



Balgray Wind Farm

Socio-Economic Statement

For

Fred. Olsen Renewables Limited

Final Report

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Executive Summary

Introduction

MKA Economics was appointed by Fred. Olsen Renewables Limited to formulate an **independent socio-economic assessment** of a **Balgray Wind Farm** (the Proposed Development). The Proposed Development is located 6 km north east of Lockerbie in Dumfries and Galloway.

This report sets out the socio-economic assessment, outlining the economic rationale, policy fit, socio-economic context and estimated socio-economic benefits. It is completed to address **National Planning Policy Framework 4 (NPF4) Energy Policy 11(c)** which states:

‘Development proposals will only be supported where they maximise net economic impact, including local and community socio-economic benefits such as employment, associated business and supply chain opportunities.’

Fred. Olsen Renewables Limited

Fred. Olsen Renewables Limited is one of the longest standing renewable energy developers in Scotland. The UK portfolio consists of 258 operational turbines, alongside a further 75 consented.

Fred. Olsen Renewables Limited Economic Impact in Scotland

To date the development, construction and operation of Fred. Olsen Renewables Limited wind farms in Scotland has:

- **£920 million** of contracts with Scottish businesses
- **546 FTE** construction jobs
- **5,460** construction job years (per year equivalents)
- **320** operational and maintenance jobs
- **£14.6 million** funding for the local community, throughout the lifetime of the wind farm
- **£465 million** contribution to Scottish GVA

Fred. Olsen Renewables Limited has delivered over £6.2 million in community benefit across Scotland, which has supported a range of projects and initiatives. This is an enviable track record, of both delivering economic impacts, as well as wider community benefits. The company has a strong local supply chain focus and a demonstrable track record of delivering local economic benefits.

The Local Economy

The socio-economic baseline assessment confirms a **number of challenging trends**, and these threaten the long-term economic sustainability of Dumfries and Galloway.

The **population has been falling** at a much faster pace than recorded nationally. There is also a **lower proportion of working age people** in Dumfries and Galloway and more retired people than recorded at the national level.

Looking forward, the local **population is forecast to fall further over the period to 2043**, compared to a projected rise at the national level. Only the council areas of Argyll and Bute, Inverclyde and the Western Isles are expected to see population declines greater than Dumfries and Galloway over the period to 2043. This threatens the future economic sustainability of the local area and suggests investment is required to attract working age people to the area, and there is scope for sectors such as the renewables sector to slow the population decline.

Economic activity and employment rates are slightly higher locally than other areas in Scotland, and although unemployment levels have traditionally been lower, a large proportion are highly seasonal tourist sector jobs. It is also worth noting that there is a **higher proportion of workless households** in Dumfries and Galloway than recorded nationally.

Overall, it is clear that Dumfries and Galloway is facing a number of economic challenges, and its **future economic prosperity cannot be guaranteed**. There is scope for new investments to attract economic activity, investment and employment opportunities for existing and prospective residents to the area.

It is also acknowledged that although the tourism sector is important, it tends to be **seasonal, and is also generally a low wage and a low value sector**. An over dependence on a low wage and highly seasonal economic sector limits the opportunity for future economic growth.

Policy

There are a number of key policies which bear particular relation to the Proposed Development. In terms of the environment, the Scottish Government policies on climate change are beneficial in making the case for the Proposed Development, as it will aid in expanding Scotland's renewable energy capacity and generation, and **contribute towards a net zero economy by 2045**, whilst helping to offset emissions from carbon-intensive energy generation technologies such as fossil fuels.

The Proposed Development will make a positive contribution to the delivery of net zero targets and also contribute towards the aims of the **National Strategy for Economic Transformation (NSET)**, fostering investment and innovation in renewable technology, including wind and battery storage.

The Proposed Development will also contribute towards the aims of the NSET, fostering community investment and innovation in renewable technology, including wind and battery storage, and doing so in a manner which support Community Wealth Building principles, and guidance around community benefits.

Importantly, it will be developed in line with **National Planning Framework 4 (NPF4)**, which sets out strong in-principle support for renewable energy proposals with one of the factors to be considered in assessing schemes being the extent to which proposals maximise net economic impact, including local and community socio-economic benefits such as employment, associated business and supply chain opportunities.

The Proposed Development also stands to contribute towards the aims of the regional economic recovery, and in particular the **Regional Economic Strategy (RES)** for South of Scotland. The RES has a strong focus on the green economy, and helping to foster future economic growth whilst achieving net zero carbon ambitions. There is a strong desire to embrace this opportunity and help diversify the economic base away from an over reliance on a small range of lower value sectors. The **green economy is seen as a key area for Dumfries and Galloway** which has already been successful in supporting renewable investments, and growing this sector is vital for the local area.

This local focus on a **green recovery is also supported by the Dumfries and Galloway Council Plan 2023 - 2028** for Dumfries and Galloway, which seeks to support an inclusive and green economy through embracing new low carbon technology and 'to create a low carbon economy', which is one of the key investment themes.

Responding to the **climate and nature emergency** is the backbone to the new Council Plan, as is doing so by creating a green economy built on the **Dumfries and Galloway's outstanding natural capital**.

Socio-Economic Impact and Net Economic Benefit

The Proposed Development can deliver a wide range of socio-economic and wider benefits and, in this way, maximises net economic benefits for the local community. This is consistent with NPF4. NPF4 establishes as a requirement that renewable energy proposals:

'maximise net economic impact, including local and community socio-economic benefits such as employment, associated business, and supply chain opportunities.'

It is estimated that the following benefits will arise as a result of the Proposed Development:

- Pre-development investment in the form of engineering, environmental and planning studies as well as planning fees, benefitting a range of Scottish-based companies and organisations;
- Total expected CAPEX investment of **£69.9 million**, of which £25.8 million potentially benefitting Scottish companies and £8.4 million potentially benefitting local companies.
- **Up to 61 construction jobs** and **GVA of £3.6 million** in Dumfries and Galloway during the construction period;
- Total annual operating and maintenance expenditure of **£2.6 million per annum**, of which £1.5 million potentially benefitting Scottish companies and £0.7 million benefitting local companies; and
- **Up to six operation and maintenance jobs** and **GVA of £0.3 million** on an annual basis in Dumfries and Galloway.

