Bellrock Offshore Wind Farm

Wind Farm Development Area

Environmental Impact Assessment Report - Volume IV

Appendix 16.2: Economic Impact of the Bellrock

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BiGGAR Economics

Economic Impact of the Bellrock Offshore Wind Farm

Appendix 16.2

April 2026

BiGGAR Economics

Contents

Glossary and Acronyms

Table 0-1: Glossary

Term	Definition
Applicant	Bellrock Offshore Wind Farm Limited, the legal entity submitting Section 36 consent and Marine Licence applications for Bellrock Wind Farm Development Area
Gross value added (GVA)	GVA is a measure of the value of goods and services produced in an area, industry or sector of an economy.
Years of Employment	Measure used to report the short-term employment that is supported by the development and construction of the Bellrock Offshore Wind Farm. As an example, a job that lasts for 18 months would support 1.5 years of employment.
Supply Chain Development Statement (SCDS)	Required as part of ScotWind leasing, the SCDS provides a structure for project specific supply chain information to be communicated with government and industry, through the initial stages of project development to deployment and into operations.
DEVEX	Development expenditure
CAPEX	Development and Construction expenditure
OPEX	Operation and maintenance expenditure
DECEX	Decommissioning expenditure
TOTEX	Total Expenditure (sum of CAPEX, OPEX and DECEX)

Table 0-2: Acronyms

Term	Definition
CES	Crown Estate Scotland
EIA	Environmental impact assessment
EU	European Union
GVA	Gross value added
GW	Gigawatt
HM	His Majesty
NPF4	National Planning Framework 4
OfTDA	Offshore Transmission Development Area
ONS	Office for National Statistics
OnTDA	Onshore Transmission Development Area
SCDS	Supply Chain Development Statement
UK	United Kingdom
WFDA	Wind Farm Development Area

1. Executive Summary

The development, construction, operation and maintenance, and decommissioning of the Bellrock Offshore Wind Farm ('the Bellrock Project') has the potential to generate considerable economic activity in both the Scottish and wider UK economy.

Bellrock Offshore Wind Farm Limited (the 'Applicant') proposes a floating offshore wind farm based on a design envelope of 90 to 132 wind turbine generators (WTGs). The Bellrock Project[1] is designed to export of up to 1.8 gigawatts (GW).

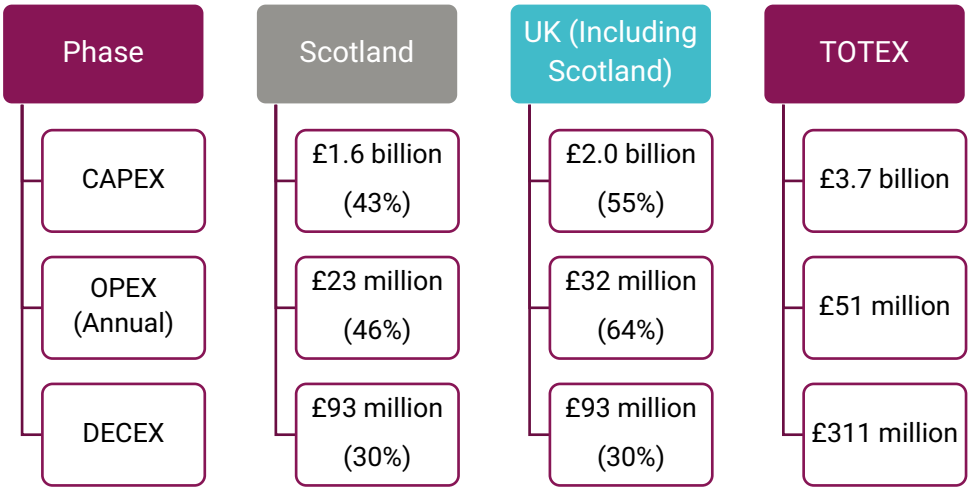
The Bellrock Project aligns closely with both UK and Scottish renewable energy strategies. In addition to its strategic importance, it is expected to deliver significant economic value – creating jobs, stimulating local industries, and supporting the wider supply chain in manufacturing, engineering, and infrastructure. The Bellrock Project's construction timeline (2031–2037) also ensures it provides the necessary market continuity and supply chain stability required to help sustain the deployment pipeline for the UK's 2050 Net Zero targets.

In its Supply Chain Development Statement (SCDS) (Bellrock Offshore Wind Farm, 2023), the Applicant estimated that the Bellrock Project will require a capital investment of approximately £3.7 billion during the development and construction phases (CAPEX). This economic impact assessment also considers the costs associated with operation and maintenance (OPEX), and decommissioning (DECEX); however, it should be noted that DECEX figures are estimated independently and are not part of the SCDS commitment.

Figure 1-1 shows the estimated contract values for each phase of the Bellrock Project, broken down by geography (Scotland, UK (including Scotland), and total expenditure (TOTEX)).

[1] The Bellrock Project comprises the Bellrock Wind Farm Development Area (WFDA), the Bellrock Offshore Transmission Development Area (OfTDA) and the Bellrock Onshore Transmission Development Area (OnTDA).

Figure 1-1 Assumed Contract Values and Shares by Project Phase



The economic impacts are assessed across three project stages: capital expenditure (CAPEX, including development), operational expenditure (OPEX), and decommissioning (DECEX).

While the development and construction phase presents the largest short-term economic opportunity, the long-term operation and maintenance phase is expected to deliver the greatest sustained benefits.

This investment will drive economic activity through gross value added (GVA) and employment. As with spending, GVA and employment impacts are inclusive — UK figures include those occurring in Scotland.

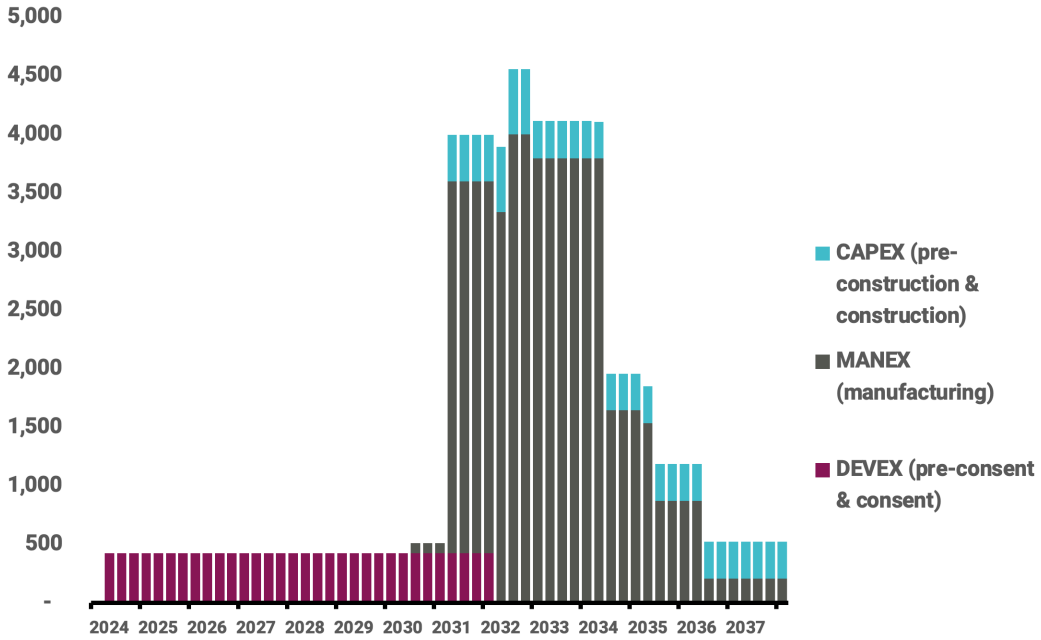
During the development and seven year construction period (plus one year site preparation works), the Bellrock Project is expected to support:

- 12,600 years of employment and generate £845 million GVA in Scotland; and
- 20,510 years of employment and generate £1,439 million GVA across the UK.

