# M74 West Renewable Energy Park

## Other Documents

## Economic and Community Impact Report

September 2024

BiGGAR Economics

# Contents

# 1. Executive Summary

## The proposed M74 West Renewable Energy Park will support up to 162 jobs in South Lanarkshire and contribute to community wealth building for the communities local to the development.

This report focuses on evaluating whether the Proposed Development meets the expectations outlined in the National Planning Framework 4 to maximise net economic benefit and contribute to Community Wealth Building. This includes considering how it will achieve a high local supply chain content, the provision of local employment and skills development opportunities, and the promotion of innovative processes to enhance community wealth.

The Applicant has **committed to incorporating a community wealth building approach** into the design, supply chain engagement and community involvement of M74 West Renewable Energy Park. The Applicant has considered how the M74 West Renewable Energy Park can maximise its net economic benefit across the pillars of:

- spending,
- workforce,
- ownership,
- finance and
- land and property.

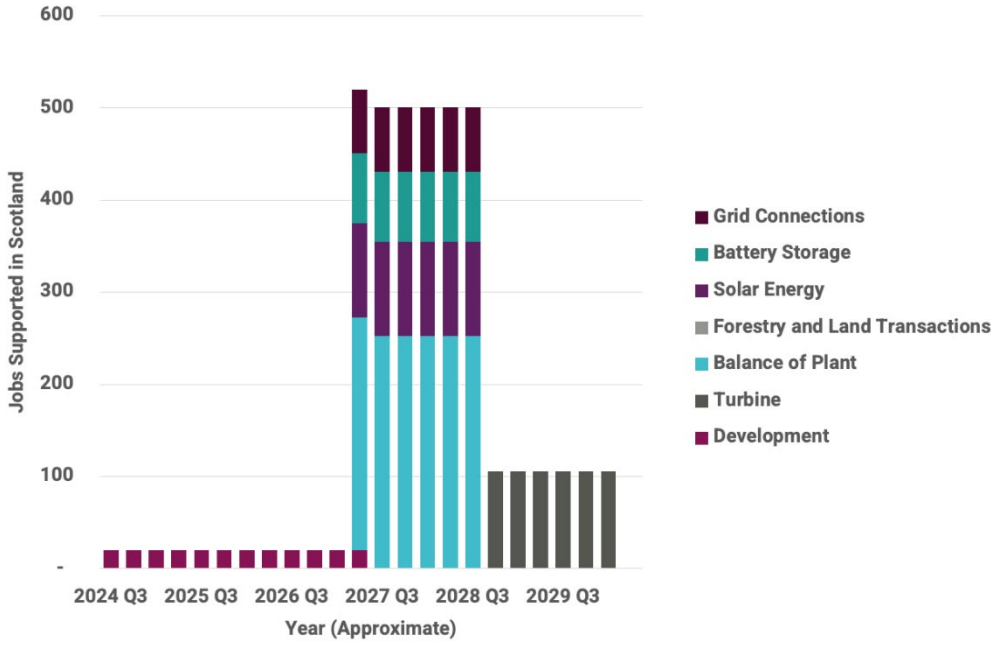
The socio-economic structure of South Lanarkshire and future demographic pressures highlight the need for the creation of job opportunities. The assessment of the economic impacts of the Proposed Development estimated that the expenditure associated with development and construction activity could generate:

- £28.4 million GVA and 320 job years across South Lanarkshire (with peak employment of 162 jobs);
- £95.0 million GVA and c.1,114 job years across Scotland (with peak employment of 520 jobs); and
- £152.6 million GVA and c.1,787 job years in the UK (with peak employment of 742 jobs)

The expenditure required for the operations and maintenance of the Proposed Development could generate each year:

- £1.7 million GVA and support c.10 jobs in South Lanarkshire;
- £3.8 million GVA and support c.30 jobs across Scotland; and
- £5.2 million GVA and support c.42 jobs in the UK.

**Figure 1-1 Employment impacts in Scotland over Time**




Source: BiGGAR Economics Analysis.

The Proposed Development is expected to support the **provision of local public services and the investment priorities of local communities**. During its operations, it is expected to generate approximately £1.7 million in non-domestic rates yearly.

The Proposed Development could make a material, positive impact to community wealth building within the local area. The main contributions relate to the proposed **community benefit fund** which is expected to provide an annual contribution of approximately £825,000 in community benefits[1] which could support up to 13 jobs each year, **local supply chain building and the opportunities for local employment**, **capital investment** and **skills development.** Initiatives such as the provision of a grant scheme in conjunction with Solar Zero to install solar panels and batteries into local homes to enable sustained lower household electricity costs and the collaboration with educational institutions would also support the **continuation of innovative processes**. The Applicant is committed to working collaboratively with the local community and stakeholders to ensure targeted and relevant support.

[1] Based on a notional installed capacity for the wind farm element of the project of 165 MW, M74 West would provide a minimum of £825,000 of funding annually to community focussed projects in the local area. Calculating the funding based on the installed capacity of the candidate turbine used in the EIA would result in a minimum funding package of £725,000. However, based on developing wind turbine technology, it is possible that a higher capacity wind turbine would ultimately be delivered at M74 West.

This report also includes and assessment of any impacts on the local tourism economy, in particular tourism assets within 15 km of the Proposed Development. It found that the Proposed Development is not expected to affect local accommodation providers, recreational activities, and tourism attractions, which is in line with the literature which finds no relationship between wind farm developments and tourism.

Based on the abovementioned community and economic benefits expected, it can be concluded that the Proposed Development meets the requirements of the NPF4 Policy 11(c) and the relative criteria, and therefore maximises the net economic impact.

# 2. Introduction

BiGGAR Economics was commissioned by Ramboll UK Limited to assess the potential socio-economic impacts from the construction and operation of M74 West Renewable Energy Park.

This report includes an assessment of the potential socio-economic, recreation and tourism effects of the M74 West Renewable Energy Park (the 'Proposed Development'). No significant socio-economic effects are expected to occur in EIA terms in the presence of the Proposed Development. Therefore, the conventional approach based on sensitivity, magnitude and significance has not been pursued in the assessment. Instead, socio-economics effects are considered following the requirements outlined in NPF4 Policy 11(c) regarding the maximisation of the net economic impact.

## 2.1 Background

The Proposed Development would be located on a site north and northwest of Abington in South Lanarkshire (the 'Site') and would comprise up to 22 turbines, each with a maximum tip height of 200m. Based on current wind turbine generator technology, the typical generation capacity for each turbine would be between 6.1 and 7.5MW. The Proposed Development will also comprise a solar photovoltaic (PV) array with of approximately 80 MWac capacity, battery energy storage system (BESS) with capacity up to 50 MW, and associated infrastructure.

The objectives of this report include:

- contributing to existing analyses by quantifying the potential economic impacts of the Proposed Development;
- assessing the potential for any effects on the local economy such as changes to tourism activity as a result of the Proposed Development;
- outlining the potential benefit for the local community; and
- assessing the alignment with the NPF4 Policy 11(c) requirements.

## 2.2 Report Structure

The report is structured as follows:

- Section 3 places the development in the context of national and regional economic strategies;
- Section 4 provides a socio-economic context;

- Section 5 describes the assessment methodology used;
- Section 6 considers the economic impact from the Proposed Development;
- Section 7 sets tourism in the area in context and considers the relationship between the proposed wind farm and the local tourism economy;
- Section 8 outlines the results of the community wealth building exercise;
- Section 9 contains a conclusion on net economic benefit;
- Section 10 is Appendix A which includes the list and description of local tourist attractions and recreational trails.

# 3. Strategic and Policy Context

This section considers national, regional and local strategies and how the Proposed Development supports their delivery.

## 3.1 National Strategic Context

### 3.1.1 National Performance Framework

The National Performance Framework[2] (NPF) sits at the top of the policy hierarchy in Scotland, with all other policies and strategies designed to meet its purpose and outcomes.

The "purpose" of the NPF is:

**"To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth".**

The NPF explicitly includes 'increased wellbeing' as part of its purpose and combines measurement of how well Scotland is doing in economic terms with a broader range of wellbeing measures. The NPF is designed to give a more rounded view of economic performance and progress towards achieving sustainable and inclusive economic growth and wellbeing across Scotland and aims to:

- create a more successful country;
- give opportunities to all people living in Scotland;
- increase the wellbeing of people living in Scotland;
- create sustainable and inclusive growth; and
- reduce inequalities and give equal importance to economic, environmental, and social progress.

The NPF sets out 11 outcomes, underpinned by 81 indicators, that combine to give a better picture of how the country is progressing towards these goals. As well as GDP and employment measures, the NPF's outcomes reflect the desired fabric of communities and culture, education, the environment, health and wellbeing and

[2] Scottish Government, Scotland's National Performance Framework.

measures to help tackle poverty. It is these indicators on which the Scottish Government focuses its activities and spending to help meet the national outcomes.

The 11 national outcomes are:

- **children and young people**: grow up loved, safe and respected so that they realise their full potential;
- **communities**: live in communities that are inclusive, empowered, resilient and safe;
- **culture**: are creative and their vibrant and diverse cultures are expressed and enjoyed widely;
- **economy**: have a globally competitive, entrepreneurial, inclusive, and sustainable economy;
- **education**: are well educated, skilled and able to contribute to society;
- **environment:** value, enjoy, protect, and enhance their environment;
- **fair work and business**: have thriving and innovative businesses, with quality jobs and fair work for everyone;
- **health**: are healthy and active;
- **human rights**: respect, protect and fulfil human rights and live free from discrimination;
- **international**: are open, connected and make a positive contribution internationally; and
- **poverty**: tackle poverty by sharing opportunities, wealth, and power more equally.

The Proposed Development will support the decarbonisation of the Scottish economy, while creating high-skilled jobs and supporting the ambitions of local communities. In this way, the Proposed Development will make positive contributions towards the economy and communities in achieving these national outcomes.

### 3.1.2 National Planning Framework 4

The fourth National Planning Framework (NPF4)[3] is the national spatial strategy for Scotland. The document considers:

- Scotland's spatial principles;
- national planning policy;
- national developments; and
- regional priorities.

In the context of energy generation, Policy 11 is relevant to the socio-economic impact of the Proposed Development. Paragraph (c) states that "*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*".

[3] Scottish Government (2023). National Planning Framework 4

In addition, Policy 25 states that "*development proposals which contribute to local or regional community wealth building strategies and are consistent with local economic priorities will be supported.*"

### 3.1.3 Community Wealth Building

Community Wealth Building (CWB)[4] is an approach to local economic development that aims to keep wealth circulating locally to ensure more inclusive, resilient, and sustainable local economic development. CWB is based around five principles:

- plural ownership of the economy
- ensuring financial power works for local places
- fair employment and just labour markets
- progressive procurement of goods and services
- socially productive use of land and property.

Community Wealth Building is currently going through the legislative process and in 2023 the Scottish Government carried out a consultation on Community Wealth Building legislation. Further, as outlined in the Scotland's National Strategy for Economic Transformation (see Section 3.1.4), CWB is regarded as a key strategy for developing a wellbeing economy.

### 3.1.4 Scottish Government Programme for Government[5]

In September 2024, the Scottish Government published its Programme for Government: 2024 – 25. This highlighted four priorities of the Scottish Government for the year, namely;

- Eradicating child poverty;
- Growing the economy;
- Tackling the climate emergency; and
- Ensuring high quality and sustainable public services.

The role of the energy transition in both growing the economy and tackling the climate emergency are highlighted throughout the document. The Programme for Government states that the path to net zero presents enormous economic opportunities and that to deliver these, the Scottish Government will publish a Green Industrial Strategy. The document also contains a commitment to improve the planning and consenting regime for renewable energy generation and transmission to provide certainty and stimulate the private investment needed.

The Programme for Government describes the 14 Bills the Scottish Government intends to introduce over the course of the parliamentary year to support the four priority areas identified. These include:

- Climate Change (Emissions Reductions Targets)

[4] See Centre for Local Economic Strategies - https://cles.org.uk/community-wealth-building/how-to-build-community-wealth/

[5] Scottish Government (2024) Programme for Government 2024 – 25: Serving Scotland

- Community Wealth Building; and
- Natural Environment.

### 3.1.5 Scotland's National Strategy for Economic Transformation (NSET)

In March 2022, the Scottish Government released the National Strategy for Economic Transformation (NSET), which set out its ambition for Scotland's economy over the next 10 years[6]. The Scottish Government's vision is to create a wellbeing economy where society thrives across economic, social, and environmental dimensions, aiming to deliver prosperity for all of Scotland's people and places. Of particular importance is the ambition to be a greener economy, with a just transition to net zero, a nature-positive economy and a rebuilding of natural capital.

