



Renewco
POWER

Supply Chain & Economic Impact of **Renewco Power's** M74 Corridor Cluster

MAXIMISING THE SOCIO-ECONOMIC
BENEFITS ON THE LOCAL COMMUNITY
& SOUTH LANARKSHIRE.

JULY 2026 | A REPORT BY



THE M74

CORRIDOR CLUSTER

Four energy parks in South Lanarkshire, being developed by Renewco Power.

M74 West · Ravengill · Watchman · Clyde South

APPROXIMATELY

430.3

MW combined generating capacity of wind energy

UP TO

113

MW solar photovoltaic (PV) array

APPROXIMATELY

200

MW battery energy storage system (BESS)

UP TO

65

turbines

A report by BiGGAR Economics for Renewco Power · July 2026



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M74 CORRIDOR CLUSTER'S ECONOMIC OPPORTUNITY

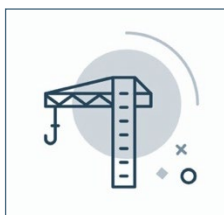
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CONCLUSION

1. Executive Summary

Renewco's M74 Corridor Cluster will maximise the socio-economic benefits it will have on the local community and South Lanarkshire through the actions and commitments made by the developer.

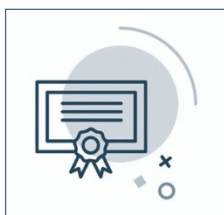
The National Planning Framework 4 states that energy projects will only be supported if they can demonstrate that they will maximise the net economic impact. The assessment of whether the Cluster projects will maximise these benefits is based on the commitments and actions that the developer has taken on **supply chain development and skills development**. This considered what Renewco Power has direct control over, and how it can enable others to have a positive impact.



SUPPLY CHAIN

Renewco Power is committing to a programme that will **grow South Lanarkshire's energy-sector supply chain, boost SME participation, and equip the local economy for the next decade of energy development**. The plan focuses on:

- **Opening the onshore-wind supply chain to local SMEs** by removing participation barriers;
- **Coordinated action with key partners:** the Chambers of Commerce, Business Gateway, Community Councils and regional developers; and
- **Delivering a new BizGive-powered platform** to map local supplier capability, drive stakeholder engagement and transparently report economic impact.



SKILLS DEVELOPMENT

Renewco Power is committed to **build a local workforce for South Lanarkshire's future energy economy**. Key commitments include:

- **Early-pipeline engagement with local schools**, such as Biggar High School, to promote careers in onshore wind;
- **Stronger pathways through further education**, working directly with local colleges and the Energy Skills Partnership (ESP) to support relevant courses, student projects and placements; and
- **Raising employment standards by becoming a Living Wage Employer:** accredited employer and encouraging its supply chain to follow suit.

All commitments will be delivered in partnership with the Council and the emerging **South Lanarkshire Development Forum** to maximise regional benefit.

This approach is designed to maximise the net socio-economic benefits to both Scotland and South Lanarkshire.

£1.5 billion will be invested in operations & maintenance over the forty-year lifetimes of the projects, of which £730 million will be spent in South Lanarkshire & £1.2 billion spent across Scotland

DURING THE DEVELOPMENT & CONSTRUCTION:

- £41 million Gross Value Added (GVA) and 556 job years (c.205 at peak) in South Lanarkshire¹;
- £130 million GVA and 1,690 job years (c.685 at peak) in Scotland;
- Main local opportunities: Balance of Plant Contracts.

ON AVERAGE IN EACH YEAR OF THE 40-YEAR OPERATIONAL LIFE:

- £14 million GVA and 87 jobs in South Lanarkshire;
- £26 million GVA and 210 jobs in Scotland;
- Main local opportunities: Site and Turbine Maintenance Contracts.

This economic activity, and the commitments outlined above, will contribute to the **human, economic, social, and natural capital** of South Lanarkshire. This will increase the resilience of these communities and support their long-term economic development.

¹ Temporary contracts like construction contracts are expressed as job years while operations and maintenance contracts are expressed as annual jobs. Job years are used to report the short-term employment that is supported by the construction and development of a wind farm. As an example, a job that lasts for 18 months would support 1.5 job years.

2. Introduction

BiGGAR Economics was commissioned by Renewco Power to assess the potential economic impact of the M74 Corridor Cluster of Onshore Wind Farms being developed in South Lanarkshire.

2.1 Background & Aims

This report assesses the potential supply chain and economic impacts of the M74 Corridor Cluster. The Cluster comprises of four energy parks: M74 West, Ravengill, Watchman and Clyde South which are located in South Lanarkshire.

Figure 2-1: Location of M74 Corridor Cluster in South Lanarkshire



Source: BiGGAR Economics using Datawrapper.



It is expected that the Cluster will have a combined generating capacity of approximately 430.3 MW of wind energy. The Cluster will also include a solar photovoltaic (PV) array with capacity up to 113 MW, battery energy storage system (BESS) with total capacity of approximately 200 MW, and associated infrastructure.

The objectives of this study are to:

- Demonstrate the number of jobs the Cluster could support;
- Understand the scale of investment that Renewco Power will commit to Scotland;
- Demonstrate Renewco Power's contribution to Scottish Government targets around onshore wind and economic growth; and
- Demonstrate that Renewco Power is taking its commitment to maximising socio-economic benefits by signing up to actions that will enhance the impact of the Cluster on communities.

2.2 Report Structure

The report is structured as follows:

- Section 3 places the developments in the context of national and regional economic strategies;
- Section 4 outlines the net economic benefits of the Cluster on the surrounding communities and an assessment on Renewco Power's approach to maximising these benefits;
- Section 5 considers the economic impact of the M74 Corridor Cluster.

3. Strategic Economic Case

The M74 Corridor Cluster is expected to play an important role in the economic growth in South Lanarkshire, aligning with energy transition ambitions in Scotland.

3.1 Energy Transition and Economic Development

3.1.1 National Performance Framework

The National Performance Framework² (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 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 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.

² Scottish Government, Scotland’s National Performance Framework.

THE 11 NATIONAL OUTCOMES ARE:

CHILDREN & 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 & 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 M74 Corridor Cluster will contribute to Scotland's Net Zero targets, while creating high-skilled jobs and supporting the strategies and goals of local communities. Through these channels, the Cluster will be a key driver for 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 Cluster. 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”.

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.”*

The M74 Corridor Cluster contributes significantly to Scotland's Net Zero targets and looks to maximise the socio-economic impact for each of the Cluster projects. This is being done through various channels such as a community benefit fund which will adhere to the Scottish Governments best practice.

Whilst NPF4 does not provide details on how onshore wind developments should be assessed against this test, what is meant by the Scottish Government when it states that it wishes to “maximise net economic impact” can be seen in other policy documents, including the Onshore Wind Sector Deal.

3.1.3 Scottish Onshore Wind Sector Deal (SOWSD)

SOWSD⁴, published in September 2023, establishes a series of commitments between the Scottish Government and the onshore wind industry to achieve Net Zero targets through a collaborative approach. This partnership aims to deliver 20GW of onshore wind capacity by 2030, whilst maximising the economic benefits for Scotland and prioritising community involvement and benefit.

³ Scottish Government (2023). National Planning Framework 4

⁴ Scottish Government (2023) Onshore Wind Sector Deal

The Onshore Wind Sector Deal highlights what the sector can do collectively and in partnership with the Scottish Government.

Under supply chain, skills and circular economy commitments, the onshore wind sector commits to addressing skills gaps by committing to apprenticeships, training opportunities, and skilled job creation across related industries for the duration of the sector deal. Onshore wind pipeline data will be used to identify geographic clusters for operations and maintenance, encouraging co-investment in facilities and infrastructure in Scotland to deliver local economic benefits.

The sector commitments also include publishing data on local content in supply chains and in operations and strategic action to promote supply chain opportunities and enhance local content.

The sector commits to early engagement with communities, ensuring agreements on benefits align with local priorities and are established before key financial decisions. Transparency in community benefit fund management and reporting is prioritised and efforts to encourage and simplify shared ownership models are also a key focus.

This Deal identifies measures to maximise economic and community impacts, offering further clarity and actions on the concept of maximising net economic benefit. This report highlights the actions undertaken by Renewco Power in the context of the Cluster in South Lanarkshire.

This collective approach underscores a commitment to a just transition, where communities actively participate in and benefit from Scotland's renewable energy transformation. Sector initiatives to support this may include improving energy efficiency, installing solar panels, providing low-carbon heating for homes, and establishing EV charging stations in community areas.

3.1.4 South Lanarkshire Connect Council Plan 2022 – 2027

South Lanarkshire has a number of Strategies working together to support and improve the local economy. These include Promote - the South Lanarkshire Economic Strategy, the South Lanarkshire Tourism Strategy, the Local Transport Strategy, the Park and Ride Strategy. The Economic Strategy is focused on three key themes of sustainable economic development:

- people;
- place; and
- business.

More specifically, South Lanarkshire council will focus on:

- Working in partnership with other key agencies
- Using data to inform key decision-making
- Support startups and social enterprises and helping existing businesses to grow and maintain jobs
- Make training and jobs more accessible to the local community
- Attracting investment and creating spaces that appeal to workers and businesses

The M74 Corridor Cluster will directly support these aims in a variety of ways. The Cluster will create jobs in the South Lanarkshire region and across Scotland as a whole. These are high quality jobs that provide long term security.