In addition, the Fred Olsen Renewables Limited has committed to:

- **Community wealth funding** of £216,000 per annum and around £7.6 million (2024 prices) over the proposed 35 year operational life;
- Assess a possible **Local Energy Discount Scheme (LEDS)** similar to the successful Carsphairn LEDS, which has operated since 2018 with Carsphairn Community Council and Windy Standard Wind Farm;
- Use, where commercially feasible, **local contractors** and encourage their involvement through a 'Meet the Buyer' event; and
- The company is committed to supporting local contractors by **spending at least 30% of the contract value locally**, where feasible.

The benefits associated with the Proposed Development will go beyond supporting economic activity and employment during the construction and operational phases. In particular, community benefits through a substantial annual community wealth funding arrangement which provide a stream of income for the local community to be reinvested and deliver against its priorities and ambitions.

As well as delivering significant economic effects across Scotland, Fred. Olsen Renewables Limited has delivered over £6.2 million in community benefit across Scotland, which has supported a range of projects and initiatives. This is an enviable track record, of both delivering economic impacts, as well as wider community benefits. The company has a strong local supply chain focus and a demonstrable track record of delivering local economic benefits.

On this basis, it can be concluded that the Proposed Development maximises net economic impact.

1 Introduction

Introduction

1.1 MKA Economics was appointed by Fred. Olsen Renewables Limited to formulate an independent socio-economic assessment of the proposed Balgray Wind Farm (the Proposed Development). The Proposed Development is located 4 km north east of Lockerbie in Dumfries and Galloway.

1.2 Comprising six wind turbines, with a blade tip height of up to 200m, the Proposed Development will have a generating capacity of up to 43.2 megawatts (MW). A battery energy storage system (BESS), with a storage capacity of up to 43.0 MW, is also proposed which will help to maximise the efficiency of the wind turbines.

1.3 This socio-economic statement considers the potential socio-economic benefits that could accrue from the proposal through the construction and operational phases.

Fred. Olsen Renewables Limited

1.4 Fred. Olsen Renewables Limited is one of the longest standing renewable energy developers in Scotland. The UK portfolio consists of 258 operational turbines, alongside a further 75 consented. With over 25 years' experience in consenting, developing and operating wind farms, Fred. Olsen Renewables Limited is one of very few developers that take a project all the way from initiation and development, through to operation and ultimately decommissioning or repowering.

Fred. Olsen Renewables Limited Economic Impact in Scotland

To date the development, construction and operation of Fred. Olsen Renewables Limited wind farms in Scotland has:

- **£920 million** of contracts with Scottish businesses
- **546 FTE** construction jobs
- **5,460** construction job years (per year equivalents)
- **320** operational and maintenance jobs
- **£14.6 million** funding for the local community, throughout the lifetime of the wind farms
- **£465 million** contribution to Scottish GVA

1.5 To date, Fred. Olsen Renewables Limited has delivered over £6.2 million in community benefit across Scotland, which has supported a range of projects and initiatives, including:

- Energy efficiency measures in public buildings, including, for example, Carsphairn shop and tea room in Dumfries and Galloway
- Home energy discount schemes
- The delivery of childcare and family support facilities
- The installation and restoration of paths and networks
- Habitat enhancements
- Winter fuel support

1.6 Fred. Olsen Renewables Limited don't take a one-size-fits-all approach to the distribution of community benefit funds. The company listen to, and engage closely with, the communities and work with them to support the projects and initiatives that are a priority locally.

1.7 Further detail on other examples of Fred. Olsen Renewables Limited economic and community value in Scotland is presented in [Annex A](#).

Approach

1.8 This report presents the findings from the socio-economic assessment of the Proposed Development, the objectives of which are to:

- present a robust understanding of the local economy through the completion of a socio-economic audit;
- outline the strategic fit and alignment with socio-economic and renewable energy policies and priorities;
- estimate impacts for employment, income and Gross Value Added (GVA) through the construction and operational phases;
- provide narrative commentary on any key wider socio-economic impacts; and
- independently demonstrate and verify the net economic benefits in line with relevant planning policies, including the NPF4 Policy 11 (Energy) and Policy 25 (Community Wealth Building) which have a focus on benefit maximisation as well as NSET policies on Community Wealth Building.

2 The Local Economy

Introduction

2.1 This socio-economic baseline assessment outlines the socio-economic characteristics of Dumfries and Galloway and the local ward where the site is located. This draws on a range of statistics which are drawn from various datasources, notably the latest Office of National Statistics (ONS) releases which are presented on Nomsweb¹.

Population

2.2 Dumfries and Galloway has a population of 146,300 residents and witnessed an decrease of 3.4% over the period 2011 to 2021 – compared to 2.2% increase at the Scottish level and a 5.9% rise at the national (Great Britain) level. The area has witnessed a population decreasing, in comparison to increases at the Scottish and GB levels

Table 2.1: Population, 2021

	Dumfries and Galloway (Numbers)	Scotland (Numbers)	Great Britain (Numbers)
All people	146,300	5,418,400	65,078,900
Males	70,800	2,630,200	31,833,600
Females	75,500	2,788,200	33,245,300

Source: ONS Population Estimates

2.3 According to the latest population projections for Scotland (National Records of Scotland, 2018), the population of Dumfries and Galloway is projected to decrease by 8.4% over the period from 2018 to 2043, compared to a 2.5% increase at the national level. Only three local authorities are expected to experience a larger decrease these being Argyll and Bute, Inverclyde and the Western Isles.

2.4 In terms of the working age population, 57.6% of the regional population is of working age, compared to 63.5% and 62.9% at the Scottish and GB levels respectively. This indicates that the area has a lower proportion of people of working age, which can be seen to be an economic challenge in terms of securing future economic prosperity. It has a larger proportion of older people and a faster ageing population than recorded nationally.

¹ <https://www.nomisweb.co.uk/>

Table 2.2: Population agreed 16-64, 2021

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
All people aged 16-64	84,300	57.6	63.5	62.9
Males aged 16-64	40,800	57.6	63.9	63.3
Females aged 16-64	43,500	57.6	63.1	62.6
All people aged 16-64	84,300	57.6	63.5	62.9

Source: ONS Population Estimates

Economic Activity

2.5 Table 2.3 below highlights that Dumfries and Galloway has a higher proportion of working age people who are economically active, when compared to the Scottish level. The regional area also has a higher proportion of self-employed people than recorded nationally.

