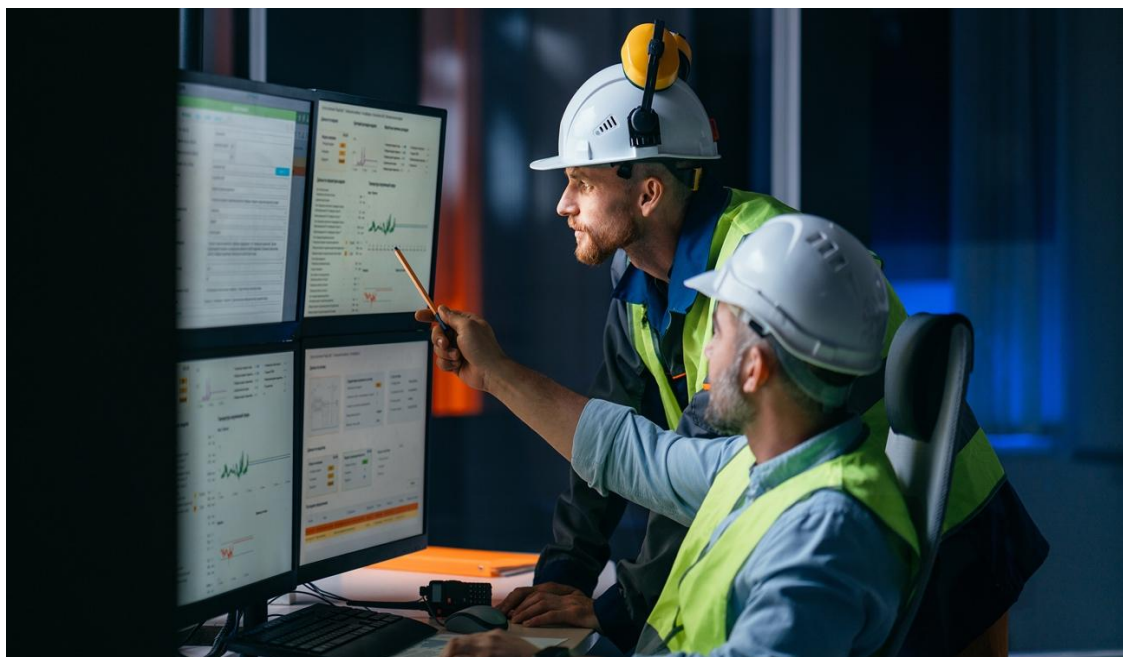
The sector breakdown is decisive. **Manufacturing** is the overwhelmingly dominant sector (approx. 70%+ of the total businesses reviewed). The remaining sectors include significant energy users, such as **Mining/Quarrying**, **Metal Recycling** and **Transportation**.

4.2 Opportunity Breakdown

- **Total Identified Savings:** £8.25M | 17,509 tCO₂e.
- **The Shift to Process:** Unlike the Standard Stream, "Building Services" drops to roughly 33%. The dominant category is improving the performance of **Production Equipment (37.5%)**.
- **High Impact per Audit:** With only 123 companies, this stream identified **57.8% more carbon savings** than the 470 Standard companies combined.

4.3 Economics of EI Interventions

- **Implementation Cost:** £40.6M total estimated CapEx.
- **Average Savings per Company:** ~£67,000/year.
- **Efficiency:**
 - **Renewable Energy** in this sector provides massive financial returns (£3.8M savings identified) but requires high CapEx (£18.8M).
 - **Upgrading Production Equipment** offers the best balance of Carbon saving (7,887.87 tCO₂e) vs Cost (£12.4M).



5. Comparative Performance: Where is the Value?

The following table compares the efficiency of the programme across the two streams.

Metric	Standard Stream	Energy Intensive Stream	Analysis
Number of Companies	470	123	Standard has volume; EI has intensity.
Total Carbon Savings (tCO ₂ e)	11,094	17,509	EI provides 1.58x more carbon savings.
Avg Carbon Save per Company	~23.6 tCO ₂ e	~142.4 tCO ₂ e	EI is 6.0x more impactful per participant.
Total Financial Savings	£5.52M	£8.25M	EI offers higher financial incentives.
Cost to Implement (Total)	£38.4M	£40.6M	EI is cheaper to decarbonise per tonne.

5.1 Programme Overview & Key Contrasts

Standard focuses on **Baseline Efficiency**. EI focuses on **Deep Decarbonisation**.