A key long-term challenge identified in the strategy is to address deep-seated regional inequality, including in rural and island areas that face problems such as a falling labour supply, and poorer access to infrastructure and housing. The transition to net zero presents a further challenge in delivering positive employment, revenue, and community benefits.

To deliver its vision and address the economy's challenges, the strategy identified five programmes of action (with a sixth priority of creating a culture of delivery). The programmes include:

- establishing Scotland as a world-class entrepreneurial nation;
- strengthening Scotland's position in new markets and industries, generating new, well-paid jobs from a just transition to net zero;
- making Scotland's businesses, industries, regions, communities, and public services more productive and innovative;
- ensuring that people have the skills they need to meet the demands of the economy, and that employers invest in their skilled employees; and
- reorienting the economy towards wellbeing and fair work.

The strategy notes that Scotland has substantial energy potential and that it has developed a growing green industrial base. Renewable energy developments will continue to play a significant role in supporting productive businesses and regions across Scotland.

The NSET also considers evidence collected by engaging with the country's Regional Economic Partnerships. The purpose of this partnership in the Highlands and Islands is to support collaboration to pursue strategic regional opportunities in sectors such as renewable energy, generating significant economic benefits for the region. The Proposed Development is an example of the opportunities available to the region in the onshore wind sector, generating jobs and supporting the supply chain in the local economy.

### 3.1.6 Onshore Wind Sector Deal

[6] Scottish Government (2022). National Strategy for Economic Transformation: Delivering Economic Prosperity

The Onshore Wind Sector Deal[7], published in September 2023, outlines the commitment from the Scottish Government and the onshore wind sector to reach 20 GW of onshore wind by 2030, ensuring maximisation of benefits to Scotland. The Deal highlights the increased potential of onshore wind for a low-carbon and prosperous future, the creation of high-quality job opportunities and the empowerment of local communities in Scotland.

The document emphasises the following aspects, and the collaborative, sector and government action required to support the development of onshore wind in each of the following:

- **supply chain, skills and the circular economy**: support the enhancement of the current skills and training provision to deliver the needs of the wind industry;
- **community**: onshore wind will continue to collaborate with local communities, offering impactful community benefits;
- **land use and environment**: onshore wind projects will enhance biodiversity and optimise land use and environmental benefits;
- **planning**: reduce the time it takes to determine applications for onshore wind projects by increasing skills and resources;
- **legislative and regulatory**: develop evidence to support a strategic approach to delivering investment and transporting wind turbine components, and improve network connections;
- **technical**: enable cooperative coexistence between onshore wind and safe aviation operations; and
- **implementation and governance**: key milestones to be delivered by agreed dates.

The Scottish Government highlights the economic opportunities associated with increased deployment of onshore wind. It views supply chain engagement, and the subsequent creation of jobs, as strong stimulants to widespread economic benefit. Generating these impacts provides an opportunity for Scotland to build a skilled work force and to position itself at the forefront of growing markets.

To support lasting economic and social benefits, the government encourages community benefit and shared ownership. Ensuring all communities across Scotland feel the benefits of the energy transition is at the core of this ambition.

### 3.1.7 Tourism Strategy: Scotland's Outlook 2030

Following on from the Tourism Scotland 2020 (TS2020) strategy[8], a collaborative network of industry experts created Scotland's Outlook 2030, a strategy document which is focused on creating a world-leading tourism sector in Scotland that is sustainable in the long-term. The strategy is focused on four key priorities:

- people;
- places;

[7] Scottish Government (2023). Onshore Wind Sector Deal.
[8] Scottish Tourism Alliance (2012). Tourism Scotland 2020

- businesses; and
- experiences.

The strategy recognises the effects on tourism of climate change, technological advancements, Brexit and changing consumer behaviour and highlights the need for collaboration between government, communities, and the public and private sectors[9].

There are six conditions that the strategy has highlighted as being crucial for success:

- using technological advancements and information to understand changes and trends in tourist behaviours;
- ensuring policies are in place that support the vision;
- enabling investment opportunities into Scotland's tourism market;
- improving transport and digital infrastructure;
- greater collaboration between businesses in the industry; and
- positioning Scotland as a great place to live and visit locally and globally.

A main commitment of the strategy is to address the effects of energy demand associated with tourism and make the sector commit fully to Scotland's ambition of becoming a net-zero society by 2045.

## 3.2 Regional Strategic Context

### 3.2.1 South Lanarkshire Economic Strategy 2022 – 2027

The South Lanarkshire Economic Strategy 2022 – 2027[10] published by South Lanarkshire Council outlines the framework to support actions which will generate improvements in South Lanarkshire's economy. The strategy is centred around three themes of sustainable economic development, namely:

- People;
- Place; and
- Business.

The Vision outlined in the document is to make South Lanarkshire a flourishing, green, dynamic and equitable place for all.

As part of the theme of business, the Council emphasises their aim to work with employers to create good jobs and highlights that the transition to a low carbon economy will unlock significant economic benefits, new jobs training and upskilling opportunities. The strategy highlights that it is vital to position South Lanarkshire firmly at the heart of regional plans to build a sustainable, net zero economy.

[9] Scottish Tourism Alliance (2020). Scotland's Outlook 2030
[10] South Lanarkshire Council (2022), South Lanarkshire Economic Strategy 2022 - 2027

## 3.3 How Proposed Development fits within the Strategic Context

The Proposed Development is expected to have various socio-economic benefits in line with national and regional strategic policy documents. Through its generation of renewable energy, the project will contribute to the decarbonisation of the Scottish economy and towards Scotland's net-zero target. The Proposed Development will also deliver on some of the issues covered by Scotland's NPF, including the economy, communities, and the environment.

At regional level, the Proposed Development will create high-quality employment opportunities, further diversifying the region's economic base and generating spend in the local economy through wage expenditure. The Proposed Development will also support businesses within the local supply chain, building more sustainable and resilient communities through the diversification of income streams.

# 4. Socio-Economic Context

This section discusses the socio-economic context of the Proposed Development.

## 4.1 Study Areas

The socio-economic baseline provides the context for the Proposed Development and its potential for economic benefits within existing socio-economic conditions. This section considers three study areas:

- South Lanarkshire;
- Scotland; and
- the UK.

## 4.2 Demographics

### 4.2.1 Population Estimates

In 2022, the total population in South Lanarkshire was 322,600, accounting for 5.9% of the population of Scotland as a whole (5,479,900).

As shown in Table 4-1, the share of the population of South Lanarkshire aged 65 and over was 20% in 2022, similar to the average proportion accounted for by this demographic in Scotland but higher than the UK figure (19%).

The working age population, aged 16-64, accounted for 63% of the population of South Lanarkshire, lower than average compared to Scotland (64%) and similar to the UK figure.

**Table 4-1 Population Estimates, 2022**

| | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| **Total** | **322,600** | **5,479,900** | **67,652,999** |
| 0-15 | 17% | 17% | 18% |
| 16-64 | 63% | 64% | 63% |
| 65+ | 20% | 20% | 19% |

Source: ONS (2023), Population estimates - local authority based by five year age band.

### 4.2.2 Population Projections

Population projections for Scotland and each of its local authorities predict that between 2022 and 2043 the population of South Lanarkshire will increase by 1.7%, from 322,600 to 328,001. This is a similar expected growth rate to Scotland as a

whole, but lower than the expected growth in the UK population over this time period (7.0%).

Over this time period, the proportion of the population of South Lanarkshire aged 65 and over is expected to increase to 26% by 2043, above the average of both Scotland (25%) and the UK as a whole (24%) by this year.

The share of the South Lanarkshire population accounted for by people of working age is expected to fall from 63% to 58% between 2022 and 2043. It is expected that the share accounted for by this demographic will be lower than in Scotland (60%) and across the UK (59%).

These demographic trends suggest that a declining working-age population will have to support an increasingly ageing population. For this reason, it will be increasingly important for the South Lanarkshire to attract and retain people of working age.

**Table 4-2 Population Projections, 2022-2043**

| Age | South Lanarkshire | | Scotland | | UK | |
|---|---|---|---|---|---|---|
| | 2022 | 2043 | 2022 | 2043 | 2022 | 2043 |
| **Total** | **322,600** | **328,001** | **5,479,900** | **5,574,819** | **67,652,999** | **72,417,950** |
| 0-15 | 17% | 16% | 17% | 15% | 18% | 17% |
| 16-64 | 63% | 58% | 64% | 60% | 63% | 59% |
| 65+ | 20% | 26% | 20% | 25% | 19% | 24% |

Source: ONS (2023), Population projections - local authority based by single year of age; National Records of Scotland (2020), Population Projections for Scottish Areas (2018-based).

## 4.3 Industrial Structure

The human health and social work activities sector is the largest employer in the South Lanarkshire, with 16% of all those employed working in this industry. It plays a relatively more important role in employment compared to its significance in Scotland (15%) and the UK (13%).

Employment in the construction sector is equivalent to 8% of jobs in the area, higher than the proportion of jobs accounted for by the sector in both Scotland (6%) and the UK (5%). This sector is one of the primary areas of opportunity for contracts associated with the construction phase of the Proposed Development. Manufacturing also accounts for a higher-than-average share of employment in South Lanarkshire, accounting for 9% of jobs in the local authority compared to 7% in Scotland and 8% in the UK.

Employment in professional, scientific and technical services is lower in South Lanarkshire (5%) than the Scottish average (7%) and the average across the UK (9%).

**Table 4-3 Industrial Structure, 2022**

| | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| Human health and social work activities | 16% | 15% | 13% |
| Wholesale and retail trade | 15% | 13% | 14% |
| Manufacturing | 9% | 7% | 8% |
| Construction | 8% | 6% | 5% |
| Administrative and support services | 8% | 8% | 9% |
| Education | 8% | 8% | 8% |
| Accommodation and food services | 7% | 8% | 8% |
| Public administration and defence | 6% | 6% | 5% |
| Professional, scientific, technical | 5% | 7% | 9% |
| Transportation and storage | 4% | 4% | 5% |
| Arts, entertainment and recreation | 3% | 3% | 2% |
| Agriculture, forestry and fishing | 2% | 3% | 1% |
| Other service activities | 2% | 2% | 2% |
| Information and communication | 2% | 3% | 4% |
| Financial and insurance activities | 2% | 3% | 3% |
| Electricity, gas, steam, air conditioning | 1% | 1% | 0% |
| Real estate activities | 1% | 1% | 2% |
| Water supply; sewerage, waste | 1% | 1% | 1% |
| Mining and quarrying | 0% | 1% | 0% |

Source: ONS (2023), Business Register and Employment Survey, 2022.

## 4.4 Economic Activity

In 2022, South Lanarkshire had an economic activity rate of 80.2%, above the average of both Scotland (77.9%) and the UK as a whole (78.7%). The unemployment

rate in South Lanarkshire (2.4%) was below average compared to Scotland (3.4%) and the UK (3.8%).

As shown in Table 4-4, the median annual gross income for those residing in South Lanarkshire (£32,372), is higher than the Scottish average of £29,842, as well as the average across the UK (£29,669).

**Table 4-4 Economic Activity Rates, 2023**

| | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| Economically Active (%) | 80.2% | 77.9% | 78.7% |
| Unemployment Rate (%) | 2.4% | 3.4% | 3.8% |
| Median Annual Gross Wage (resident analysis) | £32,372 | £29,842 | £29,669 |

Source: ONS (2024), Annual Population Survey Oct 2022-Sept 2023; ONS (2024), Annual Survey of Hours and Earnings – resident analysis.

## 4.5 Education

The population of South Lanarkshire has lower levels of qualifications on average than that of Scotland as a whole. In South Lanarkshire, 40% of those aged 16-64 hold had NVQ4+ qualifications compared to 50% in Scotland and 44% in the UK as a whole.

There are also fewer residents in South Lanarkshire (60%) that hold NVQ3+ qualifications compared to the entirety of Scotland (65%) and the UK (61%). A similar proportion of those aged 16-64 hold NVQ2+ qualifications, with 80% in South Lanarkshire and Scotland and around 78% in the UK as a whole.

South Lanarkshire also has a similar proportion of residents aged 16-64 years old with no qualifications (8%) to the national average. These figures are higher than the UK average (7%).

**Table 4-5 Education Levels, 2022**

| | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| NVQ4+ | 40% | 50% | 44% |
| NVQ3+ | 60% | 65% | 61% |
| NVQ2+ | 80% | 80% | 78% |
| NVQ1+ | 88% | 86% | 87% |
| Other Qualifications | 4% | 6% | 6% |
| No Qualifications | 8% | 8% | 7% |

Source: ONS (2022), Annual Population Survey Jan 2022 – Dec 2022.