These impacts include both direct employment by the project and its contractors, as well as indirect employment within the supply chain. Additionally, induced impacts arise from employee spending within the wider economy.

Peak employment is expected in 2032, with around 4,560 jobs supported in that year across the UK.

Figure 1-2 Development and Construction Jobs over Time (Direct and Indirect)



Source: BiGGAR Economics Analysis.

The operational phase of the Bellrock Project will provide long-term economic benefits. In an average year, it is expected to support:

- 170 jobs and £12 million GVA in Scotland; and
- 320 jobs and £24 million GVA in the UK.

Including induced impacts, the total expected effects during the development and construction phase rise to:

- 15,080 years of employment and £1,031 million in GVA in Scotland; and
- 29,570 years of employment and £2,074 million in GVA across the UK.

During the operational phase, annual impacts including induced effects are expected to reach:

- 180 jobs and £15 million in GVA in Scotland; and
- 330 jobs and £34 million in GVA across the UK.

These figures are based on projected contract allocations by geography and should be interpreted as indicative estimates.

2. Introduction

BiGGAR Economics has been commissioned by the Applicant to assess the economic impact of the proposed the Bellrock Project in support of its consenting application.

2.1 Background

The Bellrock Project is a proposed floating offshore wind farm designed to export up to 1.8 GW to the National Electricity Transmission System, to be located approximately 120 km east of Stonehaven/116 km southeast of Peterhead (as illustrated in Figure 2-1). The Bellrock Project is being delivered by the Applicant and comprises three distinct Development Areas:

- **The Bellrock Wind Farm Development Area (WFDA):** The boundary within which the Wind Farm Infrastructure will be constructed, operated and maintained, and decommissioned. Infrastructure located within the Bellrock comprises wind turbine generators (WTGS), floating substructures (FSSs), station keeping systems (SKSs) and associated scour protection, inter-array cables (IACs) and associated cable protection, and subsea cable hubs (including activities associated with the Wind Farm Infrastructure construction, operation and maintenance, and decommissioning).
- **The Bellrock Offshore Transmission Development Area (OfTDA):** The boundary within which the Offshore Transmission Infrastructure will be constructed, operated and maintained, and decommissioned (and includes the whole of the Bellrock WFDA). Infrastructure located within the Bellrock OfTDA includes fixed bottom and/or floating offshore substations, offshore reactive compensation station(s) and associated scour protection; interconnector cables and associated cable protection; and offshore export cables and associated cable protection (including activities associated with the Offshore Transmission Infrastructure construction, operation and maintenance, and decommissioning); and
- **The Bellrock Onshore Transmission Development Area (OnTDA):** The boundary within which the Onshore Transmission Infrastructure will be constructed, operated and maintained, and decommissioned. Infrastructure located within the Bellrock OnTDA includes transition bay(s); onshore export cables; onshore substation; temporary construction compounds; temporary working areas; environmental mitigation areas; drainage/irrigation infrastructure; access works; and any other associated infrastructure (including activities associated with the Onshore Transmission Infrastructure construction, operation and maintenance, and decommissioning). The Onshore Transmission Infrastructure is required to transmit electricity from landfall to the National Electricity Transmission System at the Hurlie substation, west of Stonehaven, Aberdeenshire.

2.2 Purpose and Context of this Report

This report (**Appendix 16.2 Economic Impact of the Bellrock Project**) presents a comprehensive assessment of the economic impacts of the construction, operation and maintenance (O&M), and decommissioning phases of the Bellrock Project.

This assessment considers the whole Bellrock Project, (i.e. the WFDA, OfTDA, and OnTDA combined).

Each Development Area is subject to separate consenting applications and Environmental Impact Assessment (EIA) Reports. This report supports **Chapter 16 Socioeconomics, Tourism and Recreation** of the Bellrock WFDA EIA Report.

Additional information on the approach and methodology to support the socioeconomics, tourism and recreation assessment can be found in **Appendix 16.1: Socioeconomics, Tourism and Recreation Technical Report**.

A single, consistent whole-project socioeconomics, tourism and recreation assessment will be submitted alongside each of the three Bellrock EIA Reports (i.e. Bellrock WFDA, OfTDA, and OnTDA). While the core analysis in this assessment will remain identical across all submissions, the entire assessment will be reviewed and refreshed prior to each submission using the most up to date project parameters for the Bellrock Project.

Figure 2-1 Location of Bellrock Offshore Wind Farm

2.3 Report Structure

The remainder of this report is structured as follows:

- **Section 3 – Assessment Methodology:** Details the approach taken to model the economic impacts;
- **Section 4 – Policy Context:** Provides an overview of the national and regional strategies relevant to the Bellrock Project;
- **Section 5 – Economic Impact Assessment:** Presents the full results of the analysis, including GVA and employment figures;
- **Section 6 – Conclusions:** Summarises the key findings; and
- **Section 7 – References**.

3. Approach

This section outlines the overall approach to the estimation of the economic impact of the Bellrock Project. It details the methodological framework, the types of impacts and metrics used, and the geographic scope of the analysis.

3.1 Methodological Framework

The assessment covers the entirety of the Bellrock Project (i.e. the Bellrock WFDA, OfTDA, and OnTDA combined). The approach aligns with guidance from Crown Estate Scotland (CES) in respect of the Supply Chain Development Statements (SCDS), for which impacts are reported based on nominal expenditure. This means that:

- The values presented in this assessment are based on the SCDS Outlook published in 2023. It should be noted that the SCDS is an iterative document subject to regular review, with the next formal update due in April 2026;
- Contract values are reported in Great British Pounds (£); and
- To avoid double counting, where a supplier's own procurement is known, this expenditure is subtracted from the initial contract and assessed separately.

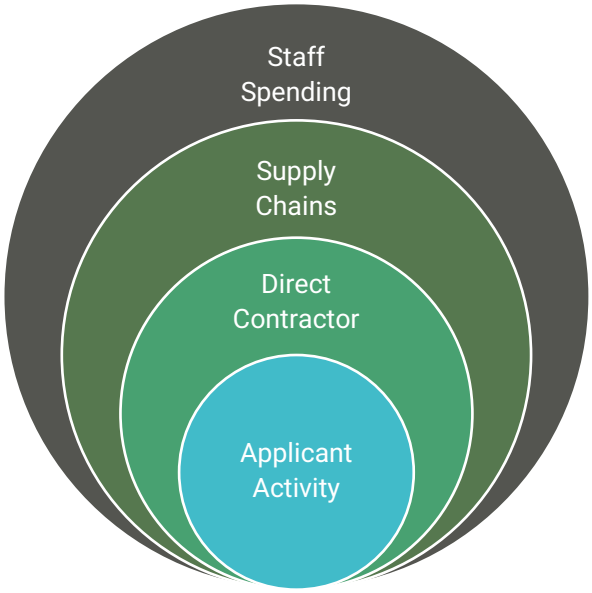
3.2 Types of Economic Impact

This assessment considers three standard types of economic impact:

- **Direct impacts**: those impacts that arise from the activity of organisations directly involved in the delivery of the Bellrock Project;
- **Indirect impacts**: those impacts that arise from the supply chain of those businesses; and
- **Induced impacts**: those impacts that arise from staff employed by both direct and indirect organisations spending their wages in the wider economy.

For example, if the Applicant contracts a company for the onshore substation's foundations, the jobs supported within that company are a direct impact. The contract then supports jobs in that company’s supply chain (e.g., concrete providers, haulage firms), which are an indirect impact. Finally, the induced impact occurs when the employees of the foundation company and the concrete provider spend their wages in the wider economy, for example on groceries, leisure activities, or housing.

Figure 3-1 Levels of Economic Activity and Impact



Source: BiGGAR Economics.

3.3 Economic Metrics

The economic impact is measured using three common indicators: GVA, Years of Employment, and Jobs.