Standard Stream

470 companies

Total Carbon

11,094 tCO₂e

Total Savings

£5.52M

Average Carbon / Company

23.6 tCO₂e



6x

More average carbon saved per company

EI Stream

6.03x Impact

123 companies

Total Carbon

17,509 tCO₂e

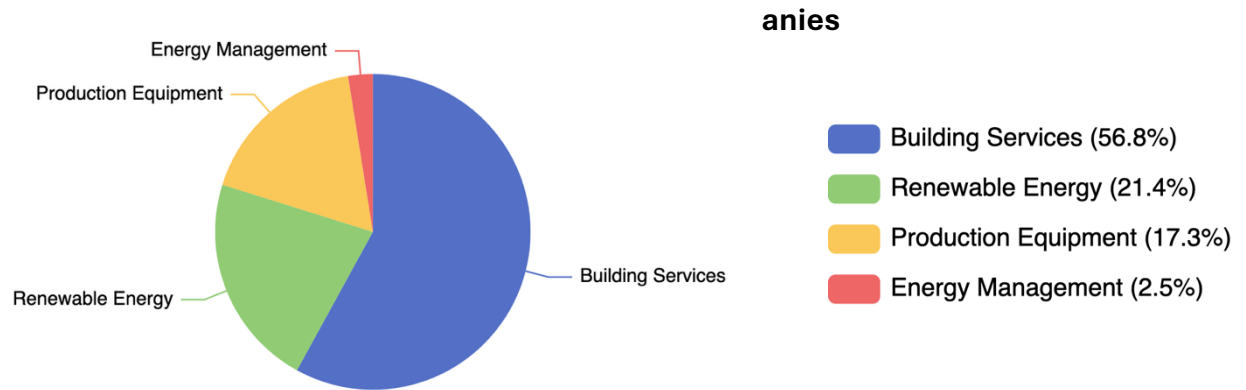
Total Savings

£8.25M

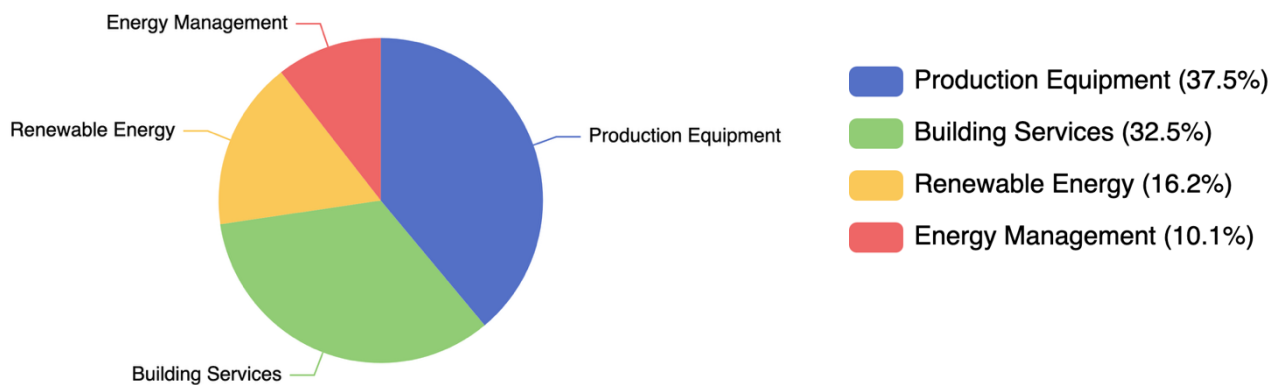
Average Carbon / Company

142.4 tCO₂e

5.2 Deep Dive: Recommendation Focus & Opportunity Flow

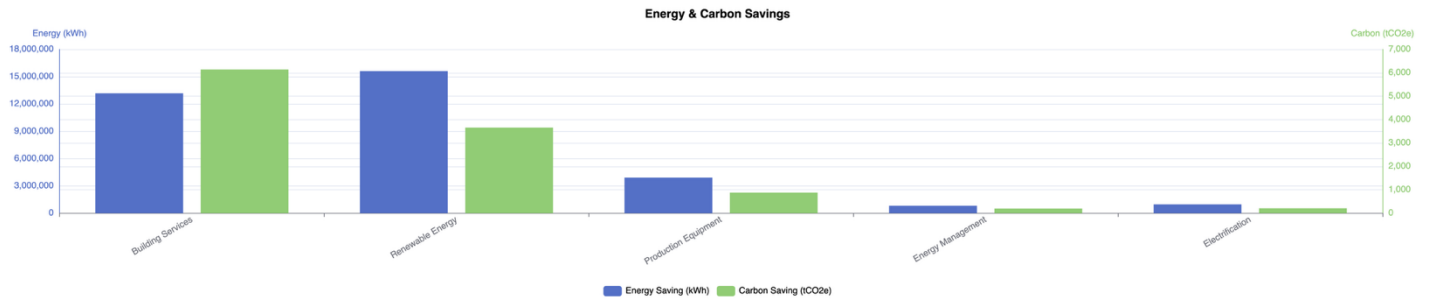


Recommendations by Category for Energy Intensive Companies

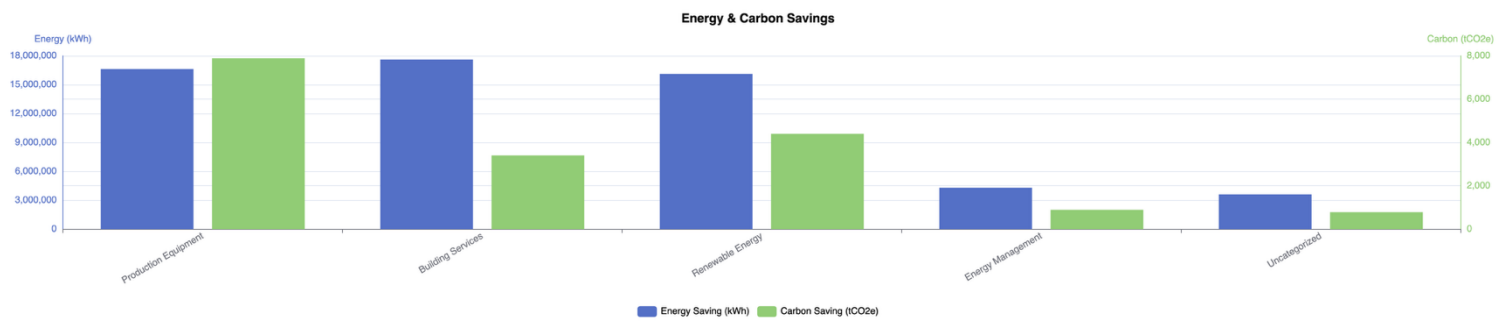


5.3 Total Financial Savings and Carbon Savings

Energy & Carbon Savings for Standard Companies



Energy & Carbon Savings for Energy Intensive Companies



5.4 Strategic Investment Recommendations

1. Targeted 'Upgrading of Production Process' Grants (EI Stream)
2. The 'Renewable and Solar Uplift' (Both Stream)
3. Building Service 'Standard Stream' (SME Sector)
4. Special Funding for Regional Pilot Mini Clusters

Critical Insight:

It effectively costs the economy **£38.4M in CapEx** to save 11,100 tonnes of CO₂ in the Standard sector, whereas it costs **£40.6M in CapEx** to save 17,500 tonnes in the EI Stream.

Investment in Energy Intensive industries is significantly more capital efficient for decarbonisation.

6. Strategic Investment Recommendations

Based on the BEAS 2 data, we propose the following four-pillar approach for future funding and policy direction:

Recommendation 1: Targeted "Replacement or Upgrading Production Process" Grants for Manufacturers

The data explicitly shows that **37.5%** of the opportunity in the Energy Intensive sector is in **Replacing or Upgrading Production Equipment** (VSD compressors, compressed air optimisation, process heat recovery and improved control, and inverter drives on motors).

- **Action:** Moving away from generic "green grants." And creating a specific **Industrial Process Optimisation Fund**.