## 4.6 Occupational Structure

The occupational structures in South Lanarkshire, Scotland, and the UK indicate varying capabilities in providing the workforce needed for a renewable energy development.

South Lanarkshire has a higher percentage of Associate Professional and Technical Occupations (21%), making it suitable for various roles required in the construction phase of the project. Scotland and the UK have a higher proportion of employment in Professional Occupations (27%). South Lanarkshire is similar to Scotland and the UK in the other occupational groupings.

**Table 4.6 Occupational Structure, 2023**

| | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| Associate Professional & Technical | 21% | 16% | 15% |
| Professional Occupations | 20% | 27% | 27% |
| Administrative and Secretarial | 10% | 9% | 10% |
| Skilled Traders | 9% | 10% | 9% |
| Managers, Directors and Senior Officials | 8% | 8% | 10% |
| Caring, Leisure and other services | 8% | 8% | 8% |
| Sales and Customer Service | 6% | 7% | 6% |
| Process, Plant and Machine Operatives | 6% | 5% | 5% |
| Elementary Occupations | 13% | 10% | 9% |

Source: Annual Population Survey (2023).

## 4.7 Scottish Index of Multiple Deprivation

The Scottish Index of Multiple Deprivation (SIMD) is a relative measure of deprivation which ranks all data zones in Scotland across seven dimensions: income, employment, education, health, access to services, crime and housing. These areas can be ranked based on which quintile (fifth of the distribution) they belong to, with a small area in the first quintile being in the 20% most deprived areas in Scotland.

There are 431 small areas in South Lanarkshire, 20.4% of which are ranked as being in the 20% most deprived areas in Scotland. A further 24.8% were ranked in the second quintile, meaning 44.8% of areas in South Lanarkshire were ranked in the 40% most deprived areas in Scotland. Of the small areas in South Lanarkshire, 34.8% were ranked in the 40% least deprived areas of Scotland, suggesting the local authority has relatively higher levels of deprivation compared to Scotland as a whole.

**Table 4-7 Scottish Index of Multiple Deprivation by Quintile, 2020**

| | South Lanarkshire |
|---|---|
| 1 (most deprived quintile) | 20.4% |
| 2 | 24.8% |
| 3 | 20.0% |
| 4 | 17.9% |
| 5 (least deprived quintile) | 16.9% |

Source: Scottish Government (2020), Scottish Index of Multiple Deprivation 2020.

## 4.8 Summary of Socio-Economic Context

The working age population of South Lanarkshire is broadly in line with that of Scotland and the UK. However, population projections suggest that the share accounted for by this demographic will fall below average over the next 20 years, with the proportion of the population aged 65 or above expected to increase more in South Lanarkshire compared to Scotland and the UK as a whole. The local authority area has relatively higher levels of deprivation when compared to Scotland as a whole.

Both the construction sector and manufacturing sector, which may benefit from contracts relating to the Proposed Development, are well-represented in South Lanarkshire. There is also a high proportion of employment concentrated in Associate Professional and Technical occupations, ensuring comprehensive support for the Proposed Development.

# 5. Assessment Methodology

This section describes the methodology used to assess the economic impact from the Proposed Development as well as the contribution to the maximisation of net economic benefits.

## 5.1 Economic Impact Methodology

### 5.1.1 Modelling the Economic Impact of Onshore Renewable Developments

The methodology employed to assess the economic impact of the Proposed Development adheres to industry best practice. It leverages research, conducted by BiGGAR Economics in 2015 on behalf of RenewableUK[11], on the construction and operational costs from numerous onshore wind farm projects across the UK. Furthermore, the approach draws on more recent evidence gathered from a multitude of case studies of construction and operational costs in the sector.

This methodology has now been used to assess the economic impact associated with numerous renewable energy developments across Scotland, and the UK. The economic modelling methodology comprises the following stages:

- Development and planning;
- Turbine;
- Balance of plant;
- Grid connection;
- Solar Energy; and
- Battery Storage.

The economic impact methodology adjusts the assumptions to account for varying capacities of businesses throughout Scotland to fulfil onshore wind contracts.

### 5.1.2 Measures of Economic impact

The economic impacts are reported with respects to the following measures:

- **Gross Value Added (GVA)**: a commonly used measure of economic output, GVA captures the contribution made by an organisation to national economic activity. This is usually estimated as the difference between an organisation's turnover and its non-staff operational expenditure; and
- **Employment**: this is expressed as years of employment for temporary contracts and as annual jobs for operations and maintenance contracts. Years of employment are used to report the short-term employment that is supported by

[11] RenewableUK (2015), Onshore Wind: Economic Impacts in 2014.

the construction and development of the wind farm. As an example, a job that lasts for 18 months would support 1.5 years of employment.

### 5.1.3 Sources of Economic Impact

The assessment will consider the following sources of economic impact:

- **direct impacts**: the economic value generated through the contracts associated with the Proposed Development;
- **indirect impacts**: the impact from the spending of contractors within their supply chains; and
- **induced impacts**: the impact from the spending of those workers carrying out contracts for the Proposed Development and on behalf of its contractors.

### 5.1.4 Study Areas

The assessment of economic impacts considered the following study areas:

- South Lanarkshire;
- Scotland; and
- the UK.

## 5.2 Maximisation of Net Economic Impact

### 5.2.1 Approach

There is no specific legislation, policy or guidance available on the methods that should be used to assess the socio-economic impacts of a proposed onshore renewable energy development. The assessment focuses on evaluating whether the Proposed Development meets the specific requirements outlined in NPF4 Policy 11(c) concerning the maximisation of net economic impacts.

However, there is also no guidance on maximising net economic impact in the context of the NPF4. The structured approach provided below ascertains the net economic impact of the Proposed Development through the following aspects:

- **alignment with policy statements**: Clarity on the desired outcomes can be obtained from other policies such as Onshore Wind Policy Statement and the Onshore Wind Sector Deal for Scotland which identify the collective vision to use the rapid development of the onshore wind sector to drive long-term economic growth, create high-quality supply chain opportunities, reduce carbon emissions, and ultimately benefit the communities in Scotland.
- **evaluation of applicant commitments**: Commitments made by the Applicant regarding economic contributions, including investments, job creation, and support for local businesses and communities, form an important component of the evaluation process.
- **consideration of applicant control**: There are factors within and outside the control of the Applicant that may affect the realisation of the socio-economic benefits. For example, benefits from Applicant's commitments to the local suppliers will only be realised if local suppliers utilise the opportunities provided.

Based on the above, the following criteria are considered to demonstrate the maximisation of net economic benefits from onshore renewables development:

- **rapid deployment** of projects needed to deliver Scotland's 20GW target of onshore wind installed capacity by 2030;
- **high local supply chain content** to maximise the value of local expenditure;
- **bespoke opportunities for local employment and skills development** that reflect the characteristics of the local labour market;
- **fair contributions to the cost for enabling infrastructure** and other interventions necessary to support the sector;
- **fair community benefit packages** that generate tangible benefits for the host community while remaining affordable for the developer; and
- **continued innovation** to support the process of continuous improvements.

The assessment concludes on whether the Proposed Development maximises the net economic impact in the context of NPF4 Policy 11(c) based on these criteria.

### 5.2.2 Community Wealth Building Exercise

Developers of renewable energy projects have long been expected to contribute to socio-economic development in host communities. However, NPF4 brought in a new requirement for the benefits to be maximised.

There is a wide variety of potential benefits of renewable projects. These include those directly created by the Proposed Development, such as supply chain opportunities and community benefit funding, and those that the Proposed Development will enable others to realise. Both types of benefits can contribute to community wealth building.

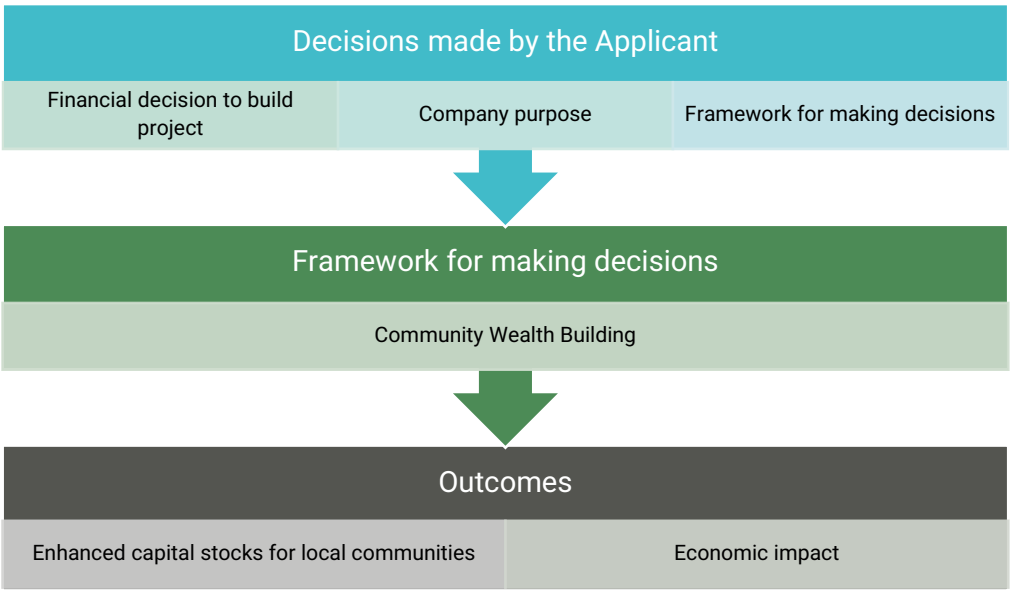
The extent to which a project contributes to community wealth building depends on the decisions that are made by a developer. The primary decision is whether to proceed with a project and make the financial commitment required to build it. A project that is not built will not contribute to the community wealth at all. Therefore, if it wishes to maximise the net economic impact, the decisions made by the Applicant need to ensure that the Proposed Development is financially viable.

In addition to being financially viable, any project needs to align with the purpose of the developer. The purpose of the Applicant (below) highlights the desire for economic and environmental sustainability. The development of onshore wind projects clearly align with this purpose. The purpose also highlights the need to create economic value. To create economic value in a sustainable way, the communities in which the company is active need to benefit from these projects.

*"At Renewco we exist to create value both economically and environmentally, our view is that we are responsible for creating a sustainable future"*

*Applicant Company Purpose*

The framework through which the Applicant makes decisions and the interdependencies of these decisions will determine the scale and distribution of benefits. Community Wealth Building (CWB) offers a framework through which decisions can be made in order to maximise the net economic impact of a project. By adopting a CWB framework developers can maximise the positive outcomes for communities local to developments, by enhancing the capital stocks of an area and maximising the economic impact through the supply chain.




Developers can play a transformational role within the communities where they operate and can make an important contribution to their economic development. However, only the direct benefits are within the sole control of the developers. This necessitates the requirement of a collaborative relationship with the local community and partners to ensure that a lasting legacy of economic development can be created and benefits are maximised.

The need for a collaborative approach was highlighted in policy statements such as the Onshore Wind Sector Deal which set out joint commitments of the Government and industry to maximise benefits at a national level without translating those into guidance for developers working at the local level.

Nevertheless, these commitments align well with the five pillars of the Community Wealth Building (CWB).

CWB is an approach to local economic development that aims to keep wealth circulating locally to ensure more inclusive, resilient, and sustainable local economic development and is regarded as a key strategy for developing a wellbeing economy within Scotland's National Strategy for Economic Transformation. CWB is based around five pillars:

- plural ownership of the economy
- ensuring financial power works for local places
- fair employment and just labour markets
- progressive procurement of goods and services
- socially productive use of land and property.

Policy 25 in the NPF4 also suggests development proposals that contribute to local or regional community wealth building strategies will be supported.

Therefore, developers could use this as a framework for setting out how they will maximise the benefits of their proposals.

# 6. Community Wealth Building

A community wealth building approach can ensure projects deliver a net economic benefit for host communities.

The Applicant is committed to building wealth in the communities it operates in. This section provides a preliminary assessment of how effectively it does this.

## 6.1 Approach

Following the workshop with the Applicant and Ramboll, BiGGAR Economics used the information provided to assess the contribution the Applicant and the Proposed Development currently makes to the wealth of the local community. Using insight gathered during the workshop and knowledge of what has been delivered by comparable projects elsewhere, BiGGAR Economics then identified a suite of additional actions that could be taken to enhance this contribution.