- **GVA**: A measure of economic value added by an organisation or industry. GVA has been included because:
  - It provides a more comprehensive picture of economic value, aligning with the Scottish Government's focus on creating high-value 'Good Jobs', (Scottish Government, 2020a).
  - Its inclusion allows for future comparison with other project evaluations.
- **Years of Employment (Job-Years)**: A measure for short-term employment supported during construction. For example, one job lasting 18 months equals 1.5 years of employment.
- **Jobs**: A measure of long-term, full-time equivalent employment, used for the operational phase of the project.

3.4 Geographic Scope

The geographic areas used in this analysis are:

- Scotland; and
- the UK (inclusive of Scotland).

Unless otherwise stated, all values are reported inclusively (i.e., the figure for the 'UK' includes all activity within Scotland).

3.5 Method

The economic impacts of the Bellrock Project are estimated using a bespoke economic model developed by BiGGAR Economics. This modelling approach is well-established, having been applied to numerous offshore wind developments across Scotland and the UK.

The model calculates the direct, indirect, and induced economic effects arising from the Bellrock Project's expenditure. It is based on development, capital, and operational expenditure data provided for the Bellrock Project.

In line with best practice, the economic analysis considers the net economic impact from the Bellrock Project. This requires accounting for additionality, the extent to which economic activity would not occur without the Bellrock Project. There are four dimensions of additionality:

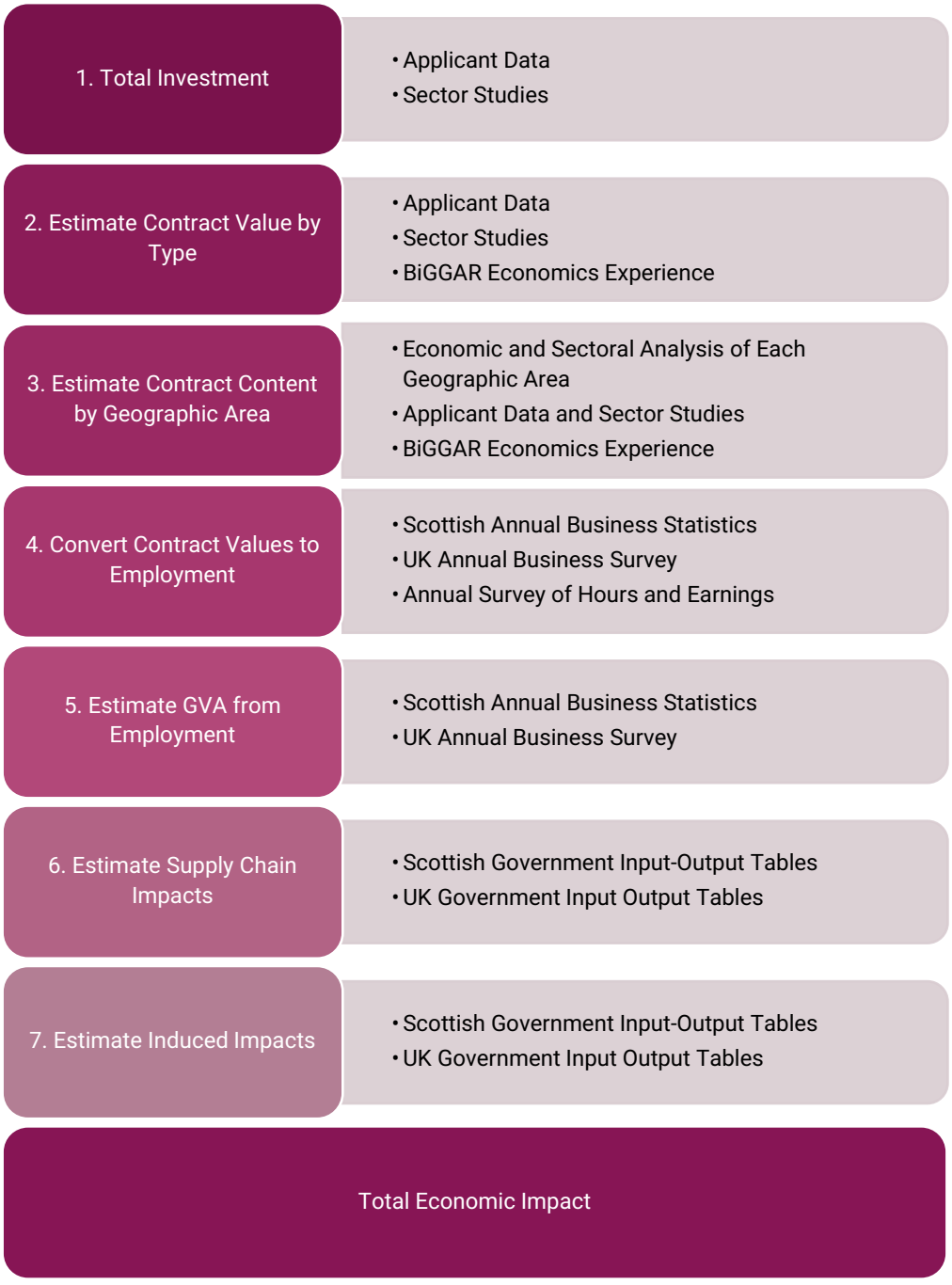
- **Displacement**: the extent to which activity associated with the Bellrock Project displaces existing economic activity in the socioeconomics, tourism and recreation study areas;
- **Leakage**: the extent to which spending on the Bellrock Project benefits businesses outside the socioeconomics, tourism and recreation study areas;
- **Deadweight**: the extent to which economic activity would occur even without the Bellrock Project; and
- **Substitution**: the effects arising when a business substitutes one activity for a similar one to benefit from public sector assistance.

While detailed data on decommissioning is not available at this stage, the analysis provides an estimate based on the assumption that decommissioning activities would occur in reverse of the construction phase and involve the placement of similar types of contracts.

Section 16.3 Consultation of **Chapter 16 Socioeconomics, Tourism and Recreation, (Volume II)** summarises the consultation process. It details the responses received in the Bellrock WFDA Scoping Opinion (2024) and explains how comments regarding the **methodology** have been incorporated into this **analysis**.

The key steps, and data sources that are used at each step of the methodology for estimating the total economic impact of the Bellrock Project are outlined in Figure 3-2.

Figure 3-2 Economic Impact Methodology and Data Sources



Source: BiGGAR Economics.

3.6 SCDS Outlook

The starting point for this economic impact assessment was the expenditure data presented in the Applicant's SCDS Outlook (Bellrock Offshore Wind Farm, 2023). The SCDS Outlook provides estimates of project expenditure in Scotland, the rest of the UK, the EU, and elsewhere, across two scenarios ("commitment" and "ambition"). This analysis is based on the commitment scenario, which outlines expenditure

across four main stages: development; manufacturing and fabrication; installation; and operations. The SCDS Outlook from 2023 is the latest commitment on expenditure for the Bellrock Project and therefore presents an appropriate basis for estimating the economic impacts.

The SCDS Outlook commits (Table 3-1) to a total expenditure of approximately £3.7 billion during the development and construction phases. This total comprises:

- £250 million on development activities;
- £2.7 billion on manufacturing and fabrication; and
- £698 million on installation and commissioning.

Of this total, the SCDS Outlook commits £1.6 billion of expenditure within Scotland and a further £0.5 billion in the rest of the UK.

During the 35-year operational phase, the project is expected to have an expenditure of £304 million over a six-year period. This includes costs for operating and maintaining the wind turbine generators and associated onshore and offshore transmission infrastructure. It explicitly excludes insurance, transmission charges, Crown Estate Scotland lease payments, and Power Purchase Agreement (PPA) fees. Of this total, £139 million is committed to be spent in Scotland.

The high-level expenditure categories from the SCDS were disaggregated into more detailed sub-categories for modelling. This was done using BiGGAR Economics' own offshore wind economic model, which is informed by up-to-date industry data, including the BVG Associates Guide to a Floating Offshore Wind Farm (BVG Associates, 2024).