A benefit of creating these additional jobs is that the M74 Corridor Cluster will be training their workers to meet the requirements of the role. These are technical roles which provide skills that are transferable across a number of high value sectors.

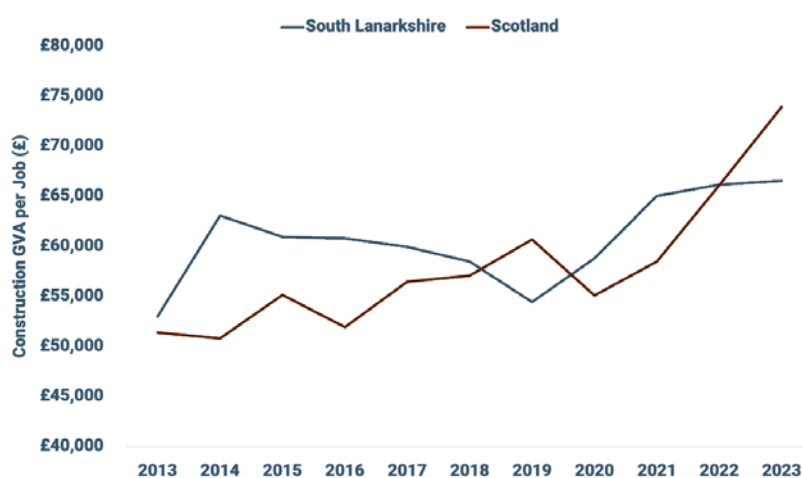
3.2 The Role of the M74 Corridor Cluster

3.2.1 Role of M74 Corridor Cluster in South Lanarkshire

The M74 Corridor Cluster will bring South Lanarkshire closer to its strategic goals of reaching net zero, expanding the region's supply chain capabilities and creating long-lasting high-quality jobs accessible to workers in the local community.

Despite the significant effects of deindustrialisation with the closure of mines, mills and factories which shaped its economy since the 1950s, South Lanarkshire has a significant base in construction and professional activities. Both sectors combined make up approximately 13.2% of the jobs in the region, which is higher than the share of Scotland, 12.3%⁵. These sectors are highly relevant to the renewables industry and provide a strong starting point for expanding the regions local supply chain.

Figure 3-1 Construction GVA per Job, 2013-2023

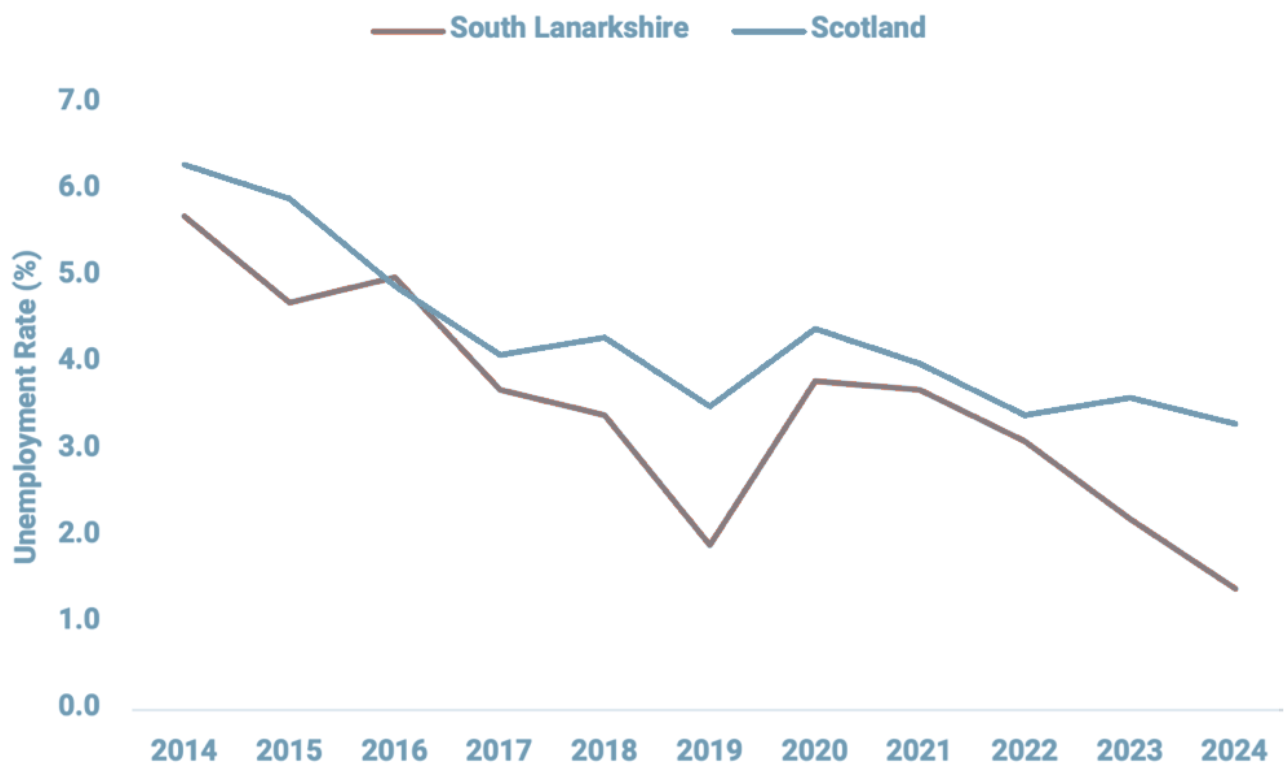


Source: Scottish Annual Business Statistics 2023

⁵ Office for National Statistics (ONS) (2024), Business Register and Employment Survey 2024

The economic contribution and productivity of the construction workforce in South Lanarkshire is in line with that of the rest of Scotland. Figure 3-1 shows that construction GVA per job in South Lanarkshire has remained similar to Scotland over the last 10 years, indicating a good workforce capability. The M74 Corridor Cluster would help build on this foundation through the creation of high-quality job opportunities in the sector that would support the improvement of productivity above the average.

Figure 3-2 Unemployment Rate (16-64 Year Olds), 2014-2024

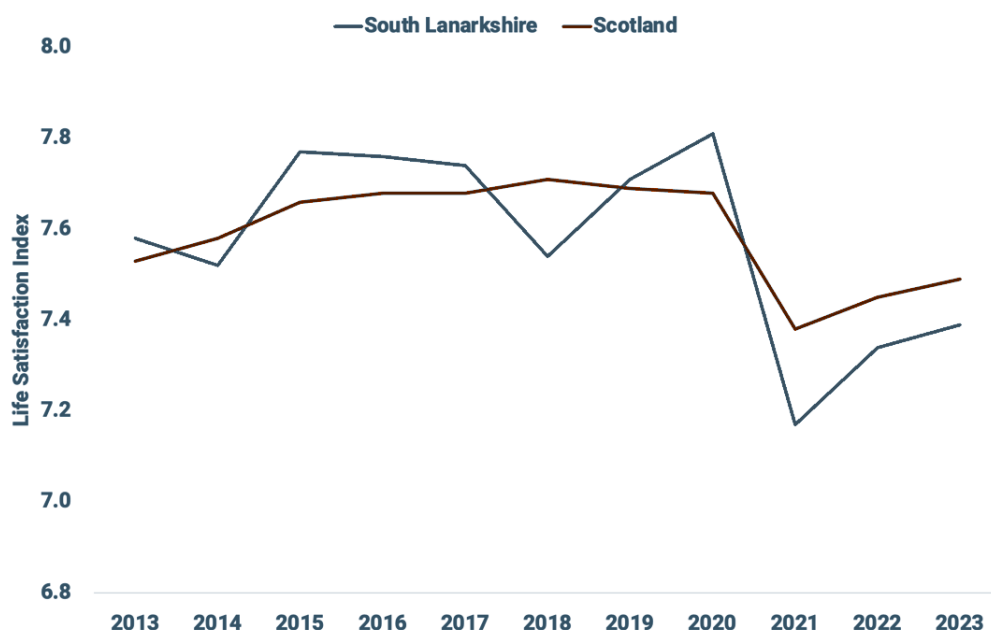


Source: Office for National Statistics (ONS) (2025), Annual Population Survey 2024.

The unemployment rate in South Lanarkshire has remained consistently lower than that of Scotland over the last 10 years with an even larger divergence in 2024. This shows a relatively strong local labour market, although low unemployment may also indicate a tighter labour market and greater competition for workers. As a result, meeting labour demand for the M74 Corridor Cluster is likely to depend on attracting workers from the wider region, alongside workforce development and training initiatives where required.

Another important aspect to consider is South Lanarkshire's ageing population. With the M74 Corridor Cluster creating a hub for high-value work, it stands to make the region more attractive to the working-age population. The National Records of Scotland (NRS) project the 65+ population will increase by 28% in South Lanarkshire by 2043, which is similar to the Scottish average.

Figure 3-3 Life Satisfaction, 2013 – 2023



Source: Office for National Statistics (ONS) - Personal well-being estimates by local authority 2023

Figure 3-3 displays a measure of life satisfaction for South Lanarkshire and Scotland as a whole. Both measures follow a similar pattern however, South Lanarkshire is more volatile than Scotland which is most likely a result of a smaller sample size. The M74 Corridor Cluster and other renewable developments in the area will create more opportunities for communities to attain high value jobs which is known to have a positive effect on overall life satisfaction⁶.