As the Applicant's plans are still at a relatively early stage of development. This report did not involve any direct engagement with the local community or other relevant stakeholders. Instead, it built on engagements that the Applicant has already had with these stakeholders.

The assessment should therefore be regarded as a starting point for future engagement rather than a fully developed plan. It will be important the ideas and suggestions made are tested with the local community and relevant stakeholders as part of the next steps of the project.

## 6.2 Principle 1 – Spending

*Maximising community benefits through procurement and commissioning, developing good enterprises, fair work and shorter supply chains.*

### 6.2.1 Enabling Local Supply Chains

In 2014, RenewableUK published the "Local Supply Chain in Onshore Wind, Good Practice Guide"[12], which includes guidance for onshore wind developers on how to maximise local content. The report made the following suggestions:

[12] RenewableUK (2014), Local supply chain in onshore wind, good practice guide.

- **maximise your local presence and begin early**: start identifying potential suppliers early by being active and visible locally;
- **partnerships work**: look for partnerships with business groups and local authorities;
- **the developer's role is that of an enabler**: use information on potential suppliers to ensure primary contractors maximise local opportunities;
- **provide the right information, at the right time**: consider adopting an iterative process when communicating with businesses and leave them time to learn and adjust;
- **communicate technical requirements early**: this will give the opportunity for upskilling or the emergence of consortia to occur; and
- **if you can, demonstrate local content in planning**: where possible include a demonstrable commitment to local content in planning and carry out ex-post auditing.

In line with this, the community wealth building model favours dense local supply chains as a way of supporting local employment and retaining wealth locally. Progressive procurement processes that support SMEs, employee-owned businesses, social enterprises, co-operatives and community businesses, can help achieve this. By working collaboratively to support the development of regional supply chains, corporate investors can also help shift the long-term economic prospects for the regions they work in.

The Applicant is committed to maximising local procurement and is putting practices in place to achieve this. It is also committed to environmentally responsible procurement.

The company's ability to source local supplies will, however, depend on the extent to which local supply chains have the capacity to meet demand for the goods and services required. This will be easier for some types of contracts than others. For example, a considerable proportion of the project infrastructure considered in this report will require bespoke equipment that is unlikely to be supplied locally. However, a significant proportion of the Balance of Plant contracts could be supplied by companies based in the local region. There will also be an ongoing demand for services such as catering and accommodation, scaffolding, facilities and project management, much of which the company expects to source locally.

The Applicant aims to have a transparent and straightforward procurement strategy, which will influence the impact of procurement beyond its own supply chain by encouraging its suppliers to use local suppliers where possible. This is enabled through the procurement of Tier 1 and 2 contractors by weighting evaluation criteria in favour of local supply chain content proposals; contractual obligations such as hosting 'meet the buyer' events; and providing contractors with a list of local businesses to engage with.

## The Applicant is committed to practical steps to remove barriers to entry for local SMEs to participate in the onshore wind supply chain.

Furthermore, the Applicant intends to gather procurement requirements from their top tier contractors to share with local business groups and/or local businesses that have identified themselves as a potential supplier. This would include requirements such as quality standards and health and safety policies. The provision of this information will allow local companies to ensure they are business fit to apply for upcoming project opportunities.

As part of its efforts to maximise local procurement and supply chain growth, the Applicant will continue and enhance proactive engagement with local business organisations including Chambers of Commerce, Business Gateway and Community Councils, as well as potential collaboration with other developers in the area. Procurement opportunities will be promoted through appropriate procurement portals to widen visibility and accessibility to local businesses.

For the Proposed Development, the Applicant is working with the AssetFace and BizGive software platforms to gather community feedback, gain input on the community benefit package, administer community benefit funding and engage local suppliers. Work will continue with BizGive to identify suppliers available locally and create a website hosted supplier portal to further improve local supplier and contractor engagement. A comprehensive directory of local businesses is being collated that will be used by the Proposed Development team and shared with their supply chain and lead contractors.

The Applicant has also set up a small grants fund that the community can access. This could be used by local businesses to support supply chain development and to improve local businesses' offering so that they can be more involved in renewable projects in the long term.

## The Applicant is committed to supporting local companies to invest so they can participate in the onshore wind supply chain.

It will however be important to maintain these efforts and including metrics on the extent of local procurement in the community wealth building monitoring plan would help achieve this.

### 6.2.2 Community Benefit Package

Community benefits, an annual payment that is made by the Applicant to those communities in the proximity of a wind farm, have become a common practice to support local ambitions and needs. While they do not constitute a material consideration at the planning stage, commitment to a comprehensive package of community benefits has a role in fostering a good relationship between the Applicant and the community hosting the development.

To provide a framework on how to deliver community benefits, in 2019 the Scottish Government released its 'Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments'[13]. The Scottish Government recommends onshore wind developers to deliver community benefit funding worth £5,000 per MW of installed capacity. The document also encourages developers to engage in holistic ways to maximise benefits locally, going beyond a purely monetary approach.

Following this recommendation, the Applicant is proposing a tailored package of benefits for the community from the Proposed Development and according to the current layout design and installed capacity of about 142.5 MW, this could equate to a community benefit fund (CBF) for the local area worth approximately £725,000 annually, which is equivalent to £29.0 million over the project's lifetime. This figure could change depending on the final installed capacity of the wind farm element of the project. The community benefit fund could support local aspirations and projects and generate economic impacts. The presence of the Proposed Development would provide local communities with additional funding, which could support them in delivering larger interventions.

The Applicant wants the Proposed Development's CBF to be as flexible and open as possible so that funding can be used in the most sensible and helpful way for the community. It is the Applicant's intention to ringfence funding and/or split the main CBF fund pot into a number of smaller pots in order to widen and improve utilisation e.g. for small community projects, larger infrastructure investment, community solar grants, etc.

It has not yet decided how the CBF will be managed; however, interaction with the local community development trust and the local authority is expected. This could make a significant contribution to community wealth both by providing funding for local projects but also by helping to develop the skills, knowledge and confidence of the local community to initiate such projects.

[13] Scottish Government (2019), Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments.

## 6.3 Principle 2 – Workforce

*Increasing fair work and developing local labour markets that support the wellbeing of communities.*

Employment practices can play a defining role in building community wealth. The rise of in-work poverty coupled with the erosion of job security means the reality of employment for many people in the UK is insecure. Employers can do much to address this by providing fair wages, adhering to progressive employment and recruitment practices and proactively supporting the development of the local labour market. The approach taken by significant employers and/or employment facilitators, e.g. project developers, can have a defining effect on the prospects of local people and can make a major contribution to building community wealth.

While developing the Proposed Development, the Applicant will require expert knowledge, which will come from a range of skilled workers, including consultancies and contractors. Many of these workers can be found in Scotland; however, the extent of the Applicant's ability to source locally will depend on the capacity and availability of the supply chain. This will be easier for some types of contracts than others. However, a significant proportion of the Balance of Plant contracts could be supplied by companies and workers based in the local region. There will also be an ongoing demand for services such as catering and accommodation, scaffolding, facilities and project management, much of which the company expects to source locally.

Where the Applicant can make the largest workforce community wealth impact with its resources is through development of skills and working with educational institutions in the region.

**The Applicant commits to delivering a Skills and Education Plan that will set out in more detail how the Proposed Development intends to engage and collaborate with the wider education establishments in the local area.**

The Applicant has been engaging closely with Biggar High School, including on the community benefits package. The Applicant also intends to provide interactive information days and will continue active collaboration with the school going forward. This type of activity can make an important contribution to community wealth by helping to create pathways to employment for local young people.

Another way the Applicant could improve their workforce impact is to become an accredited Living Wage Employer, meaning its employees receive a wage they can live on rather than just the minimum required by law. The Applicant could then encourage their supply chain to do likewise, further widening impact. The Applicant has committed to investigating this action further.

## 6.4 Principle 3 – Ownership

*Developing more local and social enterprises which generate community wealth, including social enterprises, employee-owned firms and cooperatives.*

According to the OECD, the UK is the eighth most unequal country in the world[14]. One of the reasons for this is that financial wealth is concentrated amongst a relatively small minority of the population. At a local level, this can mean locally generated wealth flowing out of an area to remote shareholders. In the community wealth building model, local ownership is seen as a way of mitigating this. Due to challenges around complexity and deliverability of community ownership of the project, the Applicant does not currently intend to pursue a community ownership programme. However, the applicant is monitoring the emergence of best practice guidance and does not preclude entering into discussions about community ownership at a later date. The Applicant's position on community shared ownership is addressed in greater detail within a community benefit statement to accompany the S36 application.

Furthermore, the Applicant has engaged with the local community, which has expressed a desire to maximise retention of funding from the Proposed Development within the immediate local area. The Applicant has therefore committed to supporting the local community and retaining funding within the local area by providing direct support to individual households. The Applicant will undertake this by providing a grant scheme in conjunction with Solar Zero to install solar panels and batteries into local homes should they wish to take up the opportunity. Details of the grant scheme are being developed and will be consulted upon with the local community. This scheme will allow households that would normally be unable to afford the upfront investment to have the infrastructure installed, will enable sustained lower household electricity costs, and reduce carbon emissions.

[14] OECD data on income inequality for 2022, accessed via https://data.oecd.org/inequality/income-inequality.htm in May2024

## 6.5 Principle 4 - Financial Power

*Ensuring that flows of investment and financial institutions work for local people, communities and businesses.*

The financial power pillar of community wealth building is about making sure flows of investment and financial institutions work for local people, communities and businesses. To achieve this, it is essential local people have some control or influence over investment decisions that affect them.

As mentioned in Section 6.2.2, the Applicant is proposing a tailored package of benefits for the community from the Proposed Development of £5,000 per MW of installed capacity. This fund is likely to be split into smaller fund pots to be used for specific initiatives, related where possible to core values of the Applicant and priorities of the community e.g. education and skills development, infrastructure investment, community initiatives. The success of the fund and priorities within the local area will be reviewed every 5 years to ensure the best use of the funding and redirect funds where required. This would support local aspiration and projects and generate economic impacts. The presence of the Proposed Development would provide local communities with additional funding, which could support them in delivering larger interventions.

**The Applicant will support the local communities to use the CBF to leverage access to even more finance to support larger investment projects**

In order to further enhance community wealth through this pillar and widen the impact of the CBF, the Applicant will look to collaborate with Social Investment Scotland, helping to leverage match funding for small business grants. This could mean more funding for community initiatives and local supply chain development.

The Applicant intends to investigate and participate in a collaborative approach to coordinating CBF within the local area with local initiatives, other developers and developments. This approach would help maximise benefit and concentrate funding where the local community most needs it.

## 6.6 Principle 5 – Land and Property

*Growing social, ecological, financial and economic value that local communities gain from land and property assets*

Across Britain the wealthiest 10% of households hold 43% of all wealth, while the bottom 50% hold only 9%[15]. For those toward the middle of the wealth distribution the most important source of wealth is land and property, however those at the bottom of the distribution typically do not own any property.

The CWB approach is designed to address this by empowering local citizens to take control of common assets when it is feasible for them to do so. This could be achieved by transferring assets to community ownership or by establishing some form of communal governance arrangement that enables local people to have more influence over how an asset is used.

### 6.6.1 Local Community Asset Support

The Applicant is committed to supporting community assets in the vicinity of its projects in a diverse, useful and transparent way.

The Site contains a stone circle and other points of archaeological interest. Within the nearby settlement of Biggar there is the local Biggar Museum, which is developing an exhibition of local archaeology, due to the rich Bronze Age history of the area. Support of this museum and exhibition could offer a further opportunity to enhance community wealth through this pillar. To support this exhibition and enable engagement with the community without increasing footfall within the Proposed Development, the Applicant is considering how it can provide information and resources to the museum to enable the exhibition, including photography and drone footage from the site as well as any artefacts discovered, where appropriate.

**The Applicant will use the Proposed Development to support regional projects that will increase access to nature.**

The Site is centrally located within a network of right of way paths. At the time of writing, work is underway through a regional working group to develop and promote a new long-distance path, the Clydesdale Way. This path will also connect to the Southern Uplands and the Clyde Valley popular cycle ways. This will involve linking a network of paths and improve connecting paths which pass through the Proposed Development. The Applicant commits to enabling shared use of this path where

[15] ONS (2022), Wealth and Assets Survey, 2018 – 2020.

appropriate. Furthermore, initial discussions have indicated that the up-front cost of upgrading and installing the paths could be carried out by the Local Authorities, however maintenance will be an ongoing challenge. The Applicant is considering supporting ongoing maintenance of paths and signage through the CBF.