Table 3-1 Supply Chain Development Statement (Commitment)

Project Stage	Scotland	Rest of UK	Rest of EU	Rest of World	Total
Development	£158 million	£81 million	£10 million	-	£0.25 billion
Manufacturing and Fabrication	£980 million	£354 million	£1.206 billion	£177 million	£2.717 billion
Installation	£438 million	£20 million	£240 million	-	£0.698 billion
Total Development and Construction Phase	**£1.576 billion**	**£456 million**	**£1.456 billion**	**£177 million**	**£3.665 billion**
Operation and Maintenance (six-year period)	£139 million	£56 million	£108 million	-	£0.304 billion
Total	**£1.715 billion**	**£513 million**	**£1.564 billion**	**£177 million**	**£3.968 billion**

Source: Bellrock SCDS Outlook, Bellrock Offshore Wind Farm (2023).

3.7 Economic Impact Modelling

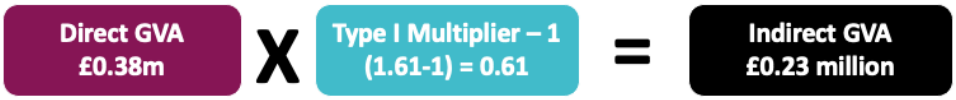
Having gathered data on spending across the different contracts for each phase of the Bellrock Project – based on the Applicant's SCDS Outlook – the next step involves estimating the total spending supported by these contracts within the study areas (Scotland and the UK).

From this spending, it is then possible to estimate the direct employment and direct GVA supported by the Bellrock Project. This is done by applying relevant turnover-to-GVA and turnover-per-job ratios sourced from the Office for National Statistics (ONS) Annual Business Survey. This process is illustrated in Figure 3-3 below.

Figure 3-3: Direct GVA

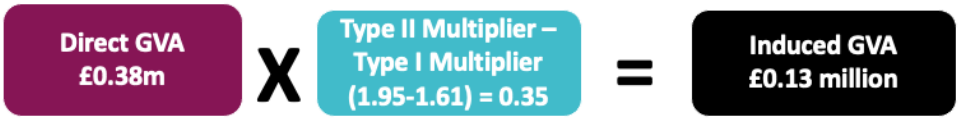
In addition to direct impacts, the Bellrock Project will also generate indirect impacts through its supply chain – i.e., from businesses awarded project-related contracts. To estimate these, Type I employment and GVA multipliers from the UK Input-Output Tables are applied to the direct figures. This is shown in Figure 3-4.

Figure 3-4: Indirect GVA



In addition, the analysis also considers induced impacts – i.e., economic activity generated when those employed through the Bellrock Project spend their wages in the wider economy. These are estimated by applying Type II employment and GVA multipliers to the direct impact figures. This process is illustrated in Figure 3-5.

Figure 3-5: Induced GVA



As the economic impact multipliers reflect activity within the UK economy as a whole, it is necessary to adjust these multipliers to reflect activity within each study area. These adjustments are based on an analysis of household spending patterns and an understanding of regional supply chains.

4. Strategic and Policy Context

This section outlines the regional and national policies and strategies relevant to the Bellrock Project.

It provides a summary of the key economic drivers and targets. A detailed review of the legislation, policy and guidance relevant to this assessment is provided in **Section 16.2** of **Chapter 16: Socioeconomics, Tourism and Recreation (Volume II)**. The overarching policy and legislation relevant to the Bellrock WFDA is described in **Chapter 2: Policy and Legislative Context (Volume II)**.

4.1 Clean Power 2030 Action Plan: A new era of clean energy

The Clean Power 2030 Action Plan (UK Government, 2024) outlines the government's comprehensive strategy to achieve a secure, low-cost, and clean electricity system in Great Britain by 2030. The plan defines a 'clean' power system as one where renewable and low-carbon sources, such as wind, solar, and nuclear, generate at least 95% of electricity annually. This initiative aims to establish the UK's energy independence and significantly reduce reliance on volatile global fossil fuel markets.

A central pillar of the Action Plan is the reform of the energy infrastructure, particularly the national grid. It acknowledges that to connect the vast new capacity of renewable generation required, around twice as much transmission network infrastructure must be built by 2030 as has been in the last decade. Key actions include reforming the 'first-come, first-served' grid connections queue to prioritise viable projects that are essential to meeting the 2030 targets and sustaining the deployment trajectory required for 2050.

Designed to stimulate significant economic growth and opportunity the government anticipates that the transition will support hundreds of thousands of skilled jobs across the country, particularly in the UK's industrial heartlands, as part of a wider move to a net-zero economy. To facilitate this, the plan includes initiatives such as the Energy Skills Passport, designed to help workers transfer skills from traditional energy sectors, like oil and gas, into the growing clean energy industry, thereby maximising the economic benefits for the UK.

The UK Government has positioned the Clean Power 2030 Action Plan as the foundational step in the broader journey to achieving a net-zero economy by 2050. By rapidly decarbonising the power sector, the plan enables the widespread electrification of other key areas, including transport and heating. This acceleration is a core component of the government's strategy to build a green economy,

fostering innovation, attracting investment, and ensuring long-term energy security and affordability for businesses and consumers.

4.2 UK Offshore Wind Sector Deal

The Offshore Wind Sector Deal (UK Government, 2020), sets out the UK Government's aim to support the development of offshore wind energy generation in the UK, making the sector a significant part of a low-cost, low-carbon, flexible grid system. The Deal also emphasises how UK companies can benefit from the opportunities presented by the expansion of the offshore wind sector, enhancing the competitiveness of UK firms internationally and sustaining the UK's role as a global leader in offshore wind generation.

The UK Government highlighted that some estimates suggest that offshore wind capacity globally will grow by 17% annually from 22 GW to 154 GW in 2030, which could mean the UK contributing up to 40 GW of generating capacity. In 2022, this was increased to 50 GW by 2030 (UK Government, 2022) and recently to 60 GW.

The UK Government aims to reach this capacity in a sustainable, timely way and commits to working with the offshore wind sector and wider stakeholders to deliver the expansion of the sector, addressing strategic deployment issues, transmission issues and environmental impacts. Reaching this level of capacity could support up to 27,000 jobs in the UK, while the sector will work with government, existing institutions, and universities to increase job mobility between energy sectors, increase apprenticeship opportunities and coordinate local efforts, further developing the benefits to the UK economy. Projects such as Bellrock, with construction scheduled between 2031 and 2037, will be critical for the supply chain in maintaining this pipeline of activity and employment beyond the initial 2030 target period.

The UK Government has also highlighted the role that offshore wind can play in the transition to a net zero economy by 2050 (UK Government, 2021). Based on existing technology, electrification remains the main route to reach carbon neutrality. To make this change possible, the supply of electricity will need to increase significantly to match demand, and the Government aims to decarbonise the power sector by 2035. This has also the potential to create many new green jobs, as part of the UK Government's Build Back Greener agenda.

4.3 National Planning Framework 4 (NPF4)

NPF4 is Scotland's national spatial strategy, outlining how to improve people's lives through sustainable, liveable, and productive places (Scottish Government, 2023).

The Scottish Government identifies net zero energy solutions as a key contributor to net zero emissions by 2045 and includes National Planning Policies to achieve this aim, such as a Climate Emergency Policy (1) which encourages and promotes development that addresses the global climate emergency and a Green Energy

Policy (11) which encourages and promotes all forms of renewable energy development, both onshore and offshore.

As part of Policy 11(a), all forms of renewable technologies, including offshore wind, will be supported. This is subject to the test outlined in Policy 11(c), which states that: "development proposals will only be supported where they maximise net economic impact, including local and community socioeconomic benefits such as employment, associated business and supply chain opportunities". The Bellrock Project will support employment and create opportunities for local businesses during both the construction, and operation and maintenance phases.

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".

4.4 National Strategy for Economic Transformation

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

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

To deliver its vision and address the economy's challenges, five programmes of action have been identified (with a sixth priority of creating a culture of delivery), including:

- 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. This provides a strong foundation for securing new market opportunities arising from the transition to net zero. Renewable

energy also has a role to play in supporting productive businesses and regions across Scotland.