3.2.2 Pipeline Context in South Lanarkshire and the South of Scotland

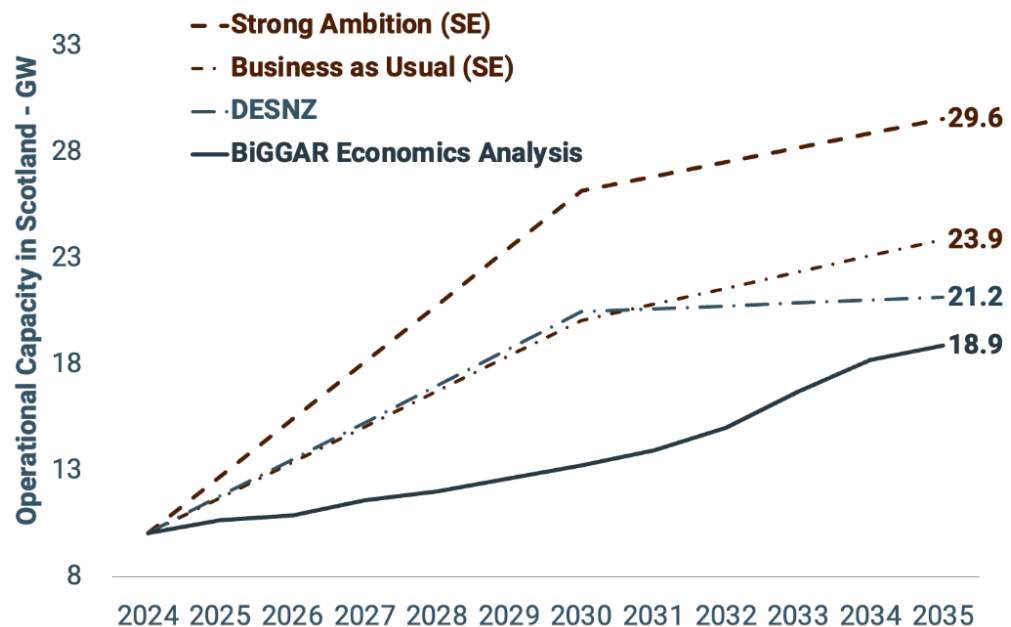
The proposed M74 Corridor Cluster of onshore wind-led renewable energy projects in South Lanarkshire forms part of a wider cluster that is being developed in South Lanarkshire as it contains Scotland's main access routes with the M74 Motorway, West Coast Main railway line along with other key infrastructure including gas, telecommunications and the 400kv Overhead line which is the main onshore electrical grid connection between England and Scotland.

With Renewco Power proposing a number of linked developments, there is an opportunity to display the advantages associated with multiple developments being managed by the same developer including knowledge sharing, cooperation and more efficient resource allocation. This may encourage other developers to collaborate on future projects resulting in greater acceleration towards net zero targets and greater socio-economic outcomes.

⁶ BiGGAR Economics (2022), Quantifying the Wellbeing Contribution of Job Quality.

The projections for deployment of onshore wind in the South of Scotland are shown in Figure 3-4. The analysis suggests that by 2035, onshore wind operational capacity will reach 18.9 GW across Scotland and 10.0 GW in the South of Scotland.

Figure 3-4 Onshore Wind Deployment to 2035



Source: BiGGAR Economics Analysis using data from Energy Pulse Database 2025

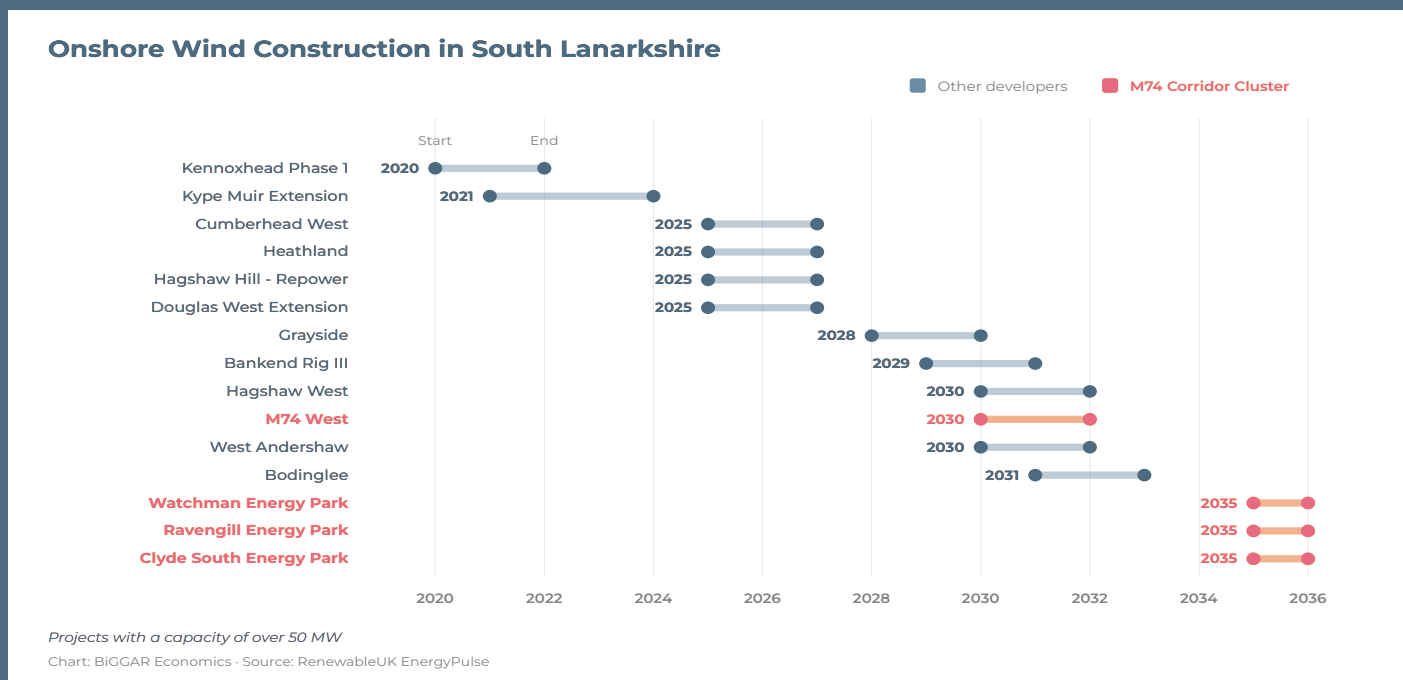
By 2035, the installed onshore wind capacity would still be below all targets for 2030 in Scotland. It will also fall short of the 2035 targets set out by Scottish Enterprise by at least 2.3 GW for Scotland and 1.9 GW for the South of Scotland. This is why it is crucial that projects such as the M74 Corridor Cluster are approved as these would contribute to achieving Scotland's sectoral targets and encourage new projects to enter the pipeline accelerating the whole process.

In Figure 3-5, the pipeline of Onshore Wind developments in South Lanarkshire is shown. From 2025 to 2035, Energy Pulse expects 45 projects totalling 1.8 GW to start construction at some point between 2025 and 2035.

The current onshore wind pipeline in South Lanarkshire will deliver an average annual investment of at least £270 million for 10 years

The M74 Corridor Cluster makes up a significant portion of these projects and is therefore a key driver for South Lanarkshire's growth and investment ambitions.

Figure 3-5 Onshore Wind Construction Timeline in South Lanarkshire



3.2.3 Skills in Scotland's Onshore Wind Industry

A study carried out by Optimat Ltd⁷ delivered on one of the commitments identified in the Sector Deal, to publish a paper identifying the range of skills needed by the industry to deliver the 2030 target. This section identifies the findings and how the M74 Corridor Cluster supports the recommendations made in the report.

The study finds that to meet the Sector Deal's 2030 ambition, the onshore wind sector workforce will need to increase from around 6,900 FTE (full time equivalent) in 2024 to approximately 20,500 FTE in 2027. Most of these roles will be in high value industries such as construction and installation of wind farms. Those already in the onshore wind workforce have the necessary skills, however, the challenge is getting workers to join the sector and reskilling/upskilling individuals from other sectors. Otherwise, the sector will struggle to complete projects on time, maintain existing wind farms and maximise socio-economic benefits. More specifically, there will be significant shortages in technical roles, skilled planners and environmental consultants.

The M74 Corridor Cluster will be a part of the solution to the skills shortage by creating the conditions for targeted skills development. By creating significant number of high-quality jobs that were identified in the Optimat report as key roles for meeting the onshore wind sector's workforce needs in the long run, the Cluster supports a sustained demand for skills, providing the incentive for local and regional training investments. Due to the nature of the projects being developed by Renewco Power in the South Lanarkshire

⁷ Morrison et al. Mapping the current and future workforce and skills requirements in Scotland's onshore wind industry 2024.

region, this has the opportunity to create significantly greater benefits for the surrounding area as it is more likely that Renewco Power will use the same local suppliers for each project and so the Cluster has greater potential to maximise socio-economic benefits within the region.