### 6.6.2 Capital Investment

Outright ownership of land and property is not the only way of building community wealth. Many assets that are publicly or even privately owned generate benefits for the wider community because they are used communally. It is therefore appropriate to consider investment in these types of assets when assessing an organisation's contribution to community wealth.

During Proposed Development construction and operations, the Applicant invests in two types of asset that are communally used: the natural environment within the sites it owns and the road infrastructure surrounding the site.

Investment in the natural environment will be managed through the project's Habitat Management Plan enabling biodiversity net gain. This plan is likely to include woodland planting along riparian corridors and to provide screening for the substation/battery energy storage site, native mixed species hedgerow planting and works to support peatland restoration.

The Applicant will make best use of the well-appointed road infrastructure in the local area, with a temporary construction access at the M74 junction. Given that the surrounding road network is largely sufficient to accommodate the traffic created by the Proposed Development, investment in roads infrastructure will be limited to minor improvements and any repairs required to ensure that the road infrastructure is in the same or better condition than before construction of the project commenced.

All of this investment will benefit members of local community who make use of these assets, so it is appropriate to consider it as part of this assessment. While some of this work has been done to meet planning guidance, the Applicant is committed to going beyond its legal obligations where it is reasonable to do so. Including this investment within this assessment will therefore provide a way of monitoring activity, which should help maximise benefits in the future.

## 6.7 Summary

The Applicant's Proposed Development could make a material, positive impact to community wealth building within in the local area. The main contributions relate to the proposed CBF, supply chain building, capital investment and skills development. The Applicant is committed to working collaboratively with the local community and stakeholders to ensure targeted and relevant support.

# 7. Economic Impact

This section estimates the economic impact from the construction and operation of the Proposed Development.

## 7.1 Development and Construction

The assessment of the economic impact arising from the development and construction of the Proposed Development utilises the extensive work that BiGGAR Economics has carried out in the onshore wind sector. This includes an evaluation of existing wind farm developments carried out in 2015 by BiGGAR Economics on behalf of RenewableUK. The analysis has been updated over time drawing on evaluations of individual wind farm developments and on experience with developers working across Scotland. This body of research and experience provides the evidence to estimate costs per MW based on a development's number of turbines and its capacity.

The Proposed Development is expected to be 22 turbines with a total generating capacity of approximately 145.2 MW, as well as solar power generators with approximately 80 MW capacity and a battery energy storage system (BESS) with approximately 50 MW capacity. It is estimated that the total development and construction expenditure is likely to amount to £330 million. The expenditure is split according to the following component contracts:

- development and planning;
- turbines;
- balance of plant;
- grid connection;
- solar energy; and
- battery storage.

The greatest expenditure component would be associated with turbines, equivalent to £144.3 million, or 44% of total development and construction spend. The following largest expenditure would be associated with battery storage contracts, amounting to £65.9 million (20% of total expenditure). It is estimated that balance of plant would account for 18% of spending, solar energy would account for 10% of total expenditure, development and planning for 4% of spending, and that grid connection would account for 4% of total expenditure.

### Table 6-1: Development and Construction by Contract Type

| Component Contract | % CAPEX | Value (£m) |
|---|---|---|
| Development and Planning | 4% | 14.3 |
| Turbines | 44% | 144.3 |
| Balance of Plant | 18% | 58.1 |
| Grid Connection | 4% | 14.6 |
| Solar Energy | 10% | 32.6 |
| Battery Storage | 20% | 65.9 |
| **Total** | **100%** | **329.9** |

Source: BiGGAR Economics Analysis of case study evidence from comparable previously constructed wind farms. Note: Totals may not sum due to rounding.

In assessing the economic impacts arising from the development and construction of the Proposed Development, it was necessary to make assumptions on the ability of businesses within each study area to carry out contracts.

Based on the evidence from similar developments within South Lanarkshire, and the Applicant's established work with contractors, it was estimated that approximately 34% of the Proposed Development's contracts will be carried out by Scottish businesses, with a value of £112.2 million, and 39% by UK businesses with a value of £127.6 million. It was estimated that spending on businesses based in South Lanarkshire would be approximately £40.3 million equivalent to 12% of total development and construction expenditure.

The greatest opportunity for UK and Scottish businesses is expected to be in contracts associated with the balance of plant, which would be worth up to £58.1 million and £51.5 million, respectively. Balance of plant contracts are also likely to be the largest opportunity for businesses in South Lanarkshire, worth up to £19.9 million.

**Table 6-2: Development and Construction Expenditure by Study Area**

| Component Contract | South Lanarkshire | | Scotland | | UK | |
|---|---|---|---|---|---|---|
| | % | £m | % | £m | % | £m |
| Development and Planning | 34% | 4.8 | 75% | 10.8 | 78% | 11.2 |
| Turbines | 3% | 3.7 | 10% | 13.8 | 13% | 18.6 |
| Balance of Plant | 34% | 19.9 | 89% | 51.5 | 100% | 58.1 |
| Grid Connection | 37% | 5.4 | 73% | 10.6 | 79% | 11.5 |
| Solar Energy | 16% | 5.2 | 46% | 15.0 | 46% | 15.0 |
| Battery Storage | 2% | 1.3 | 16% | 10.6 | 20% | 13.2 |
| **Total** | **12%** | **40.3** | **34%** | **112.2** | **38%** | **127.6** |

Source: BiGGAR Economics Analysis. Note: Totals may not sum due to rounding.

Having estimated the size of the contracts that could benefit each of the study areas, it was possible to estimate the Gross Value Added (GVA) and short-term employment that these are likely to support. This was done by splitting each contract category into its component contracts and assigning each to an industrial sector, based on its Standard Industrial Classification (SIC)[16] code. Direct GVA was then estimated by applying the relevant turnover per GVA from the UK Annual Business Survey (ABS)[17].

It was estimated that the development and construction of the Proposed Development is likely to generate £22.6 million direct GVA in South Lanarkshire, £57.7 million direct GVA in Scotland and £65.8 million in the UK as a whole.

[16] Office for National Statistics (2009), Standard Industrial Classification of industrial Activities (SIC 2007).

[17] Office for National Statistics (2020), Annual Business Survey 2018 - Revised.

**Table 6-3: Development and Construction, Direct GVA by Study Area (£m)**

| Component Contract | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| Development and Planning | 3.8 | 7.1 | 7.3 |
| Turbines | 1.9 | 7.2 | 10.0 |
| Balance of Plant | 11.3 | 25.9 | 29.4 |
| Grid Connection | 2.8 | 5.6 | 6.1 |
| Solar Energy | 2.2 | 6.8 | 6.8 |
| Battery Storage | 0.6 | 5.0 | 6.2 |
| **Total** | **22.6** | **57.7** | **65.8** |

Source: BiGGAR Economics Analysis. Note: Totals may not sum due to rounding.

Similarly, it was feasible to estimate the number of direct jobs supported by spending in construction and development contracts. This was achieved by dividing the expenditure in each contract by the turnover per job ratio for the relevant sector. It was estimated that the development and construction of the Proposed Development would generate 243 direct years of employment in South Lanarkshire, 619 direct years of employment in Scotland and 744 in the UK.

**Table 6-4: Development and Construction, Direct Employment by Study Area, and Contract Type (Years of Employment)**

| Component Contract | South Lanarkshire | Scotland | UK |
|---|---|---|---|
| Development and Planning | 9 | 51 | 53 |
| Turbines | 34 | 111 | 156 |
| Balance of Plant | 142 | 302 | 344 |
| Grid Connection | 37 | 71 | 80 |
| Solar Energy | 12 | 12 | 21 |
| Battery Storage | 9 | 72 | 90 |
| **Total** | **243** | **619** | **744** |

Source: BiGGAR Economics Analysis. Note: Totals may not sum due to rounding.

Expenditure in development and construction contracts is also expected to generate 'knock-on' effects across the economy. Specifically, it will be associated with further rounds of expenditure along the supply chain and with the spending of the wages and salaries of those involved in the development and construction of the Proposed Development. These are referred to as 'indirect' and 'induced' impacts.

To estimate indirect and induced impacts, it was necessary to apply the relevant Type 1 and Type 2 GVA and employment multipliers from the Scottish Government Input-Output Tables[18] to direct GVA and direct employment. Since the multipliers refer to sectoral interactions occurring at the level of the Scottish economy, it was necessary to adjust them when considering impacts taking place in South Lanarkshire.

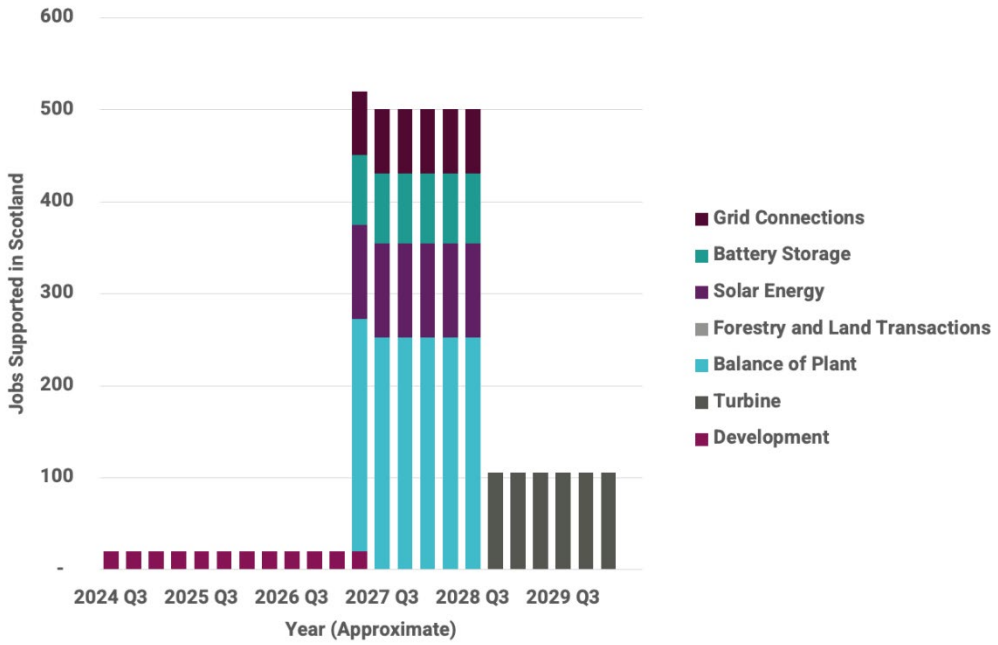
By combining the direct, indirect, and induced impacts it was estimated that the development and construction of the Proposed Development would generate:

- £28.4 million GVA and 320 years of employment in South Lanarkshire;
- £95.0 million GVA and 1,114 years of employment in Scotland; and
- £152.6 million GVA and 1,787 years of employment in the UK.

The estimated figures show that the Proposed Development would contribute to the provision of high-quality local employment opportunities during the Development and Construction phase and help maximise the value of local expenditure. These outcomes? are in line with the expectations of the NPF4 Policy 11(c).

The employment impacts in Scotland will peak during the construction phase, in particular, during the initial balance of plant works. It is estimated that during this phase approximately 500 jobs will be supported across the Scottish economy.

**Figure 7-1 Employment impacts in Scotland over Time**




Source: BiGGAR Economics Analysis.

[18]Scottish Government (2020), Supply, Use and Input-Output Tables.

## 7.2 Operations and Maintenance

The initial stage in determining the economic impact stemming from the operations and maintenance of the Proposed Development involved assessing the annual total expenditure necessary for its operation. Based on the number of turbines and the Proposed Development's capacity, it was estimated that the annual cost of operations and maintenance (OPEX) is likely to amount to approximately £5.6 million.

It was further assumed that businesses in South Lanarkshire could benefit from a total £2.4 million in operations and maintenance contracts (42% of OPEX) annually, and that annual expenditure in Scottish contractors could be up to £4.7 million (89% of OPEX) and in UK contractors up to £4.7 million.

**Table 5-5 Operations and Maintenance Expenditure by Study Area**

| | South Lanarkshire | | Scotland | | UK | |
|---|---|---|---|---|---|---|
| | % | £m | % | £m | % | £m |
| Operations and Maintenance | 43% | 2.4 | 83% | 4.7 | 83% | 4.7 |

Source: BiGGAR Economics Analysis. Note: Totals may not sum due to rounding.

The total turnover generated in each study area was then divided by the turnover per GVA and turnover per job ratios of the sectors expected to carry out operations and maintenance contracts. In this way, it was estimated that the Proposed Development is likely to generate £1.4 million direct GVA and 8 direct jobs in South Lanarkshire, £2.5 million direct GVA and 19 direct jobs across Scotland, and £2.2 million GVA and 19 direct jobs in the UK.