Table 2.3: Employment and Unemployment (2023 – 2024)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
Economically active	71,500	78.4	77.3	78.4
In employment	69,100	75.7	74.5	75.5
Employees	52,300	58.4	66.1	66.1
Self employed	16,800	17.3	8.2	9.2
Unemployed (model-based)	2,200	3.1	3.5	3.7

Source: ONS Annual Population Survey

2.6 This suggests that although the region has fewer people of working age, those who are of working age are more economically active than recorded nationally and at the Scottish level. This is an economic strength and one which can help secure future economic wealth. A more detailed assessment of unemployment is set out later in this section.

Economic inactivity

2.7 Corelated to higher economic activity rates Dumfries and Galloway has a lower rate of economic inactivity, as shown below.

Table 2.4: Economic Inactivity (2023 – 2024)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
Total	18,700	21.6	22.7	21.6
Student	N/A	N/A	24.6	26.8
Looking after family/home	N/A	N/A	16.1	18.9
Temporary sick	N/A	N/A	2.8	2.0
Long-term sick	7,500	40.1	32.0	28.1
Discouraged	N/A	N/A	0.5	0.4
Retired	4,500	24.0	14.5	12.9
Other	N/A	N/A	9.5	11.0
Wants a job	N/A	20.5	17.3	17.8
Does not want a job	14,800	79.5	82.7	82.2

Source: ONS Annual Population Survey

2.8 It is worth noting that of those economically inactive, the region has a higher proportion of people who 'want a job' (20.5%) compared to the Scottish (17.3%) and GB (17.8%) levels.

Workless households

2.9 In terms of worklessness, there are more households in the region, compared to the Scottish and GB levels, that are workless households.

Table 2.5: Workless Households (2022)

	Dumfries and Galloway	Scotland	Great Britain
Number of Workless Households	9,800	320,100	2,858,400
Percentage of Households that are Workless	22.5	17.8	13.9
Number of children in Workless Households	N/A	88,400	1,270,500
Percentage of children who are in Households that are Workless	N/A	10.2	10.3

Source: ONS Annual Population Survey

Claimant Count Unemployment

2.10 The latest claimant count unemployment rate highlights that the region has a lower rate than the Scottish and GB rates.

Table 2.6: Claimant Count by Sex (September 2024)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
All people	2,530	2.9	3.2	4.3
Males	1,405	3.3	3.7	4.7
Females	1,125	2.5	2.8	3.9

Source: ONS Claimant Count

2.11 The unemployment rate fell from the post pandemic high in mid-2021, when the rate was round 5.4%, and almost 5,000 people were out of work and claiming benefits, this represents a fall of around 50%. The unemployment rate has been around 3% for the last two years. It has consistently been below the Scottish and GB since 2001, when the region was adversely affected by the foot and mouth crisis.

2.12 Regional unemployment rates amongst all age groups is below the Scottish rates and has a slightly higher proportion of young people aged between 16 and 17 than the GB level.

Table 2.7: Claimant Count by Age (September 2024)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
Aged 16+	2,530	2.9	3.2	4.3
Aged 16 to 17	20	0.6	0.6	0.2
Aged 18 to 24	395	4.0	4.3	5.3
Aged 18 to 21	245	4.5	4.7	5.6
Aged 25 to 49	1,375	3.6	3.8	4.9
Aged 50+	735	2.1	2.3	3.2

Source: ONS Claimant Count

2.13 In terms of benefit claimants by type, the local area has a higher rate than the Scottish rates across all benefit claimant groups, this is particularly the case for carer related benefits.

Table 2.8: Main Benefit Claimants (September 2024)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
Total claimants	11,630	13.1	13.0	11.0
Job seekers	900	1.0	1.4	1.1
ESA and incapacity benefits	6,810	7.6	7.8	6.1
Lone parents	780	0.9	0.9	1.0
Carers	2,020	2.3	1.7	1.7
Others on income related benefits	200	0.2	0.2	0.2
Disabled	730	0.8	0.9	0.8
Bereaved	190	0.2	0.2	0.2
Main out-of-work benefits	8,680	9.8	10.2	8.4

Source: DWP Benefit Claimants – Working Age Client Group

2.14 Overall, in terms of 'main out of work benefits' Dumfries and Galloway has a lower proportion of claimants than recorded at the Scottish and GB levels.

Employment by Occupation

2.15 Table 2.9 highlights the type of employment at the Dumfries and Galloway, Scottish and GB levels. It indicates that the region has a higher proportion of managers, skilled trade, and caring leisure, sales and elementary posts than the Scottish and GB levels.

Table 2.9: Employment by Occupation (2023 – 2024)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
Soc 2020 major group 1-3	24,000	35.0	50.0	52.9
1 Managers, directors and senior officials	6,600	9.6	8.3	11.0
2 Professional occupations	10,500	15.2	26.0	26.6
3 Associate professional occupations	6,900	9.9	15.5	15.3
Soc 2020 major group 4-5	18,600	27.1	18.9	18.2
4 Administrative & secretarial occupations	N/A	N/A	9.5	9.4
5 Skilled trades occupations	14,600	21.1	9.3	8.7
Soc 2020 major group 6-7	12,900	18.8	15.8	14.6
6 Caring, leisure and Other Service occupations	7,800	11.3	9.4	8.4
7 Sales and customer service occs	5,100	7.4	6.3	6.2
Soc 2020 major group 8-9	13,100	19.0	15.3	14.3
8 Process plant & machine operatives	N/A	N/A	5.4	5.4
9 Elementary occupations	10,700	15.5	9.8	8.9

Source: ONS Annual Population Survey

2.16 Regionally there are fewer people employed in professional and associate professional occupations.

Jobs

2.17 The region has a lower proportion of full-time jobs and more part-time jobs than the Scottish and GB levels.

2.18 In terms of industry of employment, Dumfries and Galloway has higher rates of manufacturing posts, water supply, wholesale and retail trade, transportation, accommodation and food service, real estate, health and social work jobs and arts, entertainment and recreation posts. The manufacturing sector is well represented at the Dumfries and Galloway level, suggesting the local area is well positioned to benefit from aspects of The Proposed Development, as shown in Table 2.10 below.