This is in addition to the likely expansion of the local supply chain that would be needed to facilitate these developments.

Renewco Power is considering various actions to support skills development in the M74 Corridor Cluster, and these are outlined in detail in Section 4.3.

3.2.4 Construction Sector's role in Social Mobility

The majority of the employment opportunities for individuals in South Lanarkshire are likely to be via the construction sector, as part of the balance of plant contracts.

Construction sector jobs represent an opportunity for a long-term improvement in economic and social outcomes through enhanced social mobility. A report published by the Chartered Institute of Building (CIOB)⁸ considers the role that the construction sector has in supporting social mobility in the UK. It highlights that according to the OECD, the UK scores near the bottom on most measures of social mobility compared to other advanced nations. The construction sector is particularly good at generating opportunities for long term benefits for new entrants because:

- unlike most other sectors, the construction industry has maintained a high proportion of trade skills within the workforce. This means that the industry is still attractive in terms of the number of high value jobs available as, historically, these occupations have provided a channel to access more senior roles;
- recruitment into the construction industry has a major advantage for social mobility in that it takes on workers with lower academic qualifications and provides opportunities for progression whereas for professional service roles there are often high barriers to entry through the need for higher education qualifications or previous experience.
- the construction sector accounts for 40% of all skilled trades occupations for young people entering the labour market. This shows the role the construction sector plays in being a major source of high-quality jobs that are accessible for individuals with non-academic skillsets.

By creating a significant level of demand in the construction sector in South Lanarkshire, the M74 Corridor cluster will increase the number of employment opportunities for new entrants into this sector locally. These new entrants will have the opportunity to benefit from the training, skills and improved economic outcomes that the construction sector provides.

⁸ Chartered Institute of Building (CIOB) – Social Mobility and Construction: Building routes to opportunity

4. Maximising Net Economic Benefits

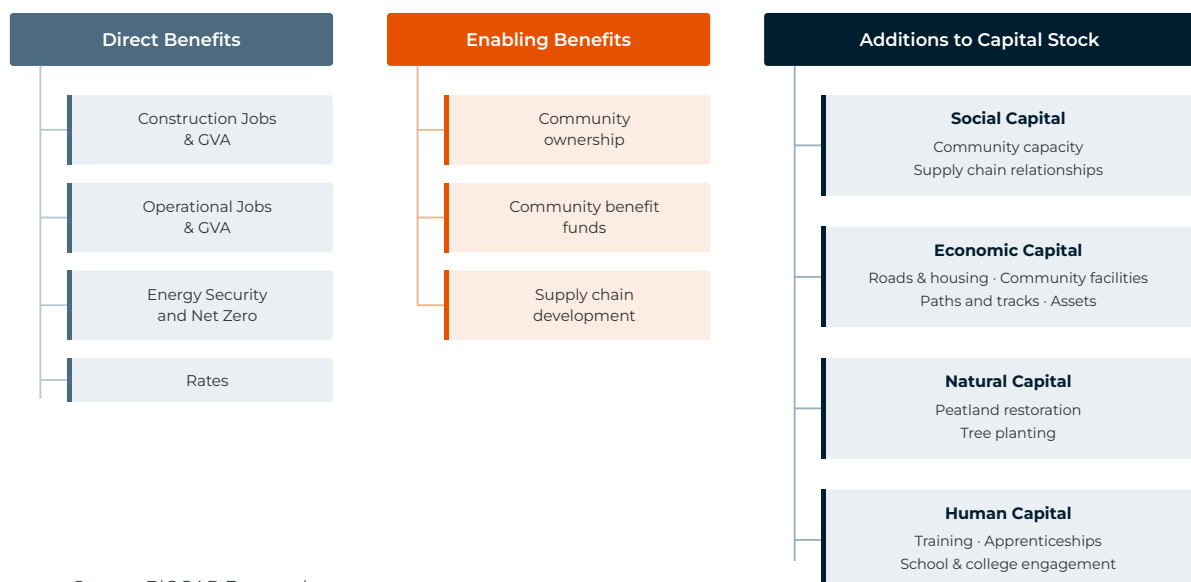
The M74 Corridor Cluster delivers a comprehensive package of economic and wider benefits and, in this way, maximises net economic benefits.

4.1 Approach

The purpose of this section is to consider how Renewco Power will maximise the net economic impact of the Cluster in South Lanarkshire. This will consider the different types of benefits that are generated by onshore wind projects. Examples of these are given in Figure 4-1, and this covers:

- **Direct Benefits** – these are the benefits and impacts over which the developer has direct control and can most easily influence. This can include the economic impacts generated by the projects and their contribution to public policy and public finances;
- **Enabling Benefits** – many of the potential positive impacts associated with an onshore wind farm are not within the control of the developer. These can include how communities invest any funding made available and how the supply chain builds capacity through the project. However, the developer can influence and support these organisations and individuals to maximise these enabling benefits and therefore it is appropriate to consider how the developer is working to maximise these enabled benefits; and
- **Additions to Capital Stocks** – the development of an onshore wind project should leave the local communities wealthier across all types of capital stock, including human, social, economic and natural capital.

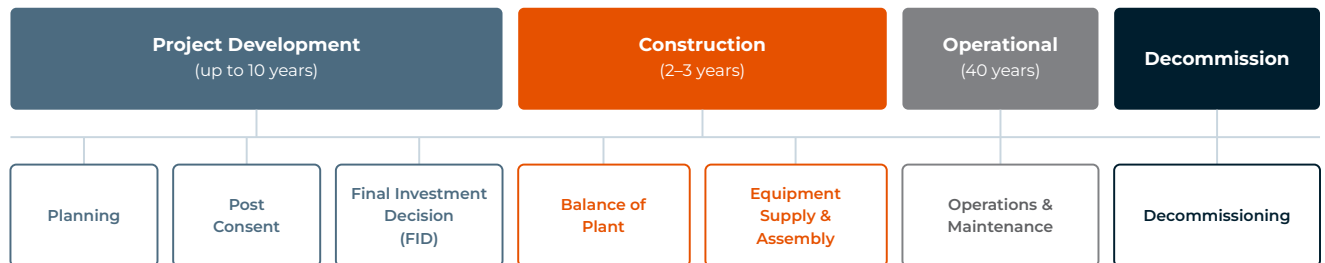
Figure 4-1 Types of benefits from onshore wind in Scotland



Source: BIGGAR Economics.

The assessment of whether a project maximises the net economic impact is mindful of the process of building an onshore wind farm and the period in which this assessment takes place. The development timeline is outlined in Figure 4-2.

Figure 4-2 Example of Onshore Wind Farm Development and Timeline per Phase



Source: Scottish Renewables

The M74 Corridor Cluster in South Lanarkshire has an even more complicated timeline, with projects entering construction at different times, depending on the contracted grid connection date.

Whilst there is currently no government guidance, best practice is being established and the sector organisation, Scottish Renewables in 2025, have published guidance to support developers in delivering and maximising benefits. This guidance is designed to identify several principles that can be used to make a judgement on whether the Cluster projects are maximising net economic impact. These include:

- **PLACE-BASED:** every project and every community is different, so packages of benefits that are tailored around the needs and capacity of the community in question are likely to generate greater benefits than a standardised approach.
- **INNOVATIVE:** many of the benefits that have been realised by renewables to date have happened because of innovation at the project level. To maintain this culture of continuous improvement developers must continue to innovate.
- **COLLABORATIVE:** many of the benefits of renewable energy developments are not directly within the gift of developers. They will require input and support of others in the public, private and third sector to realise, making a collaborative approach essential.
- **TRANSPARENT:** effective collaboration requires the parties involved to trust each other and an open and transparent approach is crucial for establishing this trust.
- **FLEXIBLE:** a lot can change between project inception and completion, and these changes can make a big difference to the benefits ultimately realised. A flexible approach that responds positively to such changes is therefore important.
- **DELIVERABLE:** providing communities with realistic expectations about what can be delivered during the construction and operation phase of a project will help achieve trust with relevant stakeholders.

These principles highlight that in considering whether the Cluster projects maximise net economic impact, it is necessary to consider both the

economic impacts that are expected and the approach that Renewco Power is taking to ensure these benefits are consistent with community needs.