As with the development and construction of the Proposed Development, it was necessary to estimate the indirect and induced impacts associated with operations and maintenance contracts. This was done by applying the relevant Type 1 and Type 2 GVA and employment multipliers.

By combining the direct, indirect, and induced impacts it was estimated that the operations and maintenance of the Proposed Development would generate:

- £1.7 million GVA and 10 jobs in South Lanarkshire;
- £3.8 million GVA and 30 jobs in Scotland; and
- £5.2 million GVA and 42 jobs in the UK.

Similarly to the development and construction phase, the estimated figures show that the Proposed Development would contribute to the provision of high-quality local employment opportunities and help maximise the value of local expenditure

throughout its operational lifetime. These outcomes are in line with the expectations of the NPF4 Policy 11(c).

## 7.3 Non-Domestic Rates

The Proposed Development is expected to generate a stream of revenue to South Lanarkshire through the annual payment of non-domestic rates. The Proposed Development would be liable for non-domestic rates, the payment of which would contribute directly to public sector finances and infrastructure investments supporting the requirements of the NPF4 Policy 11(c).

To estimate the economic impact generated by non-domestic rates, it was first necessary to consider the rateable value of the Proposed Development and apply the appropriate poundage rate. This was done by applying guidance developed by the Scottish Assessors Association[19] to information about the performance of the Proposed Development.

Using this approach, it was projected that over its operational period, the Proposed Development is expected to make an annual contribution of approximately £1.7 million to public finances. Across its 40-year operational lifespan, this contribution towards non-domestic rates is anticipated to accumulate to around £69.7 million.

Demand for public services has been increasing whereas the funding has been reduced in recent years and South Lanarkshire Council expects the budget gap for 2024/25 to be over £20 million[20]. The Proposed Development would strengthen the financial position of the Council, supporting additional spending on public services, though in practice not all the income would necessarily go to the Council since the distribution of non-domestic rate revenues are determined nationally.

[19] Scottish Assessors Association (2023). Practice Note 2: Valuation of Onshore Wind Turbines

[20] South Lanarkshire (2024), Budget consultation. Available at: https://www.southlanarkshire.gov.uk/budget-consultation#:~:text=The%20budget%20gap%20for%202024,will%20make%20the%20final%20decisions.

# 8. Tourism and Recreation

This section sets out the tourism context, including the size of the tourism economy and a baseline of attractions in the area, and considers the impact of the Proposed Development on tourism and recreation.

## 8.1 Tourism Baseline

### 8.1.1 Sustainable Tourism GVA and Employment

In its 2015 economic strategy[21] the Scottish Government identified six sectors as growth sectors, that is, economic sectors where Scotland had a comparative advantage. Sustainable tourism was one of the sectors identified.

In 2019, around 9,000 people were employed in sustainable tourism in South Lanarkshire, equivalent to approximately 4% of the total employment in the sector across Scotland (229,000). It was estimated that the sector generated £165.8 million GVA in South Lanarkshire and over £4.5 billion GVA across Scotland.

**Table 7-1: Sustainable Tourism: Employment and GVA, 2019**

| | South Lanarkshire | Scotland |
|---|---|---|
| GVA (£m) | 165.8 | 4,503.7 |
| Employment | 9,000 | 229,000 |

Source: Scottish Government (2023), Growth Sector Database.

### 8.1.2 Visitors

In 2019, it was estimated that 3.8 million day-visitors spent time in South Lanarkshire, spending on average almost £22 per visit, which is lower than the average spend per day visit of visitors to Scotland (£36 per visit). It is estimated that there were around 20,000 international visitors to South Lanarkshire, contributing £35 million in spending. Domestic overnight visitors spent on average £146 per visit, equivalent to a total £20.3 million over 2019.

[21] Scottish Government (2015), Scotland's Economic Strategy.

### Table 7-2: Visits and Visitor Spending, 2019

| | South Lanarkshire | Scotland |
|---|---|---|
| | | Visitor Numbers (million) |
| Day Visitors | 3.8 | 144.9 |
| Domestic Overnight Visitors | 0.1 | 12.4 |
| International Overnight Visitors | 0.02 | 3.5 |
| | | Spend (£ million) |
| Day Visitors | 82.1 | 5,186.6 |
| Domestic Overnight Visitors | 20.3 | 2,989.3 |
| International Overnight Visitors | 35 | 2,538 |

Source: Kantar (2020), Great Britain Day Visitor Survey; Kantar (2020), Great Britain Tourist Survey; Visit Scotland (2021), Insight Department: Greater Glasgow and Clyde Valley Factsheet 2019..

#### 8.1.3 Regional Attractions

The most visited attractions in Greater Glasgow and Clyde Valley are shown in Table 7-3: . The majority of these are in Glasgow City and are not within 15 km from the Proposed Development. The closest attraction, Chatelherault Country Park, is located approximately 31 km away from the site of the Proposed Development.

### Table 7-3: Top 10 Attractions in Greater Glasgow and Clyde Valley

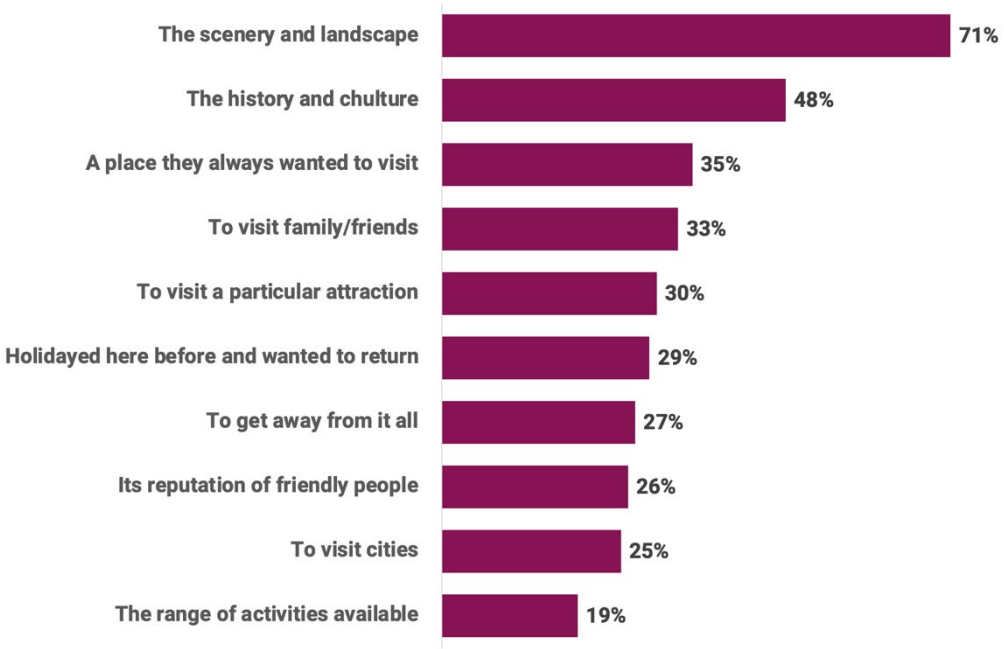
| Attraction | Annual Visitors |
|---|---|
| Kelvingrove Art Gallery & Museum | 1,832,097 |
| Riverside Museum | 1,364,739 |
| Rouken Glen Park | 1,024,347 |
| Chatelherault Country Park | 677,254 |
| Mugdock Country Park | 639,620 |
| Hunterian Art Gallery | 60,320 |
| Pollok House | 57,099 |
| The Clydeside Distillery | 34,997 |
| RSPB Lochwinnoch Nature Reserve | 26,217 |
| Tenement House | 23,456 |

Source: Visit Scotland (2021), Insight Department: Greater Glasgow and Clyde Valley Factsheet 2019.

#### 8.1.4 Motivations to Visit

In 2017, Visit Scotland[22] published the results from a visitor survey considering why people spent time in Glasgow and Clyde Valley during 2015 and 2016. The survey found that 71% of visitors were attracted to the area because of its scenery and landscape. Over one in three visitors mentioned history and culture as the motivation for their visit, whereas 35% visited Glasgow and Clyde Valley as this was a place they always wanted to visit.

**Figure 7-1: Motivations to Visit Glasgow and Clyde Valley**




Source: Visit Scotland (2017), Scotland Visitor Survey 2015 & 2016.

### 8.1.5 Local Visitor Attractions

Using VisitScotland and Google Maps, local visitor attractions are set out in Appendix A (Section 10), alongside a short description of them and their distance from the Site. The majority of these attractions are located within 10-15 km from the Site in areas such as New Lanark.

### 8.1.6 Local Accommodation Providers

Through online research on the VisitScotland portal and Google Maps, 25 accommodation providers were identified in the area surrounding the Site. A breakdown by category is shown in the table below.

**Table 7-4: Local Accommodation Providers**

| | 0-5km | 5-10km | 10-15km | Total |
|---|---|---|---|---|
| Self-Catering Providers | 0 | 3 | 8 | 11 |
| B&Bs | 0 | 2 | 5 | 7 |

[22] Visit Scotland (2017), Scotland Visitor Survey 2015 & 2016.

| | | | | |
|---|---|---|---|---|
| Campsites or Caravan Parks | 1 | 1 | 0 | 2 |
| Hotels | 1 | 0 | 4 | 5 |
| Total | 2 | 6 | 17 | **25** |

Source: Visit Scotland (2024), Accommodation South Lanarkshire. Google Maps.

### 8.1.7 Recreational Trails and Core Paths

There are a large number of core paths[23] [24] within 15 km of the Site. The following list provides the core path names and codes starting with the paths that are located closest to the Site (the highlighted paths are passing through the Site):

- **NCR74: south and north cycle track, CL/3465/1**
- **NCR74: south/north cycle track, CL/3464/1**
- Mill Scar woodland trails, Crawfordjohn, CL/3490/1
- Mill Scar woodland trails, Crawfordjohn, CL/3491/1
- Mill Scar woodland trails, Crawfordjohn, CL/3489/1
- **Abington interchange pavement, CL/5950/1**
- **NCR74, Abington, CL/3465/2**
- **NCR74, Abington, CL/5949**
- **Abington Services roundabout, CL/5951/1**
- **NCR74, Abington, CL/5949/2**
- **NCR74, Abington, CL/5949/5**
- Mill Scar woodland trails, Crawfordjohn, CL/3493/1
- Mill Scar woodland trails, Crawfordjohn, CL/3488/1
- **NCR74, Abington, CL/5949/6**
- Abington Bridge to Bonnington Linn, UN/5787/1
- Mill Scar woodland trails, Crawfordjohn, CL/5704/1
- Mill Scar woodland trails, Crawfordjohn, CL/3492/1
- Mill Scar woodland trails, Crawfordjohn, CL/3486/1
- Mill Scar woodland trails, Crawfordjohn, CL/3487/1
- Mill Scar woodland trails, Crawfordjohn, CL/3485/1
- NCR74: North, cycle lane on A702, CL/5960/2
- NCR74 - south, cycle lane on A702, CL/3494/1
- Path along Duneaton Water, CL/5703/1
- The Loaning, Crawfordjohn, CL/5705/1
- SL123 Crawfordjohn rte from 50k, CL/5706/1
- NCR74 - south - lane on A702, CL/3495/1
- LMC Holmhead – Glentewing, CL/5702/1
- NCR74: south - cycle lane on A702, CL/3496/1
- NCR74: track for south and north, CL/3463/1
- The Ponfeigh (Mountstewart Track to B7055), CL/5143/1
- The Ponfeigh (Mountstewart track), CL/5142/1
- SL123 Douglas - Crawfordjohn 50k rte, CL/5713/1

[23] South Lanarkshire Council (2024), Core paths. Available at: https://www.southlanarkshire.gov.uk/info/200166/getting_outdoors/1002/outdoor_access/3

[24] Scottish Government SpatialData (2024), Core Paths – Scotland.