4.5 Green Industrial Strategy

The Green Industrial Strategy (Scottish Government, 2024a) aims to help Scotland realise the economic benefits of the global transition to net zero. The strategy explicitly highlights offshore wind as the "first opportunity" for growth, emphasising the critical role that the existing pipeline of projects will have in attracting supply chain investment and securing long-term economic value for Scotland.

4.6 Sectoral Marine Plan for Offshore Wind Energy

The Draft Updated Sectoral Marine Plan for Offshore Wind Energy (Scottish Government, 2025) will, upon adoption, update the 2020 Plan to incorporate the results of the ScotWind and Innovation and Targeted Oil and Gas (INTOG) leasing rounds. It provides the strategic spatial planning framework for offshore wind in Scottish waters. Crucially, the Plan confirms the strategic designation of the Bellrock site as a commercial offshore wind development area (identified as Option Area E1B), establishing the national context for the 'Need for the Project' and the baseline for cumulative development.

4.7 Offshore Wind Policy Statement

The Scottish Government's 2020 Offshore Wind Policy Statement (Scottish Government, 2020b) highlights the substantial potential of Scotland's waters for offshore wind and the importance of the sector in the transition to net zero.

When the policy statement was published in October 2020, the ScotWind leasing round set ambitions for 11 GW of offshore wind capacity to be developed in Scottish waters by 2030, generating substantial economic impacts in Scotland's offshore wind supply chain. The ScotWind leasing round is now expected to lead to an additional 27.6 GW of offshore wind capacity (CES, 2023), with particular economic opportunities related to floating offshore.

As part of the ScotWind leasing process, each applicant submitted a SCDS, which sets out the commitment (or minimum) and ambition (maximum) spending expected to take place in Scotland and the rest of the UK across the categories of development, manufacturing and fabrication, installation and operation and maintenance. A greater share of the operational activities is expected to be procured from Scotland, reflecting the growing operations and maintenance capacity in the country.

The Scottish Government commits to making every effort to maximise the economic benefit from such developments and ensure that the Scottish economy sees the full benefit of these projects.

4.8 Update to the 2020 Offshore Wind Policy Statement (2026)

In January 2026, the Scottish Government published an update to the 2020 Offshore Wind Policy Statement (Scottish Government, 2026), significantly increasing Scotland's ambition for offshore wind deployment. This update reflects the rapid evolution of the sector since 2020, particularly following the ScotWind and INTOG leasing rounds.

4.8.1 Increased Capacity Targets

The Scottish Government has reset its offshore wind policy ambition to up to 40 GW of new offshore wind capacity by 2040. This is a substantial increase from the 8-11 GW by 2030 target set in the original 2020 statement. This new target is in addition to the capacity already operational or consented as of August 2025. The update reaffirms the government's commitment to supporting the delivery of the existing project pipeline, which includes the Bellrock Project (listed as a project with a lease awarded for 1.8 GW).

4.8.2 Strategic Benefits and Economic Growth

The update identifies four key strategic benefits for Scotland arising from this increased ambition:

- **Energy Security**: Reducing reliance on volatile fossil fuel markets.
- **Economic Growth**: Unlocking private investment and building a world-class domestic supply chain to create thousands of high-quality jobs.
- **Just Transition**: Providing alternative employment for those transitioning away from the fossil fuel industry.
- **Climate Action**: Accelerating progress toward net zero targets.

4.8.3 Supply Chain and Innovation

The 2026 update estimates the potential global capital value of the Scottish offshore wind market at approximately £100 billion, assuming full deployment of the pipeline. It places a heavy emphasis on floating offshore wind – which accounts for more than half of Scotland's potential pipeline – as a primary competitive advantage for the nation. The Bellrock Project, as a floating offshore development, is central to this strategic focus.

4.8.4 Skills and Community Benefits

To support this scale of development, the Scottish Government published the Offshore Wind Skills Priorities & Action Plan in November 2025 to coordinate the pipeline of skilled workers. Furthermore, the government intends to update its Good Practice Principles for Community Benefits later in 2026 to ensure that the economic success of large-scale projects translates into tangible outcomes for local and coastal communities. This will follow the UK Government's consultation into Community Benefits and Shared Ownership for Low Carbon Energy Infrastructure due in Spring 2026.

4.9 Strategic and Policy Context Summary

The development of the Bellrock Project will make a vital contribution to achieving renewable energy targets, and correspondingly net zero ambitions, at the UK and Scottish level. It will add to the existing Clean Energy Cluster along Scotland's east coast, contributing to developing the clusters international competitiveness as a source for investment in Scotland and providing further opportunities for the local supply chain.

5. Economic Impacts

This section outlines the economic impacts that the Bellrock Project could generate and the process through which these were estimated.

5.1 Expenditure Assumptions

The first step in estimating economic impacts is to consider the total level of investment, which includes both capital expenditure during the development and construction phase and ongoing investment over the project's operational lifetime of up to 35 years.

The expenditure estimates for the Bellrock Project are based on BiGGAR Economics' experience with similar offshore wind developments, as well as data from the Applicant's SCDS Outlook.

Table 5-1 Contract Elements by Value

Elements	Expenditure (£ million)
Development and Project Planning	£250
Wind Turbine Generator	£1,230
Balance of Plant (including Floating Substructures)	£1,531
Installation and Commissioning	£654
Total CAPEX	**£3,665**
Operations and Maintenance (Annual)	£51
Decommissioning	£311

Source: Bellrock SCDS Outlook (Bellrock Offshore Wind Farm 2023), and BiGGAR Economics Analysis.

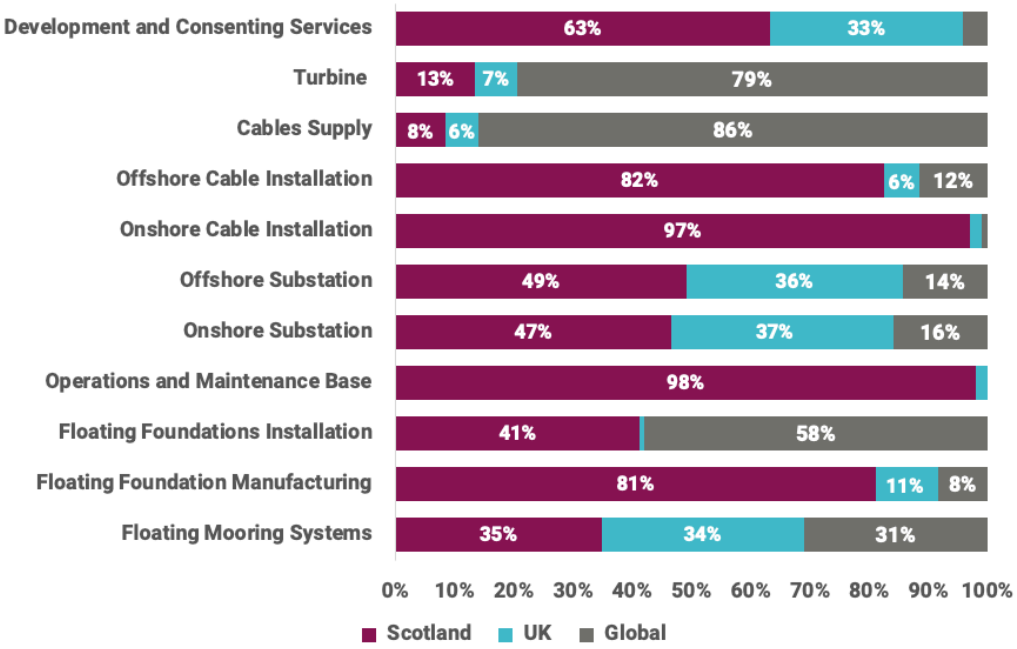
5.2 Geographic Split

The next stage in estimating economic impact is to assess the likely location of companies that would be awarded project-related contracts. This is based on the geographical breakdown of spending in the Applicant's SCDS, with respect to Scotland and the UK.