Table 2.10: Employee Jobs (2022)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
Total employee jobs	55,000	-	-	-
Full-time	35,000	63.6	67.3	68.8
Part-time	20,000	36.4	32.7	31.2
Employee Jobs by Industry				
B : Mining and quarrying	75	0.1	1.0	0.2
C : Manufacturing	5,000	9.1	6.9	7.6
D : Electricity, gas, steam and air conditioning supply	300	0.5	0.8	0.4
E : Water supply; sewerage, waste management and remediation activities	600	1.1	0.7	0.7
F : Construction	3,000	5.5	5.7	4.9
G : Wholesale and retail trade; repair of motor vehicles and motorcycles	9,000	16.4	12.9	14.0
H : Transportation and storage	2,500	4.5	4.1	5.0
I : Accommodation and food service activities	6,000	10.9	8.4	8.0
J : Information and communication	600	1.1	3.2	4.6
K : Financial and insurance activities	400	0.7	3.3	3.3
L : Real estate activities	1,000	1.8	1.3	1.9
M : Professional, scientific and technical activities	2,500	4.5	7.4	9.1
N : Administrative and support service activities	3,000	5.5	8.1	9.0
O : Public administration and defence; compulsory social security	2,250	4.1	6.5	4.7
P : Education	4,500	8.2	8.8	8.6
Q : Human health and social work activities	11,000	20.0	15.7	13.5
R : Arts, entertainment and recreation	1,750	3.2	3.0	2.4
S : Other service activities	800	1.5	1.6	2.0

Source: ONS Annual Population Survey

2.19 The region has a lower proportion of mining and quarrying roles, electricity and gas, construction, Information Technology and Communications (ITC) roles, financial service posts, professional services, education, public administrative and service related jobs.

Businesses

2.20 In terms of the business base, Dumfries and Galloway has a higher proportion of micro enterprise and smaller business units than witnessed at the national (Scottish) level. The incidence of larger businesses is lower at the regional level than recorded nationally as shown in Table 2.11.

Table 2.11: Business Counts (2023)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Scotland (%)
Enterprises				
Micro (0 to 9)	5,480	87.8	149,665	87.3
Small (10 to 49)	690	11.0	18,170	10.6
Medium (50 to 249)	65	1.0	2,820	1.6
Large (250+)	10	0.2	700	0.4
Total	6,245	-	171,350	-
Local Units				
Micro (0 to 9)	6,240	82.8	174,205	80.8
Small (10 to 49)	1,125	14.9	33,710	15.6
Medium (50 to 249)	165	2.2	6,740	3.1
Large (250+)	15	0.2	1,055	0.5
Total	7,540	-	215,710	-

Source: Inter Departmental Business Register

Qualifications

2.21 In terms of education attainment levels, the region has fewer higher qualified residents but has fewer residents with no qualifications than recorded at the Scottish and GB levels as show in Table 2.12.

Table 2.12: Qualifications (2021)

	Dumfries and Galloway (Numbers)	Dumfries and Galloway (%)	Scotland (%)	Great Britain (%)
RQF4 and above	44,200	53.0	55.1	47.3
RQF3 and above	61,400	73.6	73.7	67.8
RQF2 and above	74,900	89.7	87.1	86.5
RQF1 and above	76,300	91.3	87.9	89.0
Other qualifications	N/A	N/A	3.9	4.6
No qualifications	5,800	7.0	8.2	6.5

Source: ONS Annual Population Survey

Earnings

2.22 In terms of earnings, both weekly wages and hourly pay, the region has lower rates than those achieved at the Scottish and GB levels as presented in Table 2.13.

Table 2.13: Earnings by Place of Residence (2023)

	Dumfries and Galloway (£)	Scotland (£)	Great Britain (£)
Gross weekly place			
Full-time workers	580.8	702.8	682.6
Male full-time workers	584.0	727.9	728.3
Female full-time workers	579.4	670.8	629.1
Hourly pay – excluding overtime			
Full-time workers	14.82	18.10	17.49
Male full-time workers	14.29	18.24	18.14
Female full-time workers	16.57	17.93	16.65

Source: Inter Departmental Business Register

Summary

2.23 In summary, the socio-economic baseline assessment confirms a number of challenging trends, and these threaten the long-term economic sustainability of Dumfries and Galloway.

2.24 It is clear from the overview presented in this section that Dumfries and Galloway continues to face a wide range of economic challenges. The population has been falling at a much faster pace than recorded nationally. There is also a lower proportion of working age people in Dumfries and Galloway and more retired people than recorded at the national level.

2.25 Looking forward, the local population is forecast to fall further over the period to 2043, compared to a projected rise at the national level. Only Argyll and Bute, Inverclyde and the Western Isles are expected to see population declines greater than Dumfries and Galloway over the period to 2043. This threatens the future economic sustainability of the local area and suggests investment is required to attract working age people to the area, and there is scope for sectors such as the renewables sector to slow the population decline. This can be achieved by encouraging renewables investment and ensuring local businesses and people have the opportunity to find meaningful employment. In doing so this can encourage people to stay in the area, as well as attract new people into the area to fill these employment opportunities.

2.26 Economic activity and employment rates are slightly higher locally than other areas in Scotland, and although unemployment levels have traditionally been lower, a large proportion are highly seasonal tourist sector jobs. It is also worth noting that there is a higher proportion of workless households in Dumfries and Galloway than recorded nationally.

2.27 New investment in key economic sectors, such as renewables, can help reposition the local economy which continues to be adversely affected by a reliance on a narrow range of seasonal sectors, which also tend to be low wage jobs.

3 Socio-Economic Policy

Introduction

3.1 This section presents the economic and market rationale for developing the Proposed Development and setting the policy agenda which it supports and contributes towards.

Socio-economic Rationale

3.2 The decarbonisation of Scotland's electricity sector has been driven by rich natural resources, a supportive approach to planning, a drive to involve local communities in decisions that affect them, supportive market frameworks, and rapidly declining prices of renewable technology globally - with wind and solar now the lowest cost forms of new generation².

National Economic Policy

3.3 The Scottish Government replaced the Scottish Economic Strategy (SES) with the NSET³ in 2022. This is the Scottish Government's statement of ambition for economic recovery following the Covid-19 pandemic.

3.4 It sets the ambition of the next ten years as a time of huge change and 'extraordinary opportunity' and promotes Scotland as a nation with competitive advantages in the new industries generated by technological change.

3.5 NSET deliberately focuses on five policy programmes with the greatest potential benefit, including to *'strengthen Scotland's position in new markets and industries, generating new, well-paid jobs from a just transition to net zero.'*

3.6 The transition to net zero is seen not just as an environmental imperative but an economic opportunity - one where Scotland will become world leading. The identified opportunities for this competitive advantage include the construction and development of renewable energy.