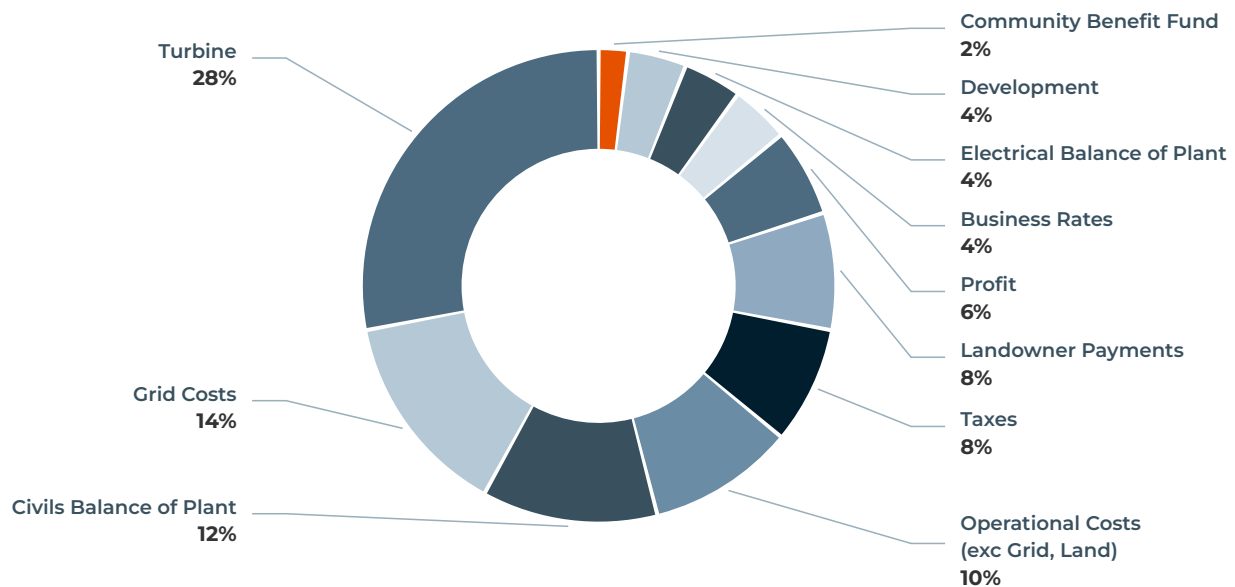
The focus of the assessment is on proposed approaches across supply chain engagement and skills development. This is mindful of the development timelines outlined in Figure 4-2 and the point at which impacts are likely to occur. These themes are broken down in separate sections below.

4.2 Supply Chain Development

4.2.1 Maximising Benefits through the Supply Chain

The supply chain is vital for maximising economic benefits from wind farm development. The distribution of the income of a typical onshore wind farm in Scotland is shown in Figure 4-3. This shows that the majority of the value of an onshore wind farm is captured within various elements of the supply chain. Areas that Scotland can supply the majority of the work (such as development, the electrical and civil balance of plant and operational activities) account for at least 30% of the value of an onshore wind farm and therefore, maximising the supply chain opportunities from any project is crucial to maximising the net economic benefits of a project.

Figure 4-3: Distribution of Revenue of a Typical Onshore Wind Farm in Scotland



Source: BiGGAR Economics Analysis

Building local supply chain capacity allows developers to reduce costs while supporting regional economic growth. This approach brings together national policy and community expectations for local content and job creation.

Onshore wind developers can only utilise a local supply chain if it exists and is competitive at the time the developer needs the goods or services it could provide.

SOCIAL CAPITAL



Supply Chain Development can contribute to the development of social capital, in addition to the more obvious contribution to financial capital within these businesses.

The opportunity will be particularly relevant for Renewco Power and the M74 Corridor Cluster projects because of the wider cluster of onshore wind projects that will be developed in South Lanarkshire in the next ten years. The opportunities for repeat work within the business community can create bonds and networks within the supply chain that will encourage cooperation.

Effective capacity-building requires targeted outreach to raise awareness among local businesses about opportunities. This involves informing suppliers about technical standards, safety requirements and procurement processes and positions them to compete successfully for contracts. Clear communication of requirements and timelines gives local businesses the lead time needed to prepare, enhancing local competitiveness and reducing dependence on distant suppliers.

The supply chain serves as a strategic tool for developers to enhance economic returns, support communities and maximise local benefits in each stage of the development process while also strengthening the renewable energy sector's sustainability and commitment to deliver value.

4.2.2 Assessment Approach

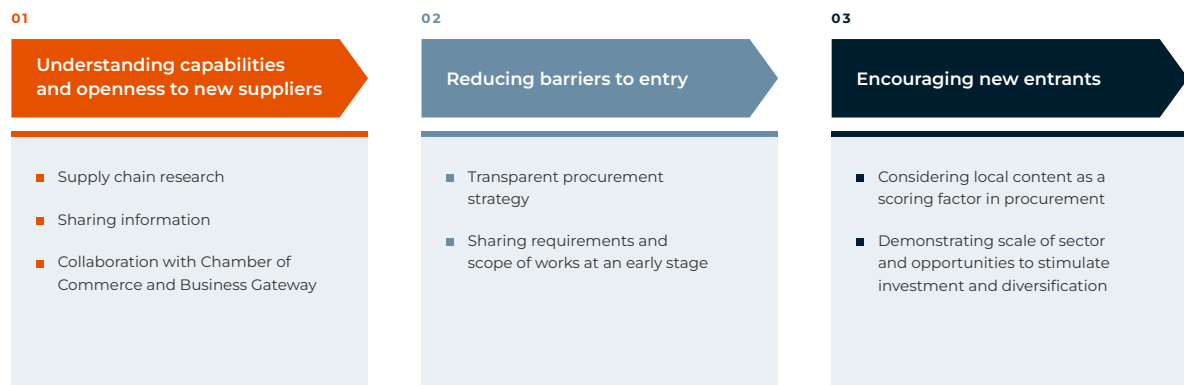
For a project to maximise its socio-economic benefits, it needs to be place-based, collaborative, flexible, transparent and innovative. For maximising benefits through the supply chain, this would mean the developer would need to:

- **research the local business base**, to understand the capacity to provide the goods and services needed and identify opportunities to support supply chain development;
- take reasonable steps to **maximise local supply chain content**, including working with Tier 1 contractors to make use of local suppliers;
- adopt **progressive procurement practices** that make it easier to make use of small local businesses and social enterprises; and
- supporting ongoing efforts to **increase regional supply chain capacity** and clusters of expertise.

4.2.3 Renewco Power's Actions and Commitments

Renewco Power is aware that the development of its projects, and others in the local area, represent an increase in aggregate demand for goods and services in South Lanarkshire. To enable the local area to maximise the benefits of this increased demand, there needs to be an increase in the supply chain to meet this demand and a willingness of Renewco Power, and others, to engage with and commission this increased demand.

Figure 4-4 Approach to supply-side development in South Lanarkshire



Progressive procurement processes that support SMEs, employee-owned businesses, social enterprises, co-operatives and community businesses, can help achieve the abovementioned. 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.

Renewco Power 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 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 South Lanarkshire as it has a particular strength in the construction sector. In addition, 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.

Renewco Power 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.

Renewco Power is committed to practical steps to remove barriers to entry for local SMEs to participate in the onshore wind supply chain

Furthermore, Renewco Power 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, insurance 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, Renewco Power 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.

There is a potential commitment to working with Scottish Enterprise to align local supply chain activity with regional economic objectives. This will help connect local suppliers to wider opportunities, identify areas for development and ensure that economic benefits are retained and shared across the region.

Renewco Power is working with the **BizGive** software platform to collate information on the local area and provide local stakeholder engagement, and reporting. Work will continue with the BizGive software platform 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 team and shared with their supply chain and lead contractors. Renewco Power is aiming to share this information with other renewable energy developers in the area, fostering strong collaboration. By making this information accessible, it becomes easier to identify local suppliers, reduce duplication of effort and streamline procurement leading to more efficient delivery of projects and increased support for local businesses.

Renewco Power is committed to supporting local companies to invest so they can participate in the onshore wind supply chain

Considering the number of projects in the area, supply chain commitments will be delivered in collaboration with South Lanarkshire Council and other developers, rather than on a project-by-project basis. This is in alignment with the emerging **South Lanarkshire Development Forum**⁹.

4.2.4 Assessment of Maximising Economic Benefit Principles

This section considers whether the actions and commitments of Renewco Power on the supply chain meet the principles required for them to maximise the local benefits.

⁹ OnPath Energy (2025) *Developer Forum set the stage for £3.6 bn wind power boom in South Lanarkshire*. Available at: <https://www.onpathenergy.com/about/news/developer-forum-set-the-stage-for-3-6bn-wind-power-boom-in-south-lanarkshire/> [Accessed Oct 2025].

• PLACE-BASED

Place-based benefit is clearly a priority and well-embedded.

Renewco Power's strategy is notably tailored to the **local context of South Lanarkshire**:

- Engagement with local planning authorities, chambers and Scottish Enterprise ensures supply chain strategies are grounded in the regional economic context;
- Inclusion of BizGive software platform to collate information on the local area which will be useful for Renewco Power, other developers, supply chain and lead contractors to understand the local businesses; and
- Application of knowledge from completed local projects, can help respond to the **specific characteristics of the local area**, supply chain and economy in its future projects.

• COLLABORATIVE

Renewco Power shows clear evidence of working with others to co-deliver benefits:

- Renewco Power demonstrates a multi-stakeholder approach, working with community councils, chambers, contractors and other renewable energy developers in South Lanarkshire;
- Structured collaboration between Renewco Power and local businesses through actions like 'meet the buyer' events to increase awareness of opportunities and skills required; and
- Potential collaboration with other developers in South Lanarkshire sharing supply chain information collected through the BizGive platform.

• INNOVATIVE

The Applicant has proposed an innovative approach to supply chain development as part of its collaboration with BizGive. In particular, the software platform created to collect information on the local area that will be useful for the Applicant to understand the local businesses. This is an innovative approach to supply chain development which will also benefit other developers, lead contractors and the supply chain in the area.

• TRANSPARENT

Renewco Power has committed to reporting the supply chain information collected through the BizGive database, following the requirements which form part of the Onshore Wind Sector Deal. This includes sharing relevant information with other developers in the South Lanarkshire area. Renewco Power is open to reporting on other developments once completed to provide clear evidence of capabilities and economic outcomes to support future project plans.