5.2.1 Capital Investment

Under the 'Commitment' scenario in the SCDS Outlook, capital investment is estimated at £3,665 million. Of this, approximately £2,032 million (55%) could be secured within the UK, including £1,576 million (43%) in Scotland. The splits of CAPEX by region and contract category are shown in Figure 5-1.

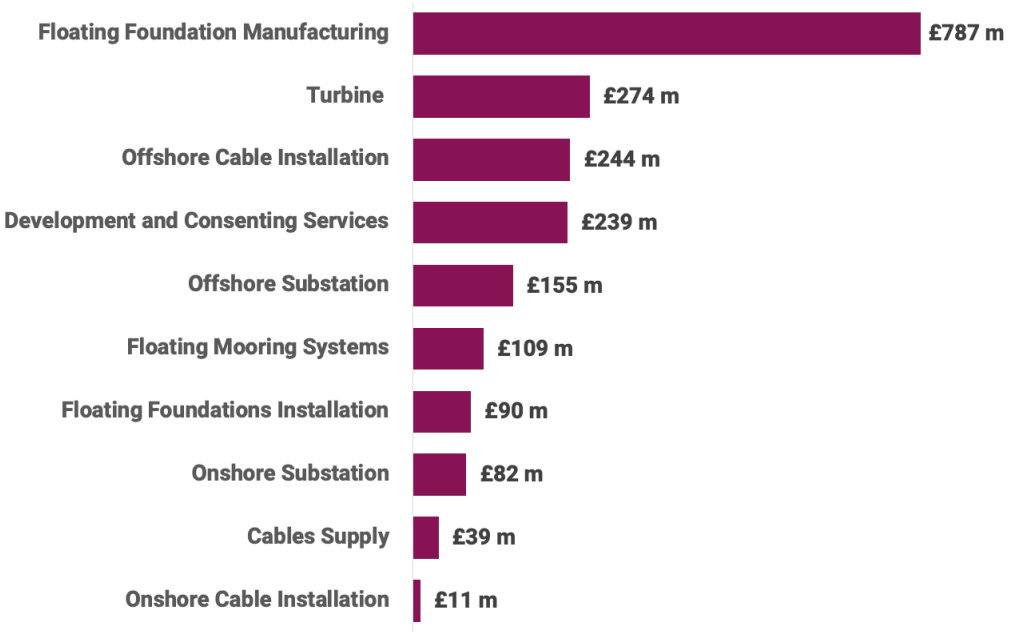
Figure 5-1 Contract Share by Geographic Area



Source: BiGGAR Economics Analysis (based on analysis of the SCDS Outlook Commitment Scenario and BVG's Guide to a Floating Wind Farm (BVG Associates, 2024)).

The largest opportunity for UK-based companies lies in floating foundation manufacturing, including substructures and systems, which could be worth up to £787 million. The next most significant opportunity relates to wind turbine generator manufacturing and assembly, particularly blades, with potential contract values of £274 million (Figure 5-2).

Figure 5-2 Largest Contract Opportunities in the UK



Source: BiGGAR Economics Analysis.

5.2.2 Operational Investment

According to the 'Commitment' scenario, the Bellrock Project will require annual operational expenditure of £51 million. This figure covers the O&M of the Wind Farm Infrastructure and Offshore Transmission Infrastructure but explicitly excludes insurance, transmission charges, Crown Estate Scotland lease payments, and Power Purchase Agreement (PPA) fees. Based on the geographic shares identified in the SCDS Outlook, approximately £32 million (64%) of this is expected to be spent within the UK, including £23 million (46%) in Scotland.

5.2.3 Decommissioning

Estimating the geographic distribution of decommissioning expenditure is more uncertain due to potential changes in domestic capabilities over time. It is assumed that 30% of the total decommissioning spend will occur within the UK (including Scotland), mainly in relation to wind turbine generator, floating substructures, moorings and anchors, and cable and substation decommissioning.

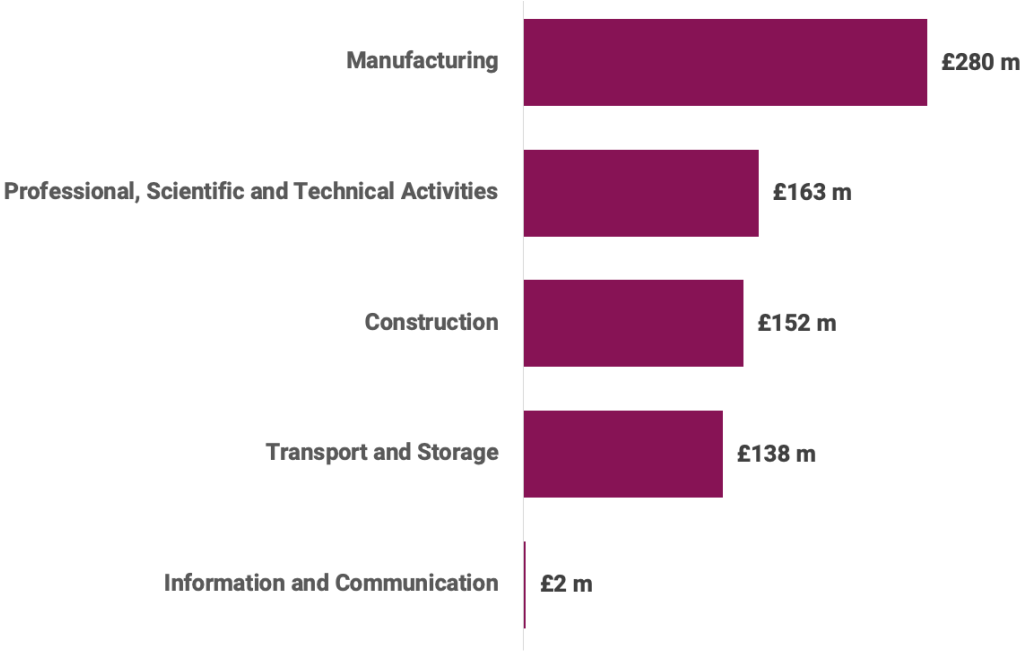
5.3 Direct Economic Impacts

The value of contracts awarded in each region would translate into increased turnover for the businesses delivering them.

During the capital investment stage, the UK industries most likely to benefit are those in the construction and manufacturing sectors. Of these, the manufacturing sector is expected to receive the largest share of contract value – estimated at £280 million – primarily related to the construction of onshore infrastructure and other components of the Bellrock Project.

The top five UK industries expected to benefit from contract opportunities are shown in Figure 5-3.

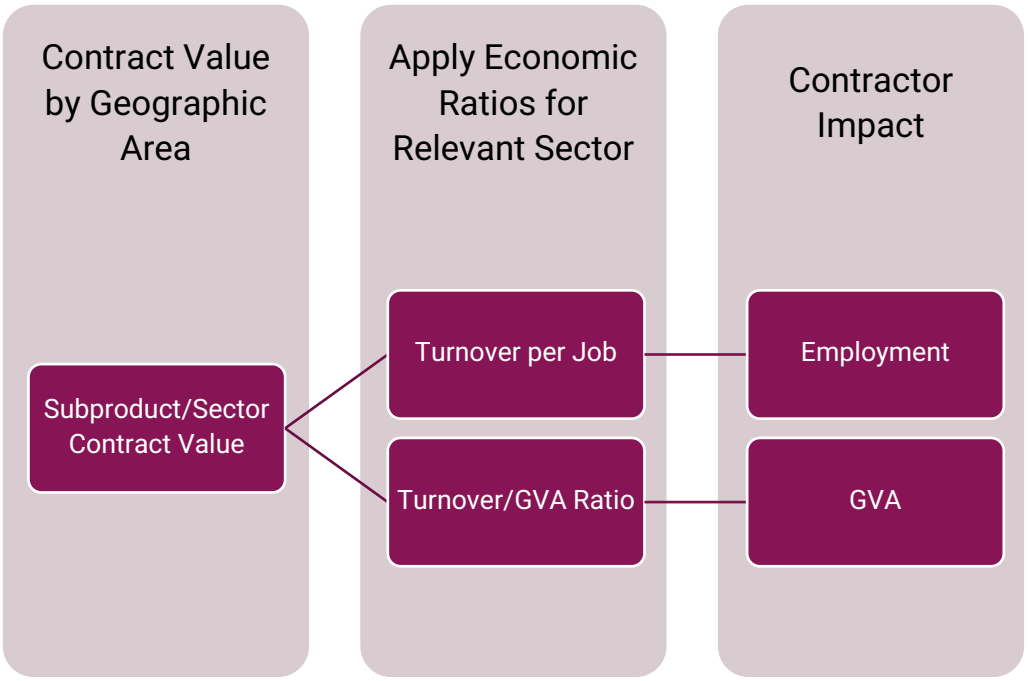
Figure 5-3 Project Turnover by Industry of Supplier in the UK, Top 5 (£ million)



Source: BiGGAR Economics Analysis.