3.7 The just transition to a net zero economy is a key aspect of Scottish Government climate policy. The Climate Change (Emissions Reduction Targets) (Scotland) 2019 Act embeds the principles of a just transition, which involves reducing emissions in a way which tackles inequality and promotes fair work. The Just Transition Commission is currently working to prepare advice for Scottish Ministers on how to maximise the economic opportunities involved in tackling climate change, whilst minimising the risks.

² Electricity Generation Costs, Department for Business, Energy and Industrial Strategy, 2020

³ National Strategy for Economic Transformation, Scottish Government, 2022

3.8 The overarching strategy for all policies involved in tackling climate change is the Climate Change Plan 2018 - 2032⁴ which brings together more than 100 new policies and proposals to support Scotland's green recovery and ensure a just transition to net zero that will:

- support environmentally and socially sustainable jobs;
- support low-carbon investment and infrastructure;
- develop and maintain social consensus through engagement with workers, trade unions, communities, non-governmental organisations, representatives of the interests of business and industry;
- create decent, fair and high-value work in a way which does not negatively affect the current workforce and overall economy; and
- contribute to resource efficient and sustainable economic approaches which help to address inequality and poverty.

3.9 Focusing on a green recovery is the Scottish Government's commitment to transition to net zero emissions in a way that is just, and that delivers a thriving, sustainable economy that works for all of Scotland.

3.10 NPF4 sets out clear in principle support for the development of new renewable energy technologies, with the Intent of the overarching energy policy (Policy 11) being:

'To encourage, promote and facilitate all forms of renewable energy development onshore and offshore. This includes energy generation, storage, new and replacement transmission and distribution infrastructure and emerging low-carbon and zero emissions technologies.'

3.11 Importantly for this socio-economic assessment Policy 11 (C) states:

'Development proposals will only be supported where they maximise net economic impact, including local and community socio-economic benefits such as employment, associated business and supply chain opportunities.'

⁴ Update to the Climate Change Plan 2018 – 2032, Scottish Government, 2021

3.12 In applying overarching spatial principles, NPF4 identifies regional spatial priorities for five areas to inform the preparation of regional spatial strategies (RSS) and Local Development Plans by planning authorities. One of which is the 'South Scotland' area, where the Site is located. Like other regional areas of Scotland NPF4 discusses key aims and objectives for the 'South Scotland' area under three key themes which are 'sustainable places', 'liveable places' and 'productive places'. For 'South Scotland' these themes have the following priorities:

*'To deliver **sustainable places**, Regional Spatial Strategies and Local Development Plans in this area should protect environmental assets and stimulate investment in natural and engineered solutions to climate change and nature restoration, whilst decarbonising transport and building resilient physical and digital connections.'*

*'To deliver **liveable places**, Regional Spatial Strategies and Local Development Plans in this area should increase the population by improving local liveability, creating a low carbon network of towns and supporting sustainable rural development.'*

*'To deliver **productive places**, Regional Spatial Strategies and Local Development Plans in this area should support local economic development whilst making sustainable use of the area's world-class environmental assets to innovate and lead greener growth.'*

3.13 NPF4 is clear in its desire to rebalance the 'South Scotland' economy to enable it to make a strong contribution towards meeting the country's ambition for a net zero and nature positive country by demonstrating how natural assets can be managed and used to secure a more sustainable future.

3.14 Importantly for South Scotland, NPF4 promotes a planned approach that can help to target future development in areas of significant economic disadvantage so that new and better jobs are more fairly distributed to help address national, regional and more localised inequality.

3.15 NPF4 mirrors the aim of NSET to focus on green growth to foster economic wellbeing and prosperity and this assessment directly focuses on this aspect and presents an independent assessment of the economic development role which the Proposed Development will bring to the area.

3.16 NPF4 is founded on sustainable economic growth principles and is related to the NSET which confirms that the planning system should proactively support development that contributes to sustainable economic growth and to create sustainable places.

3.17 The Proposed Development directly supports this vision through new investment and employment in renewable energy generation which supports the vision of moving Scotland's economy towards net zero. The total investment is around £70 million, of which around £20 million is in Balance of Plant (BoP) activities and much of this can be successfully tendered to

regional and sub-regional businesses. BoP is a term given to all the infrastructural components of a windfarm with the exception of the turbine and all its elements.

Regional Economic Policy

3.18 Following extensive engagement across the South of Scotland, the South of Scotland Regional Economic Partnership developed a Regional Economic Strategy⁵.

3.19 The ten-year strategy sets out a clear vision for how the region's economy will look and work in the future, which focuses on making the South of Scotland 'Green, Fair and Flourishing'. The vision is:

'We will be a region of opportunity and innovation - where natural capital drives green growth, ambition and quality of life rivals the best in the UK, communities are empowered and cultural identity is cherished, enabling those already here to thrive and attracting a new generation to live, work, visit, learn and invest in the South of Scotland.'

3.20 The RES has six Themes which are our priorities. These are:

- Skilled and Ambitious People
- Innovative and Enterprising
- Rewarding and Fair Work
- Cultural and Creative Excellence
- Green and Sustainable Economy
- Thriving and Distinct Communities

3.21 This is the first ever economic strategy covering the whole of the South of Scotland (Dumfries and Galloway and the Scottish Borders). It is an opportunity to drive the transformational change that many living and based in the region want to see. It is worth noting that the Proposed Development is centrally located within the South of Scotland Economic Partnership region.

⁵ Regional Economic Strategy, South of Scotland Regional Economic Partnership, 2021

3.22 As the region looks to continue to recover from the impacts of the global Covid-19 pandemic; adjust to the UK's exit from the EU; address the climate crisis; and capitalise on new opportunities - the need for a long-term vision to guide and coordinate efforts is more important than ever.

3.23 Dumfries and Galloway Council developed a Council Plan⁶ in 2023. The Council Plan 2023-2028 sets out the vision and strategic outcomes that the Council wants to achieve over the next five years. It will guide activity across the Council and focus on how we will deliver better outcomes for the citizens and communities in Dumfries and Galloway.

3.24 The previous Council Plan 2017-2022 delivered on a number of important priorities which saw the Council:

- Deliver the 1,140 hours early learning and childcare for all three, four and eligible two-year-olds
- Support communities, businesses and vulnerable people through the pandemic by providing grants and prioritising services
- Empower local communities through asset transfers and support for community led regeneration
- Secure long term investment into the region as part of the Borderlands Inclusive Growth Deal
- Develop a Youth Participation and Engagement Strategy that established our first ever Youth Council, which gives a voice to young people across the region

3.25 The plan looks forward after the challenges of the past few years where local communities came together to support each other through the pandemic. New challenges have emerged since that time, including the rising cost of living for people and families.