• FLEXIBLE

The BizGive platform for supply chain data and engagement supports a flexible approach by providing real-time insights into local capabilities, enabling Renewco Power to adapt procurement and engage local businesses effectively. This helps to identify opportunities and respond to change. On-going collaboration with local business organisations, the council and other developers will strengthen this.

- DELIVERABLE

The proposals that Renewco Power has committed to are deliverable. There is nothing that has been proposed which would place an unmanageable financial burden on the developments and the process through which the Cluster will support the development of the local supply chain has been considered.

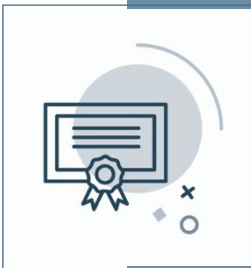
4.3 Skills Development

4.3.1 Maximising Benefits through Skills Development

Developing skills within the local region plays a pivotal role in maximising the economic benefits of wind farm projects. By investing in local workforce development and building relations with education and training providers the Developer can help ensure that the community directly benefits from the jobs and opportunities created by the project, thus fostering long-term economic growth.

Skills development enhances the **capacity of the local workforce** to meet the technical demands of the renewables industry. Offering training programs and upskilling opportunities ensures that local workers are prepared to take on both short-term construction roles and long-term operational positions, contributing to sustained employment.

HUMAN CAPITAL



Skills development is one of the key methods by which communities can build up human capital. Human capital includes the skills, knowledge and health/wellbeing that people accumulate throughout their lives. One of the ways in which this can be measured is through the total potential lifetime earnings of a community. A workforce with more skills is likely to earn more in the future.

In addition to greater potential lifetime earnings, a more skilled community has a greater level of economic resilience. Therefore, anything that can be done by the Applicant to develop skills will contribute to the long-term prosperity of the local area.

Building regional skills helps create a supply chain network, where local businesses can provide goods and services directly to the Cluster projects. This capacity-building in the local business community supports the growth of small and medium-sized enterprises (SMEs), driving economic diversification and resilience.

Through initiatives that target specific skills gaps and address industry requirements, the Developer not only maximises the immediate economic benefits of wind farm development but also fosters a skilled workforce that is competitive in future renewable energy sectors. This creates a foundation for the region's long-term economic vitality, ensuring that local communities remain integral to future renewable energy projects.

4.3.2 Assessment Approach

For a project to maximise its socio-economic benefits, it needs to be place-based, collaborative, flexible, transparent and innovative. For maximising benefits through skills development this would mean the developer would need to:

- **Adhere to progressive employment and recruitment practices** that meet or exceed current industry best practices
- **Understand the local labour market** and its capacity to provide the skills needed in the short and longer term, and identify important skills gaps;
- **Build relationships with education and training providers** and work with them to implement the national skills strategy and
- Work collaboratively with relevant training/education partners and community bodies to **develop bespoke labour market development solutions**, including apprenticeships where appropriate.

4.3.3 Renewco Power's Actions and Commitments

While developing the Cluster projects, Renewco Power 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 Renewco Power'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 other services mentioned in the previous paragraph, much of which the company expects to source locally.

Where Renewco Power can make the largest workforce impact with its resources is through development of skills and working with educational institutions in the region. It has been **engaging closely with Biggar High School**, providing presentations on careers in the renewables sector and taking part in school careers events. Renewco is also promoting a scholarship programme, tied to the catchment area of Biggar High School and subject to agreement with the community. Renewco Power has a long-term pipeline of developments in South Lanarkshire and therefore those pupils who are currently at school in the area have the potential to be the individuals who find work on these projects. Part of Renewco Power's approach is raising awareness of the range of opportunities in the onshore wind sector.

Renewco Power is looking to build relationships and engagement with local colleges directly and through the **Energy Skills Partnership (ESP)**. This engagement will cover skills development through support for course and curriculum guidance, educating students about renewable energy projects, and inspiring students to study science, technology, engineering, arts and mathematics (STEAM) and other relevant subjects to work within the sector. Considering the number of projects in the area, these commitments will be delivered in collaboration with South Lanarkshire Council and other developers, rather than on a project-by-project basis. This is in alignment

with the emerging **South Lanarkshire Development Forum**¹⁰ which aims to provide better understanding of the local labour market. The Forum will collaborate with the local colleges contributing to the support of the abovementioned targeted curriculum developments and promotion of courses.

Collaboration with schools, colleges and universities would also involve support for student projects, internships and placements. 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 Renewco Power would 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. Renewco Power already pays a Living Wage to all its staff and has committed to formalising this by becoming an accredited Living Wage Employer. Renewco Power will also encourage their supply chain to do likewise, further widening impact.

4.3.4 Assessment of Maximising Economic Benefit Principles

This section considers whether the actions and commitments of Renewco Power on the skills development meet the principles required for them to maximise the local benefits.

• PLACE-BASED

Place-based benefit is embedded across the initiatives:

- Renewco Power commits to working with local schools, colleges, and universities, anchoring skills development within South Lanarkshire's existing educational infrastructure;
- Build relationships with local education institutions through the ESP and the support from the South Lanarkshire Development Forum; and
- Become an accredited Living Wage Employer to encourage also supply chains locally to do the same and increase their impact.

• INNOVATIVE

There is also moderate innovation, as Renewco Power is aiming to cover skills development through support for course and curriculum guidance, educating students about renewable energy projects, and inspiring them to study STEAM. The engagement with the South Lanarkshire Development Forum to understand better the local labour market strengthens this initiative further.

• COLLABORATIVE

Renewco Power is following a partnership-based model with a clear intent to develop and implement skills strategies in partnership with those who understand the local context. It commits to working with local educational institutions and building relationships through the ESP. This includes support of student projects and provision of placements and potential provision of scholarship programmes in agreement with the community.

¹⁰ OnPath Energy (2025) *Developer Forum set the stage for £3.6 bn wind power boom in South Lanarkshire*. Available at: <https://www.onpathenergy.com/about/news/developer-forum-set-the-stage-for-3-6bn-wind-power-boom-in-south-lanarkshire/> [Accessed Oct 2025].

The skills development commitments will be delivered in collaboration with the Council and other developers in the area, in alignment with the emerging South Lanarkshire Development Forum.

- **FLEXIBLE**

Skills development is typically a long-term objective, and interventions can take many years to have an impact on the labour market. Flexibility is therefore a challenge for skills development initiatives, as there needs to be a level of commitment and foresight on what the future skills demand will be.

Renewco Power's current approach to skills development is general, in the sense that it is not targeting specific trades or positions, at this point. The process of engaging with South Lanarkshire educational establishments and local supply chain companies will identify what the current gaps and needs are relevant to the onshore wind sector. However, this engagement will be ongoing and will therefore be able to evolve as priorities and requirements change.

In addition, the focus of placements and on the job training mean that new entrants can get into positions relatively quickly and be part of the industry as it changes. Those who are in work, will also be more likely to be able to adapt to gradual changes in both skills requirements and levels of demand, compared to those involved in longer periods of education outside the workplace.

- **DELIVERABLE**

The proposed commitments are deliverable because they are based on existing best practices and internal actions that Renewco Power has already committed to. The costs associated with the skills development initiatives will not be a barrier to their development and over time, should represent a net financial benefit to the sector which needs to grow its skills base.

5. M74 Corridor Cluster's Economic Opportunity

This section describes the economic impact methodology and estimates the economic impact from the construction and operation of the M74 Corridor Cluster.

5.1 Economic Impact Methodology

5.1.1 Modelling the Economic Impact of Onshore Wind Farm Developments

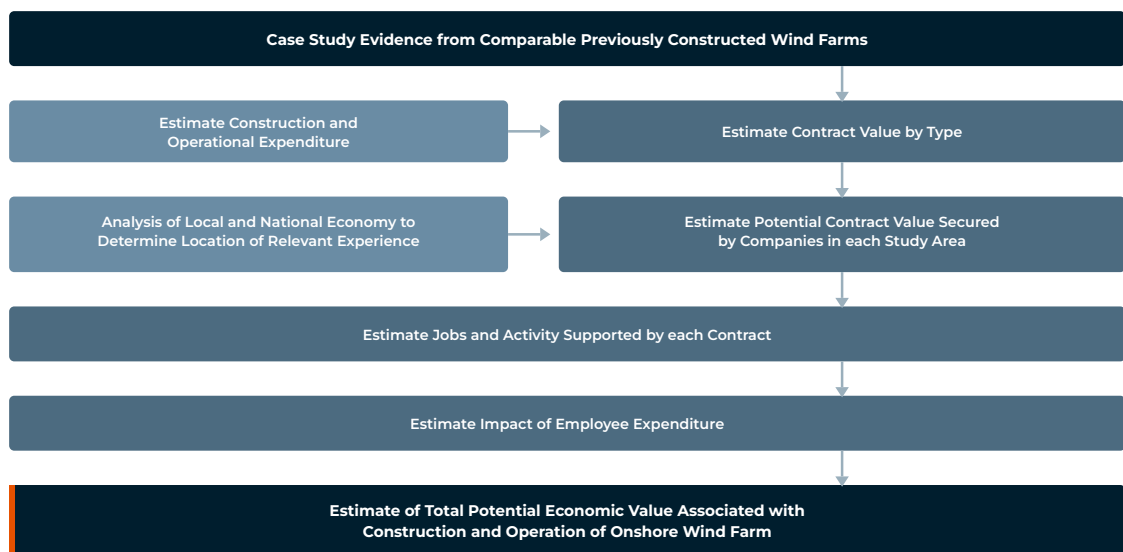
The methodology employed to assess the economic impact of onshore wind developments adheres to industry best practice. It leverages research, conducted by BiGGAR Economics in 2015 on behalf of RenewableUK¹¹, on the construction and operational costs from numerous onshore wind farm projects across the UK. Furthermore, the approach draws on more recent evidence gathered from a multitude of case studies of construction and operational costs in the sector.