To estimate the direct GVA and employment impacts, data from the UK Annual Business Survey (ONS, 2024a) was used to determine turnover-to-GVA ratios by sector. Employment estimates were derived using headcount employment data from the Business Register and Employment Survey, which provides the number of jobs supported per unit of turnover at 2025 prices.

Figure 5-4 Direct Contractor Impact Process



On this basis, it is estimated that contracts awarded for the development and construction of the Bellrock Project will directly support:

- 11,720 job-years of employment in the UK; including
- 8,920 job-years in Scotland.

Most of these opportunities will be linked to floating foundation manufacturing, with manufacturing as a whole offering the greatest potential for direct employment across the UK.

Table 5-2 Indicative Employment Number Impacts in Directly Contracted Companies

	Scotland	UK
CAPEX	8,920	11,720
Annual OPEX	120	170
DECEX	330	330

Source: BiGGAR Economics Analysis.

The GVA from the initial contracts associated with development and construction would be £803 million in the UK, including £614 million within Scotland. Each year during the operational phase it is estimated that the direct employment from the Bellrock Project will generate £12 million GVA for the UK economy, including £9 million within Scotland. The contracts associated with decommissioning would be equivalent to £28 million in Scotland and the UK as a whole.

Table 5-3 Directly Contracted Impact - GVA (£m)

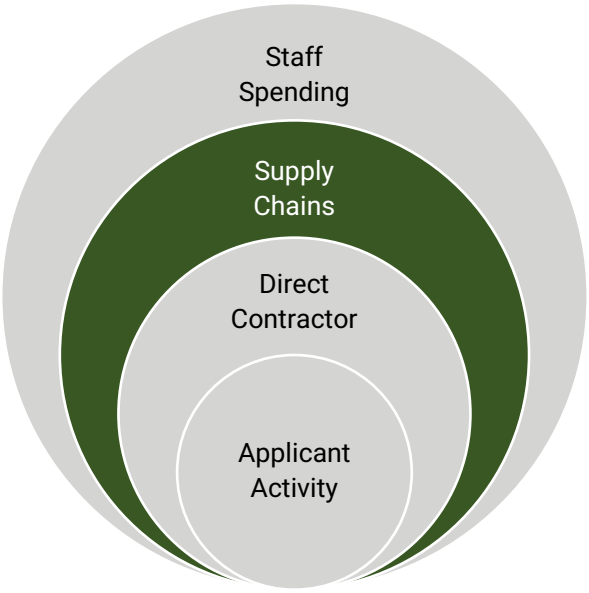
	Scotland	UK
CAPEX	£614 m	£803 m
Annual OPEX	£9 m	£12 m
DECEX	£28 m	£28 m

Source: BiGGAR Economics Analysis.

5.4 Indirect Economic Impacts

In addition to direct effects, the Bellrock Project would generate wider economic benefits through supply chain impacts. These include subcontractors working directly with the main contractors – such as those based at the construction yard – as well as suppliers further removed from the Bellrock project, including companies that provide raw materials, tools, and professional services that support the main contract delivery.

Table 5-4 Stages of Economic Impact Assessment: Supply Chain Impact



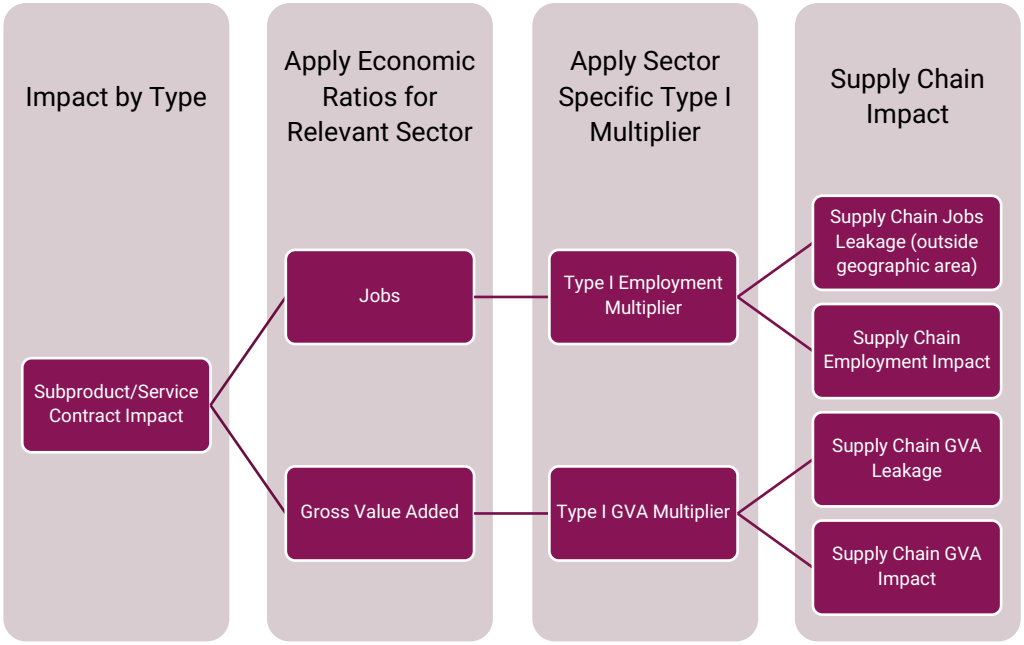
Source: BiGGAR Economics.

To estimate these impacts, Type I multipliers were applied. These are derived from the UK Input-Output Tables (ONS, 2024b) and the Scottish Input-Output Tables (Scottish Government, 2024) and are specific to each economic sector. The multipliers account for the proportion of a sector's supply chain that is sourced from within the UK, within Scotland, or from abroad. This allows the analysis to reflect leakage, or the portion of supply chain value that leaves the study area – such as through imports – and to exclude it from the impact estimates.

The process for estimating supply chain impacts is illustrated in Figure 5-5. It reflects the reality that a significant share of any given supply chain may be located outside the relevant geographic area. Unless specific data is available about companies involved in a given supply chain, it is assumed that the companies involved in the Bellrock Project will have supply chains typical of their sector. For example:

- The Input-Output Tables show that 76% of the UK manufacturing sector's supply chain is sourced from within the UK.
- Conversely, the UK construction sector imports 24% of its supply chain inputs – this share is treated as leakage in UK-level estimates.

Figure 5-5 Supply Chain Impact Process



Source: BiGGAR Economics.

This approach was applied to each sub-product/service category and for each geographic level of analysis. The corresponding Type I multipliers were used based on the relevant sector.

Using this method, it is estimated that the supply chain for the initial development and construction contracts would support:

- 8,790 job-years of employment across the UK; including
- 3,680 job-years within Scotland.

Table 5-5 Supply Chain Employment Number Impacts by Stage and Geographic Area

	Scotland	UK
CAPEX	3,680	8,790
Annual OPEX	50	150
DECEX	170	320

Source: BiGGAR Economics Analysis.