- National Cycle Route 74: B7078 lane – south, CL/3462/2
- NCR74: cycle track south/north, CL/3463/2
- NCR74 - cycle track north at Parkhead, CL/3463/3
- NCR74 - north - B7078 cycle lane, CL/3463/4
- National Cycle Route 74, south of Abington, CL/3497/1
- NCR74: North, cycle lane on A702, CL/5960/1
- Rigside Primary School to Pontfeigh Burn, CL/5796/1
- National Cycle Route 74, south of Abington, CL/3499/6
- National Cycle Route 74, south of Abington, CL/3499/1
- National Cycle Route 74, south of Abington, CL/3499/5
- National Cycle Route 74, south of Abington, CL/3499/2
- National Cycle Route 74, south of Abington, CL/3499/3
- NCR74: south - cycle lane on A702, CL/3503/1
- National Cycle Route 74, south of Abington, CL/3499/4
- NCR74: North, cycle lane on A702, CL/5959/1
- Route past Wiston Lodge, CL/3472/1
- Snar Farm, CL/3531/1
- Tinto Hill Summit- Wiston, CL/3471/1
- Rigside to Douglas Water, CL/5811/1
- Leadhills to Elvanfoot Dismantled Rlwy, CL/5689/1
- Tinto Hill Summit, CL/3470/1
- Snar Farm-Leadhills, rte on 50k only, CL/5701/1
- Snar Farm – Snarhead, CL/3530/1
- NCR 74 (Lanark-Douglas cycle route), CL/3321/1
- NCR 74 (Lanark-Douglas cycle route), CL/3322/1
- NCR 74 (Lanark-Douglas cycle route), CL/3323/1
- Track onto Tinto Hill from Car Park, CL/3469/1
- Elvanfoot-Crawford Roman Rd, CL/5687/1
- A70 Millbank to Douglas (pavement), CL/3323/2
- SL123 Douglas – Crawfordjohn, CL/5712/1
- A70 Millbank to Douglas (pavement), CL/3323/3
- National Cycle Route 74, south to Abington, CL/3462/1
- A70 Millbank to Douglas (pavement), CL/3323/4
- NCR74 - north - A70 crossing by Millbank, CL/3463/5
- A70 (Lanark-Douglas cycle route), CL/3323/5
- A70 Douglas (pavement), CL/3328/1
- Loudon Pond, CL/5812/1
- LMC Leadhills to Elvanfoot Dis'd Rlwy, CL/5690/1
- Dismantled Railway, Douglas Water, CL/3467/1
- NCR74 Poneil-Happendon, CL/3319/1
- Elvanfoot - Crawford west of A74(M), CL/5708/1
- NCR74:North, cycle pavement on A702, CL/5958/2
- Long Plantation, CL/3339/1
- NCR74:North, cycle pavement on A702, CL/5958/1
- NCR74: south on cycle lane A702, CL/3504/1
- NCR74: south and north A702 cycle track, CL/3504/2

- Elvanfoot - Crawford west of A74(M), CL/5708/1
- Dismantled Rlwy, Douglas water, CL/5711/1
- Totherin Hill from Car Park near A73, CL/3468/1
- SL142 Elvanfoot – Kirkton, CL/5050/1
- Springhill Farm, CL/3202/1
- NCR74: cycle track for north and south, CL/3505/1
- SL116 Path past Raw Fm no rte, CL/5146/1
- Track (left-hand) alongside M74-Junct 11, CL/3340/1
- Long Plantation, CL/3338/1
- B7040 - Wellshot Rdbt under m'way, CL/5688/1
- NCR74:North, cycle lane on B7076-A702, CL/5957/2
- NCR74: cycle lane south on A702-B7076, CL/3505/2
- B7040 - Wellshot Rdbt under m'way, CL/5707/1
- Hunt Law Leadhills-Snarhead, CL/3529/1
- NCR74:North, cycle lane on B7076, CL/5957/1
- A702 Roman Rd link to NCR74, CL/5686/2
- Elvanfoot-Crawford Roman Rd, CL/5686/1
- NCR74: cycle lane south on B7076, CL/3507/1
- Springhill Road, CL/3202/2
- NCR74: cycle lane on roundabout B7076, CL/3511/3

In addition, **M74/ A74(M)** motorway is passing through the Site. This is a major road which connects Scotland to England (137 km).

There is little recreational activity in the area with 10 recreational trails identified within 15 km from the Site through the portal Walkhighlands, the majority of which are located relatively distant from the Site (13-15 km). The list of recreational trails can be found in Appendix A in Section 10.

## 8.2 Evidence on Wind Farms and Tourism

Over time, a series of works have considered the relationship between wind farm developments and tourism activity.

A study of potential effects of wind farms on tourism was undertaken in 2008 by the Moffat Centre at Glasgow Caledonian University[25]. The study was based on what could happen and found that, although there may be minor effects on tourism providers and a small number of visitors may not visit Scotland in the future, the overall effect on tourism expenditure and employment would be very limited.

Since this study, wind farms have become a more common feature in Scotland and any negative effects on the tourism economy as a result of their existence would now be apparent.

[25] Moffat Centre (2008), The Economic Impact of Wind Farms on Scottish Tourism.

In 2021, BiGGAR Economics produced a report analysing the relationship between the construction of onshore wind farms and tourism employment at the national, regional and local level[26]. Nationally, the report found that, while Scotland had experienced a significant increase in onshore wind energy (with the number of turbines increasing from 1,082 in 2009 to 3,772 in 2019), employment in tourism-related sectors had also increased by 20%. At the local authority level, those which had seen the largest increase on onshore wind energy also experienced increases in tourism employment equal to, or greater than, other areas across Scotland.

The report included case studies of 44 onshore wind farms constructed between 2009 and 2019. This included an updated analysis of 28 wind farms included in a previous report[27] constructed prior to 2015, and 16 additional wind farms constructed between 2015 and 2019. The study reported on changes in tourism-related employment in the small areas within 15 km of each wind farm. Of the 28 wind farms previously analysed, the surrounding local areas of 18 experienced an increase in tourism employment above the Scottish average in the years following the construction. Of the 16 local areas surrounding the additional 16 onshore wind farms, 11 experienced increases in tourism employment which outperformed the Scottish average. These results suggested that tourism employment in local areas across Scotland changed independently of wind farms located in the area.

The report concluded that there was no pattern or evidence suggesting that the development of onshore wind farms in Scotland had any negative effects on the tourism economies of the country as a whole, local authority areas or the immediate areas surrounding wind farms.

These conclusions are not a surprising finding given that:

- there are high levels of public support for renewable energy; [28]
- as wind farms are well-established in Scotland, tourists might already expect to see wind farms when visiting Scotland, especially rural Scotland;
- the factors that determine the success of the tourism sector do not include the presence or otherwise of an onshore wind farm; and
- issues that influence tourism include the ability and willingness to travel, economic performance (and so whether tourists have disposable income available for leisure trips), exchange rates, the quality of the overall tourism product, the effectiveness of destination marketing and the quality and value for money of the services offered by tourism businesses.

## 8.3 Impact on Recreation and Tourism

The research considered in the previous section points to the lack of a relationship between the tourism economy and wind farm developments. Given the importance

[26] BiGGAR Economics (2021), Wind Farms & Tourism Trends in Scotland: Evidence from 44 Wind Farms

[27] BiGGAR Economics (2017), Wind Farms and Tourism Trends in Scotland

[28] BEIS (2022). Public Attitudes Tracker: Energy Infrastructure and Energy Sources. Winter 2021, UK.

of the tourism economy in South Lanarkshire, it seems appropriate to consider whether the Proposed Development will have any impact on it. The focus in this report is on a high-level account of the key motivations leading visitors to spend time at the attractions identified earlier.

Consideration of the tourism economy in this context is based on spending of visitors and the employment supported by the sector. For a change in spending to take place it is necessary that, as a result of a wind farm development, visitors change their behaviour. This may result, for instance, in deciding not to visit the area, not recommending the area or not visiting again. The changed behaviour has, in turn, to affect visitors' spending.

As recorded in visitors' surveys, visitors tend to spend time in an area for a range of reasons. These may include scenery and landscape; history and culture; and the place's reputation. Views are just one of these factors and are more likely to be an important reason when it comes to the choice of recreational walks and outdoor nature-based attractions. Even in those cases, however, they may be one among a host of factors influencing visitors' choice.

The extent to which a given attraction is susceptible to change in its surroundings varies based on:

- its relative importance for the local tourism economy;
- its users; and
- the reasons behind the attraction's appeal (its views, its heritage value, its historical value, its value in relation to local folklore, etc.).

The extent to which a wind farm development may impact on a tourism asset is expected to depend on factors, including:

- distance from the wind farm, as a proxy for how visible the wind farm is; and
- the interaction between the wind farm and the assets' features.

Overall, existing evidence suggests that at wind farm sites across Scotland there have not been any negative impacts on tourism activity. Wind farms are well established within Scotland and there are no significant impacts on the tourism economy apparent. This is not a surprising finding given the evidence in Section 8.2.

### 8.3.1 Local Tourist Attractions

In assessing the potential impact of the Proposed Development on the drivers of tourism, the key features of individual attractions in Section 8.1.5 have been considered and examples of relevant attractions are provided below.

For nature enthusiasts seeking outdoor adventures, **Baby Blue Bee Bunnies** provides outdoor foraging workshops and walks, while **Auchlochan Garden Village** and **Beeches Cottage Nursery** provide opportunities to explore diverse vegetation. The **Falls of Clyde Visitor Centre and Wildlife Reserve** (located to the north of the Proposed Development) also offers interactive experiences amidst natural beauty,

including otter and kingfisher watching. These specific characteristics and therefore motivations to visit the attractions are unlikely to be affected by the Proposed Development.

Those seeking fitness and leisure activities visit golf clubs that provide challenging courses such as the **Leadhills Golf Club**, which offers views amidst Scotland's highest golf course. They also visit **St. Bride's Community Centre**, suitable for events of any occasion, or the **Scottish Equestrian Centre**, which offers luxurious horse-riding holidays with a variety of amenities. These motivations would also not be altered in the presence of the Proposed Development.

Tourists with an interest in culture visit **Clyde Valley Picture Framing**, showcasing local arts and crafts. This motivation to visit the attraction is unlikely to change in the presence of the Proposed Development.

History enthusiasts delve into the ruins at **Douglas Castle** and **Crawford Castle** or visit the **Cameronian's Regimental Memorial**, featuring a statue of the Earl of Angus. Tourists also take on the unique journey on the **Leadhills and Wanlockhead Railway**, exploring industrial-era locomotives and mining history, while **New Lanark Visitor Centre** immerses visitors in the history of the cotton mill village, featuring attractions like the Annie McLeod Experience ride and historic millworkers' houses. The historic features are unlikely to be affected by the Proposed Development.

### 8.3.2 Local Accommodation Providers

The baseline identified 25 accommodation providers located within 15 km of the Proposed Development. There are two providers located within 5 km of the Site, six located between 5-10 km away and 17 providers located between 10-15 km from the Site.

The majority of providers are **self-catering accommodation** (11), of which none are located within 5 km, three are between 5-10 km away, and eight are located between 10-15 km away from the Site. Self-catering providers in the area marketed the amenities they provide, such as private gardens, patios, private parking space and contemporary and high-standard facilities. Many accommodation providers also emphasised their location in quiet areas in the countryside and proximity to areas suitable for outdoor activities such as fishing, hiking and golf courses, mature gardens such as Walled Garden, beaches, visitor centres and tourist attractions such as the Scottish Southern Uplands, as well as local villages inlcuding Leadhills, and city and town centres with leisure facilities for all ages such as Glasgow, Lanark and Biggar. They also highlighted their views of the Clyde Valley and hills such as Tinto Hill and Culter Fell (located to the north-east of the Proposed Development). One accommodation was marketed on its unique style converted from a 19$^{th}$ century mill building to an accommodation. One cottage was advertised on its sustainable heating and electricity provision supplied from owners' wind-turbine.

A further seven providers within 15 km of the Site are **B&Bs**. There are no B&Bs located within 5 km of the Site, two are located between 5-10 km away and five are

located between 10-15 km away. These providers highlight access to additional amenities such as gardens, games halls, private woodlands as well as their traditional Georgian or Victorian features. They also highlight the remote rural experience they provide and breakfasts. As with self-catering providers, B&Bs in the area market their proximity to Burns Country and Dumfries House, local brewery, and restaurants, and the M74 motorway which provides access to Glasgow and Edinburgh. Providers also emphasised their location near Clyde Valley and Falls of Clyde (located to the north of the Site). As these benefits to staying with these providers would not be impacted by the presence of a wind farm, it is not expected that the Proposed Development would have an impact on activity.

There are three caravan parks/camping sites within 15 km of the Site. These are:

- The **Mount View Caravan Park** offers easy access to Glasgow, Edinburgh, and Carlisle. This is marketed due to its proximity to Dumfries, the Solway Firth, Peebles, Moffat, and Lanark and provides an ideal location for cycling, walking, birdwatching, and fishing, with golf courses available at nearby Leadhills. The park features spacious hardstanding pitches with electric and aerial hook-up, grassy tent areas, and facilities including a heated toilet block, kitchen, laundry, and free showers and hair dryers;
- **Lettershaws Campsite** is located 3 miles from the M74 and markets itself as a base to explore the wider South West of Scotland region or as a stop off for those travelling from North to South along the M74, the primary views for this site are to the south, in the opposite director to the Proposed Development; and
- **Collierhall Farm** is a picturesque site near the M74 motorway and Rigside village offering level pitches with rural views (in the opposite direction of the Proposed Development) and convenient facilities.