The methodology has now been used to assess the economic impact associated with numerous onshore wind developments across Scotland. 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.

Figure 5-1 Approach to Economic Impact



Source: BiGGAR Economics

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

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 job years for temporary contracts and as annual jobs for operations and maintenance contracts. Job years are used to report the short-term employment that is supported by the construction and development of the wind farm. As an example, a job that lasts for 18 months would support 1.5 job years.

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 M74 Corridor Cluster;
- **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 M74 Corridor Cluster and on behalf of its contractors.

5.1.4 Study Areas

The assessment of economic impacts considered the following study areas:

- South Lanarkshire; and
- Scotland.

5.2 Development and Construction

The assessment of the economic impact arising from the development and construction of the M74 Corridor Cluster developments 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.

£80 million is expected to be spent with South Lanarkshire businesses and £195 million with businesses across Scotland during construction of the M74 Corridor Cluster over the next ten years

The M74 Corridor Cluster as a whole is expected to consist of up to 65 turbines with a total generating capacity of approximately 430.3 MW, accommodating solar power generators with around 113 MW capacity and battery energy

storage systems (BESS) with a total export capacity of 200 MW. It was estimated that the total development and construction expenditure is likely to amount to £703 million. The expenditure was split according to the following component contracts:

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

The greatest expenditure component was associated with turbines, equivalent to £320 million, or 46% of total development and construction spend. The following largest expenditure was associated with battery storage contracts, amounting to £132 million (19% of total expenditure) and balance of plants, equivalent to £114 million (16% of total expenditure). It was estimated that solar energy would account for 12% of total expenditure, development and planning for 1% of spending, and that grid connection would account for 6% of total expenditure.

Table 5-1: Development and Construction by Contract Type

	% CAPEX	Value (£m)
Development and Planning	1%	£6 m
Turbines	46%	£320 m
Balance of Plant	16%	£114 m
Grid Connection	6%	£45 m
Solar Energy	12%	£85 m
Battery Storage	19%	£132 m
Total	100%	£703 m

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

In assessing the economic impacts arising from the development and construction of the M74 Corridor Cluster, 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 Renewco Power's established work with contractors, it was estimated that approximately 28% of the M74 Corridor Cluster's contracts will be carried out by Scottish businesses, with a value of £195 million. It was estimated that spending on businesses based in South Lanarkshire would be approximately £80 million equivalent to 11% of total development and construction expenditure.

The greatest opportunity for Scottish businesses is expected to be in contracts associated with the balance of plant, which would be worth up to £101 million. Balance of plant contracts are also likely to be the largest opportunity for businesses in South Lanarkshire, worth up to £39 million.

Table 5-2: Development and Construction Expenditure by Study Area

	South Lanarkshire		Scotland	
	%	£m	%	£m
Development and Planning	22%	£1 m	73%	£4 m
Turbines	3%	£8 m	10%	£31 m
Balance of Plant	34%	£39 m	89%	£101 m
Grid Connection	37%	£17 m	73%	£33 m
Solar Energy	4%	£4 m	12%	£10 m
Battery Storage	9%	£11 m	12%	£15 m
Total	11%	£80 m	28%	£195 m

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)¹² code. Direct GVA was then estimated by applying the relevant turnover per GVA from the Scottish Annual Business Survey (ABS)¹³.

It was estimated that the development and construction of the Cluster is likely to generate £33 million direct GVA in South Lanarkshire and £83 million direct GVA in Scotland.

Table 5-3: Development and Construction, Direct GVA by Study Area (£m)

	South Lanarkshire	Scotland
Development and Planning	£1 m	£3 m
Turbines	£4 m	£15 m
Balance of Plant	£15 m	£41 m
Grid Connection	£6 m	£12 m
Solar Energy	£1 m	£4 m
Battery Storage	£6 m	£8 m
Total	£33 m	£83 m

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 Cluster will generate 471 direct years of employment in South Lanarkshire and 1,137 direct years of employment in Scotland.

¹² Office for National Statistics (2009), Standard Industrial Classification of industrial Activities (SIC 2007).

¹³ Scottish Government (2024), Scottish Annual Business Statistics.

Table 5-4: Development and Construction, Direct Employment by Study Area, and Contract Type (Years of Employment)

	South Lanarkshire	Scotland
Development and Planning	8	40
Turbines	95	271
Balance of Plant	182	508
Grid Connection	98	176
Solar Energy	13	43
Battery Storage	75	100
Total	471	1,137

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 Cluster. 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 Tables¹⁴ 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 Cluster will generate:

- £41 million GVA and 556 years of employment in South Lanarkshire; and
- £130 million GVA and 1,690 years of employment in Scotland.

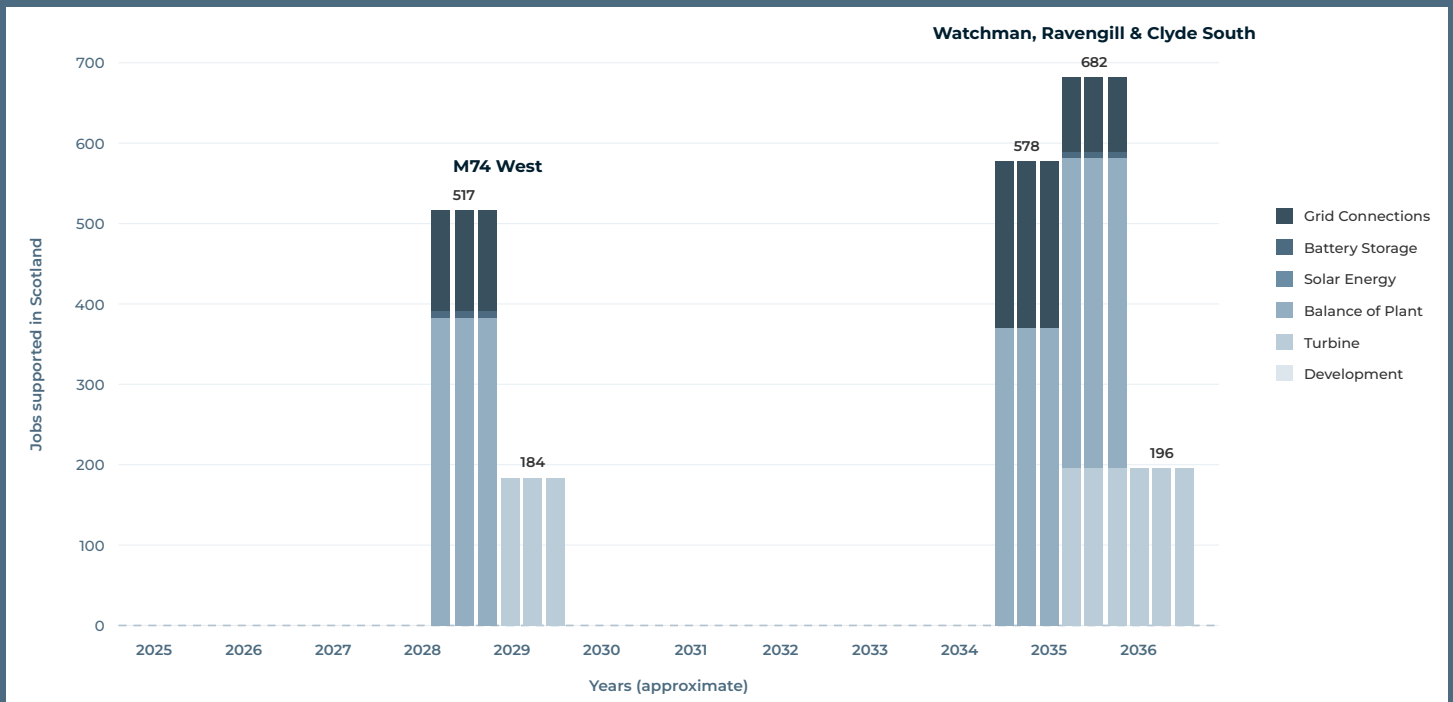
The estimated figures show that the M74 Corridor Cluster developments would contribute to the provision of high-quality local employment opportunities during the Development and Construction phase and help maximise the value of local expenditure. These are in line with the requirements of the NPF4 Policy 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 up to 685 jobs will be supported across the Scottish economy.

The employment profile over time is shown in Figure 5-2. Due to the expected connection dates, it is anticipated that there will be significant activity in 2028 and 2029 when M74 West is targeted to be constructed and then a period of low development activity until Ravengill, Watchman and Clyde South wind farms are constructed in the middle of the 2030s. This is subject to the grid connection where it may be possible to deliver some of these projects earlier than 2035.