3.26 There are opportunities for the region in the future and the Council is committed to working with our communities and partners to ensure these are realised.

3.27 The Council seeks to help Dumfries and Galloway to thrive and build a strong local economy that enables the region to grow, and we will create opportunities for businesses to invest, people to visit and our citizens and communities to reach their ambitions.

⁶ Council Plan, Dumfries and Galloway Council, 2023

3.28 The plan centres on a core set of principles: Safeguard our future, Support our citizens, Support our Communities and Be a responsive Council. These principles will shape how we deliver our four themes: economy; travel, connectivity and infrastructure; education and learning; and health and wellbeing.

3.29 The plan sets the following vision:

'Our ambition is to be a successful region, with a growing economy, based on fairness, opportunity and quality public services, where all citizens prosper. Working in partnership, with connected, healthy and sustainable communities. The region will be the natural place to live, work, visit and invest.'

3.30 Responding to the climate and nature emergency is the backbone to the plan, as is doing so by creating a green economy built on the Dumfries and Galloway's outstanding natural capital.

Summary

3.31 In summary, there are a number of key policies and strategies which bear particular relation to the Proposed Development.

3.32 The Proposed Development will make a positive contribution to the delivery of net zero targets and also contribute towards the aims of the new NSET, fostering investment and innovation in renewable technology, including wind and battery storage. It is a £70 million investment, some of which will directly support regional businesses in a designated growth sector. This and other renewable developments can support new business and employment creation and help young people find develop new skills in a valuable sector of the economy.

3.33 The Proposed Development also stands to contribute towards the aims of the regional economic recovery, and in particular the Regional Economic Strategy (RES) for South of Scotland. The RES has a strong focus on the green economy, and helping to foster future economic growth whilst achieving net zero carbon ambitions. There is a strong desire to embrace this opportunity and help diversify the economic base away from an over reliance on a small range of lower value sectors. The green economy is seen as a key area for Dumfries and Galloway which has already been successful in supporting renewable investments, and growing this sector is vital for the local area.

3.34 This local focus on a green recovery is also supported by the new Council Plan for Dumfries and Galloway, which seeks to support an inclusive and green economy through embracing new low carbon technology and 'to create a low carbon economy', which is one of the key investment themes.

3.35 Responding to the climate and nature emergency is the backbone to the new Council Plan, as is doing so by creating a green economy built on the Dumfries and Galloway's outstanding natural capital.

4 Socio-Economic Impact Assessment

Introduction

4.1 The Proposed Development could benefit Dumfries and Galloway and Scottish economies in a number of different ways. This section sets out an assessment of the socio-economic impacts of the Proposed Development across a range of key indicators. It also presents an overview of secondary research on tourism behaviours to onshore wind farms.

4.2 Each of the six turbines will have a generating capacity of approximately 7.2 MW based upon the candidate turbine, resulting in a total generating capacity of 43.2 MW. The assessment also considers the socio-economic effects of the 43 MW battery energy storage system (BESS). These MW figures are used to estimate the likely quantifiable economic effects at construction and operation stages, in the form of jobs, turnover and GVA. Further qualitative effects are also presented in this section.

Construction Impacts

4.3 This is based on research completed by RenewableUK⁷ into the economic benefits of onshore wind. This research suggests that the capital cost of an onshore wind farm can be based on a proxy of £1.32 million per MW. It should be noted that there has been substantial inflation since the publication of this research and therefore the estimates presented here are conservative and likely to be higher. In total, it is therefore estimated that approximately £57.0 million could be invested into the Proposed Development in capital expenditure (CAPEX). The Proposed Development also comprises a battery storage component with a storage capacity of 43 MW. The construction and development costs per MW for the battery storage component is estimated at £300k⁸. Therefore, the total construction and development costs for the Proposed Development are anticipated to reach £69.9 million.

⁷ Onshore Wind Direct & Wider Economic Impacts, RenewableUK, 2015

⁸ Energy Storage – Towards a Commercial Model – 2nd Edition, RegenSW, 2019

4.4 Table 4.1 below shows the geographical distributions of investment into CAPEX during the construction phase. This is based on the proxies derived from RenewableUK research on the direct and wider economic impacts of onshore wind in the UK.

Table 4.1: Construction Phase – Estimated CAPEX

Geographical Distributions		
	%	£ million
Within Dumfries and Galloway	12.0	8.4
Within Scotland	36.0	25.8
UK	47.0	32.9
Outside UK	53.0	37.0
Total	100.0	69.9

Source: Renewable UK

4.5 This research also presented that the breakdown of the core components are estimated to be:

- Turbine: 65% (£45.4 million);
- Balance of Plant: 28% (£19.6 million); and
- Grid connection 7% (£4.9 million)

4.6 It is within the Balance of Plant (BoP) area where there is expected to be main contract and sub-contract opportunities for local businesses. BoP is a term given to all the infrastructural components of a windfarm with the exception of the turbine and all its elements. The sum of wind farm civil works and the electrical works are often called BoP.

4.7 It is estimated that around a third of investment into capital expenditure will occur within Scotland (£25.8 million) as a whole, with a third of that figure accruing within Dumfries and Galloway (£8.4 million).

4.8 The RenewableUK research also indicates that, on average, there is one employee for every £137,942 in turnover and a GVA turnover rate of 0.432. GVA is a percentage of turnover and is a truer reflection of economic output of the Proposed Development, as turnover includes cost of sales that will be included in other economic activities/sectors. Using the figures from Table 4.1, the employment rate and GVA turnover can be estimated. This is set out in Table 4.2.

Table 4.2: Construction Phase Job and GVA Estimates

	Estimated Turnover	Estimate Job Creation / Job Years	Estimated GVA
	£ million	No.	£ million
Dumfries and Galloway	8.4	Up to 61	3.6
Scotland	25.8	Up to 187	11.1

Source: Renewable UK

4.9 As set out in Table 4.2, up to 187 temporary jobs are expected to be created in Scotland during the construction phase, with approximately up to 61 created in Dumfries and Galloway itself. The Proposed Development could also generate £11.1 million in GVA to Scotland, and £3.6 million to Dumfries and Galloway.