The motivations to stay in these sites are their ease of access to nearby transport links and towns and views which will not be impacted by the Proposed Development. These motivations are therefore unlikely to be affected by the Proposed Development. These are the only accommodations of this kind in the area, ensuring that visitors in need of such facilities will continue to choose the providers.

The remaining five accommodation providers are **hotels**, of which one is located within 5 km of the Site, none are located between 5-10 km from the Site, and four are located between 10-15 km away. These providers also highlighted their location by the Upper Clyde Valley of Southern Uplands and the easy reach to Glasgow and Edinburgh. Hotels in the area marketed the restaurants and bars available for guests, their spacious rooms, and spaces for events as well as art leisure facilities, pools and beauty rooms. As these major motivations would not be impacted by the presence of a wind farm, it is not expected that the Proposed Development would result in any change in activity.

As none of these major motivations to stay at these providers would be impacted by the Proposed Development, it is not expected that they will experience any change in activity.

### 8.3.3 Recreational Trails and Core Paths

There are a large number of core paths located within 15 km from the Site. Of these, about nine cross the Site however, the Proposed Development would not restrict their access, during the operational phase. During the construction phase there will need to be traffic and access management to ensure safety of users, particularly during abnormal load deliveries. The paths cover a small distance within the Site and tend to be used by local residents who, from the perspective of the tourism economy, are less sensitive to change to their activities. The area is also characterised by a wide road network including the motorway **M74/ A74(M)**. The section in the Site is relatively short compared to overall length of the motorway which has provided a solution to chronic traffic congestion in the area. Therefore, it is unlikely that the activity along these routes would be impacted by the Proposed Development.

The majority of the recreational trails are located further away from the Site (10-15 km). For hiking enthusiasts, South Lanarkshire offers trails like the **Wiston Lodge to Tinto** summit with panoramic views (located to the north of the Site), the north route past a Roman fort, and the challenging **Culter Fell circular** with glen views. History enthusiasts take the **Douglas Explorer** route with historical sites and Castle Dangerous, or the **Southern Upland Way** from Sanquhar to Wanlockhead featuring mining history. Nature and wildlife lovers take the **Hidden Side of the Falls of Clyde** with gorge viewpoints and Bonnington Linn falls views, the **Complete Falls of Clyde circuit** for wildlife watching, and the **Falls of Clyde classic** trail showcasing waterfalls and New Lanark's Scottish Wildlife Trust. The Proposed Development will not result in the closure, diversion, or any obstruction to these trails mainly due to the large distance from the site. The area of the routes with visibility of the Proposed Development is also relatively short.

# 9. Net Economic Benefits

The Proposed Development delivers a comprehensive package of economic and wider benefits and, in this way, maximises net economic benefits for the local community.

This report assesses the potential socio-economic, recreation and tourism effects of the Proposed Development in the context of the NPF4 Policy 11(c) expectations.

The socio-economic structure of the local area and South Lanarkshire highlights the need for the creation of job opportunities. This is reflected in the local demographic profile, with older population structures and worse labour market outcomes than Scotland and the UK, on average. Future demographic pressures are expected to exacerbate these trends making job creation a priority to retain the existing population and attract more working age people to the area.

During the development and construction phase it is estimated that the Proposed Development will generate up to:

- £20.9 million Gross Value Added (GVA) and support c.328 job years in South Lanarkshire (with peak employment of 164 jobs);
- £65.4 million GVA and c.1,069 job years across Scotland (with peak employment of 498 jobs); and
- £103.0 million GVA and c.1,672 job years in the UK (with peak employment of 695 jobs)

During the operations and maintenance phase, it is estimated that the Proposed Development will generate an annual impact of up to:

- £1.5 million GVA and support c.12 jobs in South Lanarkshire;
- £3.8 million GVA and support c.39 jobs across Scotland; and
- £5.4 million GVA and support c.57 jobs in the UK.

It is estimated that the Proposed Development would pay £1.7 million each year in non-domestic rates, helping to support local government services.

The Proposed Development would also provide community benefit funding for the local area of up to £726,000 annually which could support up to 13 jobs each year.

The most recent evidence on the relationship between wind farms and tourism suggests that there are no adverse effects on the tourism economy resulting from the development of onshore wind. An assessment of the likely effects of the

Proposed Development on specific local tourism assets, accommodation providers and routes found no significant effects are expected.

Overall, there were no adverse effects identified. While the beneficial construction and operation socio-economic effects are negligible in EIA terms, they would be important to the local and national economies, contributing to sustainable economic growth. Therefore, socio-economics effects are considered following the requirements outlined in NPF4 Policy 11(c) regarding the maximisation of the net economic impact.

The socio-economics assessment focuses on evaluating whether the Proposed Development meets these requirements and contributes to a rapid deployment to achieve Government's installed capacity targets, considering criteria such as the support of a high local supply chain content, the provision of local employment and skills development opportunities, the contribution to the cost for enabling infrastructure and other interventions, the provision of a community benefit package and the promotion of the continuation of innovative processes to enhance community wealth.

The CWB exercise concluded that the Proposed Development could make a material, positive impact to community wealth building within in the local area. The main contributions relate to the proposed CBF, supply chain building, capital investment and skills development. The Applicant is committed to working collaboratively with the local community and stakeholders to ensure targeted and relevant support.

The table below maps the benefits that the Proposed Development is expected to offer against these criteria for maximising net economic impacts in NPF4 Policy 11(c) considering the CWB exercise results.

**Table 9- 1: Contribution to the Maximisation of the Net Economic Impact**

| | High Local Content of the Supply Chain | Opportunities for local employment and skills development | Contributions to the cost of enabling infrastructure and other interventions | Community Benefit Package | Continued Innovation |
|---|---|---|---|---|---|
| **Construction and Operations Impacts** | | | | | |
| GVA and jobs generated in Dumfries and Galloway | ✓ | ✓ | | | |
| £1.7 million annual payment of non-domestic rates | | | ✓ | | |

| Applicant Commitments | | | | | |
|---|---|---|---|---|---|
| £726,000 annual community benefit fund offering up to 13 jobs yearly | | ✓ | | ✓ | |
| Commission local contractors | ✓ | | | | |
| Engagement with local college, schools and universities | | ✓ | | | ✓ |
| Install solar panels and batteries into local homes | | | | | ✓ |
| Investment in road infrastructure and paths | | | ✓ | | ✓ |
| Habitat Enhancement Plan | | | ✓ | | ✓ |

Source: BiGGAR Economics Analysis.

Based on these community and economic benefits expected, it can be concluded that the Proposed Development maximises net economic impact meeting the expectations for renewable energy proposals set out in Policy 11(c) of NPF4.

# 10. Appendix A – Lists of Recreational and Tourism Assets

**Table 10- 1: Local Visitor Attractions**

| | Description | Distance to Site (km) |
|---|---|---|
| Baby Blue Bee Bunnies | A centre organising foraging workshops, classes and walks. | 5 km |
| St. Bride's Community Centre | A fitness and leisure centre suitable for events for any occasion. | 6 km |
| Cameronian's Regimental Memorial | Statue of the Earl of Angus, the first Colonel of Cameronian Regiment. | 6 km |
| Douglas Castle | A historic ruin from the 13th century, once home to the Douglas family. | 6 km |
| Crawford Castle | A medieval ruin dating back to the 12th century. | 6 km |
| Leadhills Golf Club | Scotland's highest golf course with beautiful views of the surrounding area. | 10 km |
| Leadhills and Wanlockhead Railway | The historic railway has a collection of preserved locomotives from the industrial era and offers unique journey opportunities between Leadhills and Wanlockhead and opportunity to explore the mining museum. | 10 km |
| Turlood Equestrian Centre | A centre providing horsing riding classes for all ages and levels. | 12 km |
| Auchlochan Garden Village | A village known for its natural beauty and landscape grounds with a wide variety of gardens such as the Walled, Terraced. Each season offers unique attractions from spring's snowdrops to summer's dahlias. | 12 km |

| | | |
|---|---|---|
| Hollandbush Golf Centre | A golf centre offering picturesque golf courses and stunning landscapes for visitors of all skill levels. It offers amenities, including a clubhouse and practice facilities. | 12 km |
| Clyde Valley Picture Framing | A shop for local arts and crafts and picture framing service. | 13 km |
| Beeches Cottage Nursery | A family-owned nursery and garden specialising in unique perennial plants growth at a high altitude. It also offers attractions such as herbaceous and mixed borders, a fruit and vegetable garden, ponds and pens containing different breeds of animals. | 13 km |
| Falls of Clyde and Bonnington Weir Viewpoints | The viewpoint for the Clyde Waterfalls (opposite the direction of the Proposed Development). | 13 km |
| New Lanark Visitor Centre | An UNESCO World Heritage Site which tells the story of an 18th-century cotton mill village known for its progressive social reforms under Robert Owen. Attractions include the Annie McLeod Experience ride, Robert Owen's School for Children, and historic millworkers' houses. | 14 km |
| The Falls of Clyde Visitor Centre and Wildlife Reserve | A centre offering interactive experiences and walks highlighting the area's natural beauty and wildlife. | 14 km |
| Lanark Golf Club | A golf club, established over 150 years ago, with natural moorland fairways, fast greens, and stunning scenery. Known for its challenging course and events, including the Scottish Boys Strokeplay championship. | 15 km |
| Scottish Equestrian Centre | A centre offering luxurious horse-riding holidays, lessons, and nature rides with facilities including indoor and outdoor arenas, stables, and a therapy suite. Guests can stay in 4-star ensuite bedrooms and dine at Equi's Coffee Shop. | 15 km |

Source: Visit Scotland (2024); Google Maps.

**Table 10- 2: Recreational Trails**

| | Description | Distance to Site (km) |
|---|---|---|

| | | |
|---|---|---|
| Tinto from Wiston Lodge | A 6 km walk which ascends through moorland, reaching the summit Tinto marked by a Bronze Age cairn, offering panoramic views. | 6 km |
| Tinto from the north | A 7 km walk following a clear path past a Roman fort to the Tinto summit at 707 meters. | 7 km |
| Douglas Explorer, Douglas | A 6 km routes which follows Main Street past historical sites and goes through estate grounds to Castle Dangerous with opportunities to visit Stable Lake, the Douglas Heritage Museum and the Earl of Angus statue. | 8 km |
| Culter Fell circular, near Biggar | A 19 km route which ascends Fell Shin ridge to Culter Fell, and continues over Gathersnow Hill and Hudderstone and along Cowgill Rig, offering views of the glen. | 10 km |
| Southern Upland Way 6: Wanlockhead to Beattock | A 31 km route which starts at a mining museum, climbs Lowther Hill, and offers views of a radar station. Descending to Cold Moss, it passes through forests to Daer Reservoir and Beattock village via various landmarks. | 13 km |
| Green Lowther and Lowther Hill, Wanlockhead | A 12 km route through Scotland's highest village offers scenic views from Green Lowther and Lowther Hill, with stops along the Southern Upland Way, including East Mount Lowther and the old Enterkin Pass. | 13 km |
| Southern Upland Way 5: Sanquhar to Wanlockhead | A 13 km route including fields, woodlands, and moorland slopes, with highlights like Matthew's Folly, lead mining remnants near Wanlock Water and the village of Wanlockhead with a focus on its mining history. | 13 km |
| The Hidden Side of the Falls of Clyde, near Lanark | A 5 km walk passes through fields and woods, marvelling at gorge viewpoints and Bonnington Linn falls with opportunities to visit Corra Castle ruins and the Corra Linn waterfall. | 14 km |

| | | |
|---|---|---|
| The Complete Falls of Clyde circuit | A 10 km route passing historic mill buildings with scenic viewpoints of Corra Linn. This provides opportunities for wildlife watching and the exploration of Peregrine hide, Bonnington Linn and village New Lanark. | 14 km |
| The Falls of Clyde classic, New Lanark | A 6 km walk offering the opportunity to explore New Lanark's Scottish Wildlife Trust with views of waterfalls including Dundaff Linn, Corra Linn and Bonnington Linn | 14 km |

Source: Walkhighlands.

BiGGAR Economics, Shandwick House,
67 Shandwick Place, Edinburgh, Scotland EH2 4SD

info@biggareconomics.co.uk

**biggareconomics.co.uk**