During the development and construction stages, the supply chain impacts from initial contracts are estimated to generate:

- £636 million in GVA across the UK; including
- £230 million in GVA within Scotland.

Each year during the operational phase, the project's wider UK supply chain would also generate:

- £11 million in GVA across the UK; including
- £3 million in GVA in Scotland.

Table 5-6 Supply Chain GVA Impacts by Stage and Geographic Area (£m)

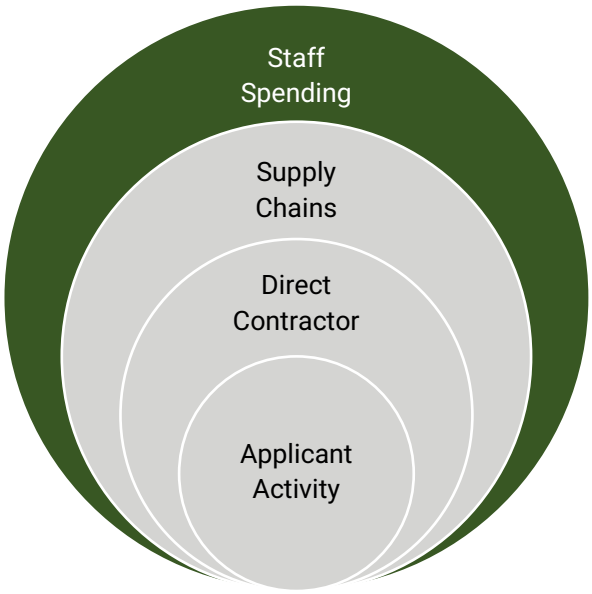
	Scotland	UK
CAPEX	£230 m	£636 m
Annual OPEX	£3 m	£11 m
DECEX	£13 m	£25 m

Source: BiGGAR Economics Analysis.

5.5 Induced Economic Impacts

In addition to the direct and supply chain impacts, further economic benefits would arise from the induced impact – that is, the effect of employees spending their wages in the wider economy. Although induced impacts are not always included in conventional economic appraisals, they have been incorporated into this analysis to provide a comprehensive picture of the economic contribution of the Bellrock Project Induced impacts can be particularly significant in rural communities, where the success of small, locally based businesses often depends on the spending of workers employed on large-scale projects.

Table 5-7 Stages of Economic Impact Assessment: Staff Spending Impact



Source: BiGGAR Economics.

The induced impact was calculated using Type II multipliers, which take account of both supply chain and wage-induced effects. The appropriate multipliers were applied to each sector of direct activity to estimate the additional economic value and employment supported by employee spending.

Table 5-8 Induced Impacts by Stage and Geographic Area

	Scotland	UK
CAPEX		
GVA (£m)	£187 m	£635 m
Years of Employment	2,480	9,060
Annual OPEX		
GVA (£m)	£3 m	£11 m
Jobs	30	100
DECEX		
GVA (£m)	£9 m	£22 m
Years of Employment	100	260

Source: BiGGAR Economics Analysis.

5.6 Total Economic Impacts

The direct and indirect impacts represent the economic activity required to deliver the Bellrock Project. As shown in Table 5-9, the total of this activity would be 20,510 years of employment across the UK during the development and construction phase, of which 12,600 would be in Scotland. This employment would generate £1,439 million for the UK economy, of which £845 million would be within Scotland.

During the operational phase, on an annual basis, the Bellrock Project is expected to support:

- 170 jobs and £12 million GVA in Scotland; and
- 320 jobs and £24 million GVA in the UK.

Table 5-9 Total Economic Impacts by Stage and Geographic Area (Direct and Indirect)

	Scotland	UK
CAPEX		
GVA (£m)	£845 m	£1,439 m
Years of Employment	12,600	20,510
Annual OPEX		
GVA (£m)	£12 m	£24 m
Jobs	170	320
DECEX		
GVA (£m)	£41 m	£54 m
Years of Employment	500	650

Source: BiGGAR Economics Analysis.

The total economic impacts, including induced effects (i.e. those arising from employee spending), are shown in Table 5-10. This presents a more complete picture of the Bellrock Project's overall contribution to the economy. Across the UK, the development and construction phases would support £2,074 million in GVA and 29,570 years of employment. Once operational, the Project would support an additional £34 million GVA and 330 jobs each year.

Table 5-10 Total Economic Impacts by Stage and Geographic Area (including Induced)

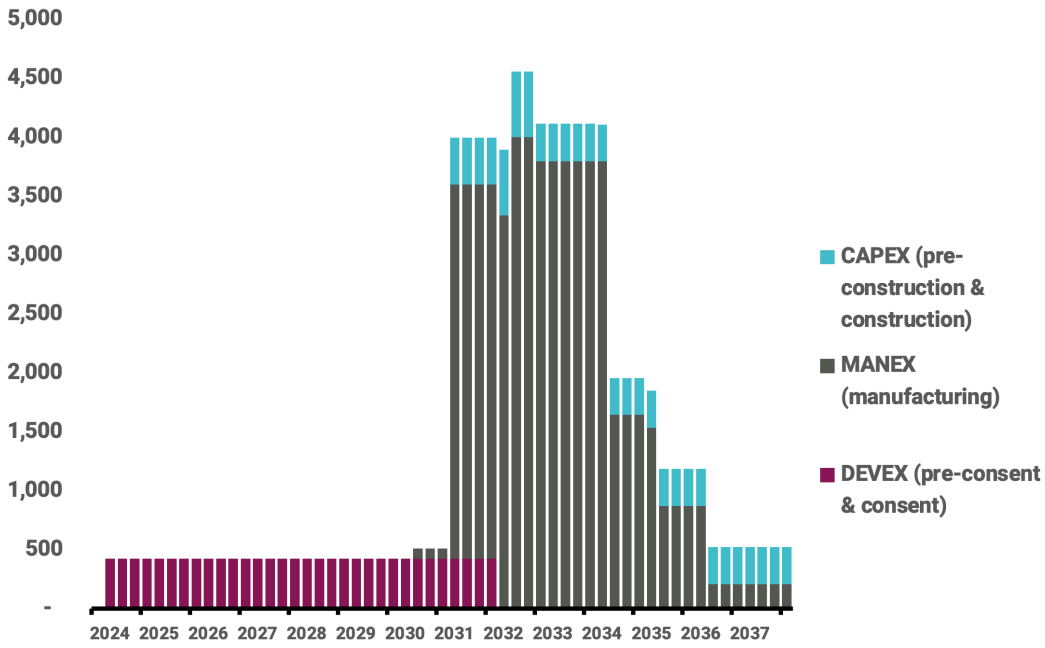
	Scotland	UK
CAPEX		
GVA (£m)	£1,031 m	£2,074 m
Years of Employment	15,080	29,570
Annual OPEX		
GVA (£m)	£15 m	£34 m
Jobs	180	330
DECEX		
GVA (£m)	£49 m	£75 m
Years of Employment	600	910

Source: BiGGAR Economics Analysis.

5.7 Impacts Over Time

The development and construction phase of the Bellrock Project is expected to take place over a thirteen-year period from 2024 to 2037 (with construction between 2031 and 2037), including activity that has already occurred. The economic impacts described in Sections 5.3 to 5.6 are expected to be distributed across this period. This analysis considered how impacts from directly contracted companies and their supply chains are likely to be phased over time.

Figure 5-6 Development and Construction Jobs over Time (Direct and Indirect)



Source: BiGGAR Economics Analysis.

Employment in the UK is projected to peak in 2032, with approximately 4,560 job-years supported through direct contracts and supply chain activity. This peak aligns with the manufacturing and construction of offshore infrastructure and enabling works.

Across the full project lifecycle, peak employment is also expected in 2032. The chart below shows projected total employment in the UK associated with the Bellrock Project. Following the commissioning of the project, employment transitions to the long-term operational phase. From 2038 onwards, the project is expected to support a sustained level of approximately 330 jobs per year in the UK.

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