Operational Effects

4.10 Table 4.3 shows the anticipated investment in operational expenditure (OPEX) during the operation and maintenance phase of the Proposed Development. All impacts at this phase are represented annually.

4.11 The levels of OPEX have been estimated using data from the RenewableUK 2015 study, which details the average costs of onshore wind farm development in the UK. It is estimated that for every MW, £59,867 is spent annually during this phase. The BESS plant is unlikely to have any notable operation and maintenance impacts, and additionally there are no proxies for this calculation. Therefore, the operational impacts are based on the 43.2 MW from the wind turbines only.

4.12 Using this figure, an overall figure of approximately £2.6 million can be estimated (Table 4.3).

Table 4.3: Operational Phase – Estimated OPPEX

Geographical Distributions		
	%	£ million
Within Dumfries and Galloway	42.0	0.7
Within Scotland	58.0	1.5
UK	87.0	2.3
Outside UK	13.0	0.3
Total	100.0	2.6

Source: Renewable UK

4.13 It is anticipated that 58% of annual OPEX will occur within Scotland and 42% within Dumfries and Galloway, with £1.5 million accruing to Scotland, of which £0.7 million accruing at the Dumfries and Galloway level.

4.14 The annual OPEX will produce direct economic benefit to Scotland and Dumfries and Galloway, in terms of employment and GVA creation. RenewableUK research also indicates that, on average, there is one employee for every £121,935 in turnover and a GVA turnover rate of 0.430 during the operational phase. Using these assumptions, the employment rate and GVA turnover can be estimated. This is set out in Table 4.4.

Table 4.4: Operational Phase Job and GVA Estimates

	Estimated Turnover	Estimated Job Creation	Estimated GVA
	£ million	No.	£ million
Dumfries and Galloway	0.7	Up to 6	0.3
Scotland	1.5	Up to 12	0.6

Source: Renewable UK

4.15 As set out in Table 4.4, up to 12 jobs are expected to be created annually in Scotland during the operation and maintenance phase, with up to six jobs being created in Dumfries and Galloway. The Proposed Development will also generate £0.6 million in GVA annually for Scotland, and £0.3 million for Dumfries and Galloway.

Wider Economic Impacts

4.16 In addition to the stated economic opportunities during the construction and operational phases, there are also a variety of wider economic impacts which should be noted as having positive effects on the regional and national economies. These are discussed in the following paragraphs.

4.17 **Supporting policy objectives:** The Proposed Development can play an important role in supporting regional and national policy objectives. Importantly, the Proposed Development can support the ambitions set out in the national and regional economic strategies as set out earlier in this report, notably a new and significant capital investment, whilst supporting the area's green credentials, supporting local business through supply chain opportunities and thereby creating jobs and offering skills development. It will also play a role in supporting the drive for high value sector growth, increasing wages and reducing the migration of young people.

4.18 **Local supply chain opportunities:** Fred Olsen Renewables Limited will host 'Meet the Buyer' events and suitably qualified local firms will be invited to bid for different aspects of construction, such as foundation laying and electrical works. Construction materials, such as aggregates, will be sourced locally wherever possible and local transport and plant hire companies used wherever possible.

Fred. Olsen Renewables Limited Supply Chain Focus

Fred. Olsen Renewables Limited always seek to employ local services during the construction and operation of their wind farms – helping to maximise local economic opportunities.

The company is committed to:

- Supporting their contractors by spending at least 30% of the contract value locally
- Incentivising all contractors to use local content

Services that have been previously employed include:

- Caterers
- Concrete and aggregate
- Environmental and other professional services
- Fencers
- Groundworks
- Local accommodation
- Plant hire

4.19 **Worker expenditure:** It is worth noting Renewable UK research⁹ the expenditure of workers who visit the local area benefit the accommodation and food service sector to the value of around £7,500 per MW constructed. This would suggest, based on a 43.2MW development, that further financial benefits of £324,000 would accrue at the regional level, largely benefiting local accommodation providers. The wider 'knock-on' impacts can in turn support the supply chain of other activities such as the spending habits of retail operations and accommodation providers.

⁹ Onshore Wind Direct & Wider Economic Impacts, RenewableUK, 2015

4.20 **Pre-construction benefits:** as the development of the Proposed Development is underway in a planning sense, there have already been financial and economic effects to local and national business that have been commissioned to support the development phase. This work is ongoing and there will continue to be financial benefits to companies involved in helping to develop and design the wind farm, such as engineering, environmental, planning and other professional advisors.

4.21 **Income effects:** the economic analysis has focused on the GVA effects of generated employment as this is the 'real' impact on the economy. However, it is worth noting that new employment will generate additional wages and salaries, much of which will be spent in the UK.

4.22 **Exchequer effects:** the analysis has not attempted to estimate the additional exchequer effects as result of taxes borne (Corporation Tax, Employer National Insurance and Irrecoverable VAT) and taxes collected (Income Tax, Employee National Insurance and non-domestic business rates). These are additional financial benefits which will support the regional and national economies.

4.23 **Supporting community investments and property assets:** The Scottish Government commissioned independent research¹⁰ into the effects of onshore wind farms on property prices. This research found that there was not a consistent negative effect of wind turbines or wind farms when averaging across the entire sample of Scottish wind turbines and their surrounding houses.

4.24 **Effects on tourism or recreation assets:** It is not anticipated that there will be any significant negative impact on the tourism industry or recreational assets as a result of the Proposed Development.

4.25 **Land management and ecological enhancements:** The Proposed Development incorporates proposals for biodiversity enhancement and further details are set out in the EIA Report and the Outdoor Habitat Management Plan. This includes adopting a suitable grazing scheme which will manage current suitable marsh fringing habitat and enhance adjacent habitat. The scheme will predominantly focus on grassland management through cattle. And extensive cattle grazing to maintain and enhance butterfly areas.

4.26 **Battery Storage:** The project also proposes to include a battery storage facility of up to 43MW. All capacity will be connected to the National Grid network to increase the efficiency of the site and help to balance the grid network.

¹⁰ Impact of wind turbines on house prices in Scotland, Scottish Government, 2016

Community Benefits

4.27 Fred. Olsen Renewables Limited pioneered community benefit funds, delivering the first in Scotland in the 1990s. Since then the company has been working closely with community benefit fund recipients and these relationships are pivotal to success.