- **Why:** This targets the highest energy and carbon savings per £ spent, and also significantly improves the GVA of the manufacturing operations. Technical support must be provided by professional auditors to identify and recommend appropriate process optimisation measures for each industrial sector.

Recommendation 2: The "Renewables and Solar Generation" for High Energy Users



Renewable Energy recommendations across the board show high financial returns but high barriers to entry (Implementation costs of £18.8M+ in the EI sector).

- **Action:** Provide low-interest financing or tax super-deductions specifically for on-site generation > 50kWp.
- **Why:** This stabilises the operating costs of our critical manufacturing base, making UK industry more competitive while decarbonising the grid.

Recommendation 3: Building Services "Standard Stream" for SMEs

For the Standard (Low-Mid) sector, complex custom grants are inefficient. 56.8% of their needs are Building Services.

- **Action:** simplify support for the Standard sector into a streamlined "voucher" scheme for LED lighting, insulation, boiler replacement and basic HVAC controls.
- **Why:** Reduce administrative burden and eliminate the need for energy reviews by professional auditors. These technologies are mature; the barrier is simply cash flow.

Recommendation 4: Special Funding for Innovative Decarbonisation Solutions for a Number of Regional Pilot Mini Clusters

We recommend a special grant to accelerate the creation of a number of pilot mini-clusters of energy intensive industries to remove the barriers for fuel change identified through the BEAS – 2 Programme.

This fund will provide technical and financial support to facilitate a number of innovative, place-based cluster of Energy Intensive companies to examine collaborative options and technologies for reducing energy consumption and costs to accelerate the decarbonisation at industrial estate level.

- **Action:** The fund will part finance innovative techniques such as creation of Heat Networks, Peer-to-Peer (P2P) solar generation and distribution, Private-Wire or Behind the Meter (BtM) power sharing agreements, Power Purchase Agreements (PPA) and Virtual PPAs.
- **Why:** These mini clusters will accelerate the adoption of Fuel Change, and Electrification of Process Heating in the region and will encourage scope 2 and 3 decarbonisation through electrification and could facilitate access to Electricity Market Reforms opportunities introduced by NGED in 2026.

7. Conclusion

The BEAS 2 programme, delivered by Pro Enviro Ltd to 593 companies in the West Midlands, has successfully identified over **£13.77M in annual savings** and **28,603 tonnes of Carbon reduction** at the time of writing this report.

The data proves that while engaging the wider business community (Standard Stream) is necessary for education and base-load reduction, the path to rapid, high-impact Net Zero contribution lies within the **Energy Intensive Manufacturing** sector. Future government spending should reflect this asymmetry: broad, light-touch support for the many, and providing informative, expert support with capital intervention for the energy-intensive industrial sectors.



Regional place-based pilot mini clusters can accelerate decarbonisation of the Energy Intensive sectors by encouraging collaboration to identify and implement innovative energy efficiency measures at industrial estate level.

These mini clusters will also remove barriers identified by the programme for Heat Networks and Electrification and adoption of opportunities created by the NGED electricity Market Reform.

8. Case Studies

8.1 Thomas Dudley

Thomas Dudley is a 100 year old family run company incorporating a number of businesses that focus on designing, developing, manufacturing and selling specific products to suit customer needs.

Amid rising energy costs, the company faced an urgent need to reduce energy use across its energy-intensive plastic moulding division. As part of its broader net-zero strategy, Thomas Dudley joined the Business Energy Advice Service to identify the most effective actions to support its goals.



Pro Enviro conducted a full audit of the company's plastics operations. With 36 injection moulding machines running daily, energy demand was high and variable. The audit highlighted five clear opportunities: upgrading heating systems, replacing fluorescent lighting, optimising compressor use, repairing air leaks, and replacing two older hydraulic moulding machines with energy efficient servo-driven models.

With guidance from Pro Enviro, Thomas Dudley submitted a grant application for £100,000 grant to support delivery of the upgrades as part of their £400,000 investment plan.

The planned upgrades are forecast to reduce energy usage by over 770,000kWh annually and cut carbon emissions by 156 tonnes. That's an estimated saving of £85,000 per year, helping to bring the payback period down and justify further investments.

The full case study and site video can be found at:

<https://proenviro.co.uk/thomas-dudley.html>

8.2 Alucast

Alucast is a respected aluminium die-casting company based in the Black Country, specialises in high-integrity structural components for leading automotive brands, including Aston Martin and Bentley. With 100 skilled employees across four dedicated foundries, Alucast delivers precision-crafted chassis and suspension parts for the high-performance automotive sector. Recognised for exceptional quality, the company operates in an energy-intensive environment, where melting aluminium consumes substantial resources.

Pro Enviro's detailed assessment recommended several impactful measures. These included installing 36 sub-meters to precisely monitor energy use, replacing outdated furnaces with energy-efficient models, upgrading furnace lids for better insulation, and repairing compressed air leaks to reduce unnecessary compressor workload. Pro Enviro facilitated the grant application process, securing matched funding towards Alucast's investment, making the project financially viable.

The full case study and site video can be found at:
<https://proenviro.co.uk/alucast.html>



8.3 Ramsden and Whale

Founded in 1954, Ramsden & Whale is a family-owned specialist in steel drum reconditioning and manufacturing, based in the West Midlands. The company expertly serves critical sectors such as oil, chemical, and paint, providing tailored drum solutions ranging from small niche orders to large industrial requirements



The company faced escalating energy costs in recent years, significantly affecting profitability and market competitiveness. Ageing equipment, including outdated boilers and fixed speed drive compressor, heightened energy inefficiencies, necessitating urgent strategic intervention. Collaborating with energy efficiency experts Pro Enviro, Ramsden & Whale undertook a detailed on-site audit. Pro Enviro identified key areas for improvement, recommending upgrades to modern steam generators, variable speed drive compressor, energy-efficient LED lighting, optimised burner efficiency, air leak repairs, and automated PVC curtains for heat retention.

Implementing Pro Enviro's recommendations, Ramsden & Whale quickly achieved measurable benefits. Immediate behavioural changes significantly reduced energy waste at minimal cost. Major equipment investments, including advanced steam generators and compressors, are projected to save around £85,000 annually and reduce carbon emissions by approximately 120 tonnes.

The full case study and site video can be found at:

<https://proenviro.co.uk/ramsden-and-whale.html>