4.28 The experience has helped the company to deliver an approach that is focussed on:

- Being flexible and responsive to community needs
- Understanding and supporting community ambitions
- Being present in the communities that we operate in

4.29 Fred. Olsen Renewables Limited believe the success of the communities they work with is down to their commitment, and they appreciate the effort these communities put into project delivery. The company place great importance on helping groups build capacity and empowering communities to make important decisions about the future of their local areas. This ethos and experience will be invaluable on the Proposed Development community efforts.

4.30 The intended community benefit package for the Proposed Development includes a community benefit fund. Income streams from this community benefits package will provide long term revenue to support local community initiatives, which will be administered by a representative local group, potentially a community council. Depending on the initiatives and projects brought forward by the local communities, these could provide positive benefits to the local economy, local facilities and the general quality of life for local residents. Fred Olsen Renewables Limited commits to a community benefit fund of £5,000 per MW of installed wind turbine generation output per annum, throughout the operational period of the Proposed Development. Based on the 43.2 MW capacity and an operational period of 35 years this is equivalent to at least £7.6 million of community investment, or £216,000 per annum.

4.31 As technology develops it may be that once the Proposed Development is constructed, turbines may be rated at a higher capacity and so community benefit payments would be adjusted to reflect this increase.

Fred. Olsen Renewables Limited Economic Impact Experience in Dumfries and Galloway

Fred. Olsen Renewables Limited has a long-established presence in Dumfries and Galloway. We currently operate Windy Standard Wind Farm which was Scotland's first consented wind farm and has been operational for over 25 years. As presented in **Annex A**, to date the development, construction and operation of Windy Standard Wind Farm has resulted in:

- **£186 million** of contracts with Scottish businesses
- **116 FTE** construction jobs
- **1,158** construction job years (per year equivalents)
- **73** operational and maintenance jobs
- **£4.1 million** funding for the local community, throughout the lifetime of the wind farm
- **£92 million** contribution to Scottish GVA

4.32 To date £600k has been allocated to communities closest to Windy Standard. Funding has supported a raft of local projects, including New Cumnock Development Trust and helping to deliver an energy discount scheme in Carsphairn, Dumfries and Galloway.

4.33 Fred. Olsen Renewables Limited seeks to collaborate with the communities surrounding the Proposed Development to understand their aspirations and identify how the company can work together to support them – such as connectivity, recreation, heritage and tourism. Fred. Olsen Renewables Limited would like to help local people and address the challenges they are facing in their day-to-day lives.

4.34 Fred. Olsen Renewable Limited would consider a Local Energy Discount Scheme (LEDS) in respect of the Proposed Development and has a track record of delivering these in Dumfries and Galloway, having operated the Carsphairn LEDS since 2018. This is administered by Carsphairn Community Council and fully funded by Windy Standard Wind Farm.

Carsphairn Local Energy Discount Scheme

Carsphairn Local Energy Discount Scheme (LEDS) has been operational since 2018. One of the first schemes of its kind in Scotland, it is administered by Carsphairn Community Council and is fully funded by Windy Standard Wind Farm.

The initiative supports local residents to pay their energy related bills and addresses the challenge of energy costs, helping the fuel poor and minimising fuel poverty.

The scheme is open to all properties that are lived in full time (excluding holiday homes and second homes). Since its inception, the scheme has provided over£127,000 in direct payments.

Liz Holmes, Chair of Carsphairn Community Council, commented:

“The scheme has been very well received by the community and has helped residents to meet their energy costs, which has become increasingly important with the huge increase in these over the last few years.

“The scheme helps to demonstrate the positive impact that wind farms can bring to the area, reaching residents who might not benefit from funding otherwise.”

5 Net Economic Benefit

Introduction

5.1 This section summarises the net economic benefits set out in this report.

Net Economic Benefits

5.2 The Proposed Development delivers a wide range of economic and wider benefits and, in this way, maximises net economic benefits for the local community. This is consistent with the latest planning policy (NPF4) in Scotland.

5.3 NPF4 Policy 11 (c) establishes as a requirement for renewable energy proposals that:

‘maximise net economic impact, including local and community socio-economic benefits such as employment, associated business, and supply chain opportunities.’

5.4 This shared experience has been used to develop a comprehensive package of benefits for the Proposed Development.

5.5 Through the delivery of the Proposed Development, it is estimated that:

- Pre-development investment and planning fees, benefitting a range of Scottish-based companies and organisations;
- Total expected CAPEX investment of £69.9 million, of which £25.8 million potentially benefitting Scottish companies and £8.4 million potentially benefitting local companies. With opportunities for local businesses to support in terms of groundwork, landscaping, civil engineering, and construction contracts;
- Up to 61 construction jobs and GVA of £3.6 million in Dumfries and Galloway during the construction programme;
- Total annual operating and maintenance expenditure of £2.6 million per annum, of which £1.5 million potentially benefitting Scottish companies and £0.7 million benefitting local companies; and
- Up to six operation and maintenance jobs and GVA of £0.3 million in Dumfries and Galloway on an annual basis.

5.6 In addition, Fred. Olsen Renewables Limited has committed to a community wealth funding investment of £216,000 per annum and around £7.6 million (2024 prices) over the proposed 35 year operational life.

5.7 Fred. Olsen Renewables Limited is also committed to a series of 'meet the buyer' events post planning and prior to construction with a view to putting in place a programme which recognises the benefit of using local contractors.

5.8 Fred. Olsen Renewables Limited is also keen to develop and assess a possible Local Energy Discount Scheme (LEDS) similar to the successful Carsphairn LEDS, which has operated since 2018 with Carsphairn Community Council and Windy Standard Wind Farm.

5.9 The company is committed to supporting their local contractors by spending up to 30% of the contract value locally

5.10 The benefits associated with the Proposed Development will go beyond supporting economic activity and employment during the wind farm's construction and its operation. In particular, community benefits will provide a stream of income for the local communities to be reinvested and deliver against its priorities and ambitions.

5.11 As well as delivering significant economic effects across Scotland, Fred. Olsen Renewables Limited has delivered over £6.2 million in community benefit across Scotland, which has supported a range of projects and initiatives. This is an enviable track record, of both delivering economic impacts, as well as wider community benefits. The company has a strong local supply chain focus and a demonstrable track record of delivering local economic benefits.

5.12 On this basis, it can be concluded that the Proposed Development maximises net economic impact.

Annex A: Fred. Olsen Renewables Limited Economic and Community Value in Scotland