¹⁴ Scottish Government (2024), Supply, Use and Input-Output Tables.

Figure 5-2 Employment impacts in Scotland over Time



Source: BIGGAR Economics Analysis.

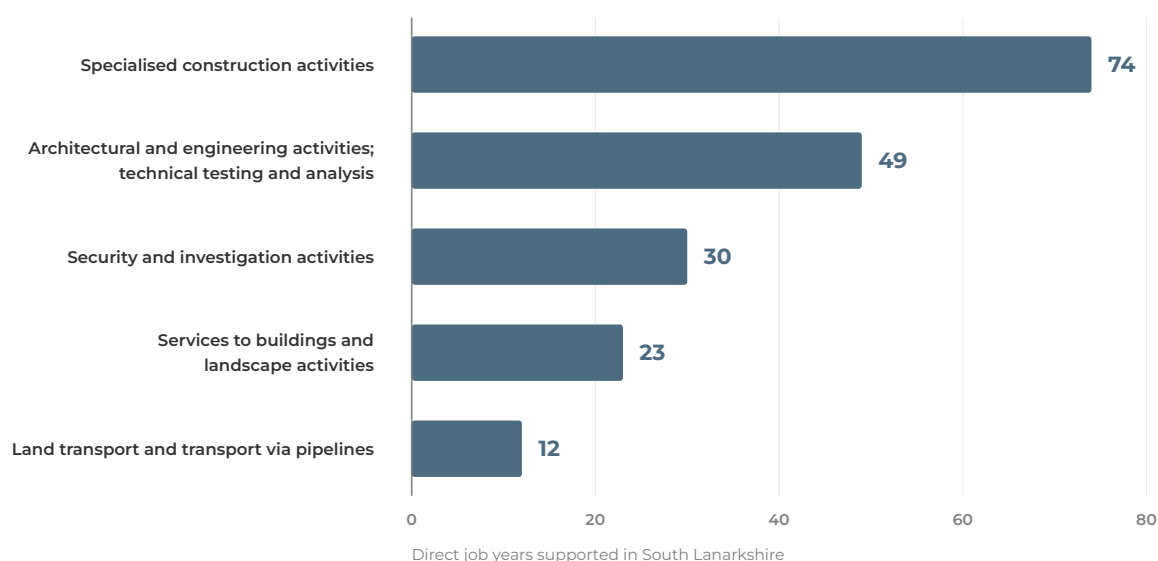
5.2.1 Opportunities in South Lanarkshire

There are a number of local opportunities associated with the construction of onshore wind projects. In particular, there will be opportunities related to balance of plant contracts, including:

- provision of stone and aggregate;
- plant hire;
- road/bridge surfacing works;
- fencing;
- tree surgery and forestry;
- drainage;
- cleaning;
- and other trades activities (plumbing, metal fabrication, electricals, joinery, painting and scaffolding).

In South Lanarkshire, the development and construction contracts associated with the Cluster projects represent a significant opportunity for employment in the 'Specialised Construction Activities', 'Architectural and engineering activities; technical testing and analysis' and 'Security and investigation activities' sectors. The development could directly generate 74 job years in the first sector, 49 in the second and about 30 in the third.

Figure 5-3 Top 5 Sector Opportunities in South Lanarkshire – Direct Employment



Source: BiGGAR Economics Analysis.

In addition, local accommodation providers will benefit from increased occupancy, including during the off-season.

5.3 Operations and Maintenance

The initial stage in determining the economic impact stemming from the operations and maintenance of the Cluster involved assessing the annual total expenditure necessary when all four sites are fully operational. Based on the number of turbines and the installed capacity, it was estimated that the annual cost of operations and maintenance (OPEX) is likely to amount to approximately £37 million.

It was further assumed that businesses in South Lanarkshire could benefit from a total £18 million in operations and maintenance contracts (49% of OPEX) annually and that annual expenditure in Scottish contractors could be up to £31 million (83% of OPEX).

Table 5-5 Operations and Maintenance Expenditure by Study Area

	South Lanarkshire		Scotland	
	%	£m	%	£m
Operations and Maintenance	49%	18	83%	31

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 Cluster is likely to generate £10 million direct GVA and 71 direct jobs in South Lanarkshire and £16 million direct GVA and 138 direct jobs across Scotland.



ECONOMIC CAPITAL

Economic Capital includes cash in the bank, property and other tangible assets that are used by an organisation to support its activities. The economic activity that will be supported by the M74 Corridor Cluster will enable the local business community to build up economic capital.

The direct income, and profits generated, will enable those businesses to invest in tangible assets. This will be further stimulated by the cluster development support outlined in Section 4.2. This capital investment will help these companies to compete in the future and generate additional economic activity.

The income received by the workforce can also contribute to increasing economic capital at a household level. South Lanarkshire has a greater proportion of the population without any savings, which makes households less resilient to shocks. Long periods of employment, particularly through cluster development, can enable households to build up economic capital.

In addition, the M74 Corridor Cluster will form part of the energy infrastructure that supports the Scottish economy. This infrastructure will therefore constitute an addition to the economic capital stock. The value of this contribution to economic capital will be greater than the other ways the project has contributed to economic capital because all the financial value is generated from the electricity it produces. However, because this contribution to capital stock is across the UK economy, this impact will be felt less acutely within the local community.

As with the development and construction of the Cluster, 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 Cluster will generate:

- £14 million GVA and 87 jobs in South Lanarkshire; and
- £26 million GVA and 210 jobs in Scotland.

Similarly to the Development and Construction phase, the estimated figures show that the M74 Corridor Cluster development would contribute to the continuous provision of high-quality local employment opportunities and help maximise the value of local expenditure throughout its operational lifetime. These are in line with the requirements of the NPF4 Policy 11(c).

5.3.1 Opportunities in South Lanarkshire

The largest contracts that will benefit organisations in South Lanarkshire during the operational phase of the wind farms are likely to be related to rents paid to the local landowners. These payments will enable them to diversify and expand their businesses.

The largest economic opportunity during the operational phase will be associated with the maintenance of the site and the turbines. It is estimated that once the four sites are fully operational, there will be 24 jobs directly supported in South Lanarkshire across these areas.

Jobs supported in the operation and maintenance of onshore wind tend to be in sectors that have relatively high levels of productivity and staff costs, such as the repair and installation of machinery, electric power generation, transmission and distribution and the rental sector¹⁵. This suggests that these are well-paid, high-quality jobs.

5.4 Community Benefits

Community benefits, an annual payment that is made by the developer to those communities in the proximity of the wind farms, 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 developer and the community hosting the developments.

To provide a framework on how to deliver community benefits, in 2019 the Scottish Government published its 'Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments'¹⁶, which updated previous guidance issued in 2015. 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.

¹⁵ Office for National Statistics (2022), UK Annual Business Survey 2020

¹⁶ Scottish Government (2019), Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments.

Following this recommendation, Renewco Power is proposing a tailored package of benefits for the community from the Cluster in South Lanarkshire and according to the current layout design and installed capacity, and a community benefit contribution of £5,000 per MW of installed capacity of wind and £400 per MW of solar, this could equate to community benefit funding for the local area worth £2.2 million annually, which is equivalent to £87.9 million over the operational lifetime of the projects combined.

This could support local aspirations and projects and generate economic impacts. The local needs and priorities can be identified from the community consultations taking place. The presence of the M74 Corridor Cluster would provide local communities with additional funding, which could be used to deliver short-term and long term strategic, large-scale projects/initiatives which create tangible and lasting benefits for local communities. These initiatives could include grants for domestic micro renewables, business grants and scholarship schemes.

5.5 Non-Domestic Rates

The M74 Corridor Cluster is expected to generate a stream of revenue to South Lanarkshire through the annual payment of non-domestic rates. The Cluster 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).

In 2023, the Scottish Assessors Association (SAA) published guidance on the valuation of onshore wind¹⁷ and solar PV developments¹⁸. The rateable value of the onshore wind elements was calculated using the expected income per MW, the expected annual net yield, the cost of equipment per MW and the decapitalisation rate. A similar approach was followed for the battery elements. For the solar elements, the unaccredited rateable value per MW was applied for the calculations. The annual liability of the M74 Corridor Cluster was then calculated by multiplying the estimated rateable value by the Scottish Higher Property Rate of 56.8 pence¹⁹.

Using this approach, it was projected that over its operational period, the Cluster could make a total annual contribution of approximately £8.2 million to public finances. Across a 40-year operational lifespan, this contribution towards non-domestic rates is anticipated to accumulate to around £328.3 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 over the next three years to be over £77.0 million²⁰. Although the non-domestic rates generated by the M74 Corridor Cluster would be distributed through Scotland's national system rather than being retained by the Council, they would contribute to Scotland's public finances and the overall resources available to support local public services, including those in South Lanarkshire.

¹⁷ Scottish Assessors Association (2023), Practice Note 2: Valuation of On-shore Wind Turbines.

¹⁸ Scottish Assessors Association (2023), Practice Note 3: Valuation of Photovoltaic Electricity Generators.

¹⁹ Scottish Government (2025), Non-domestic rates guidance.

²⁰ South Lanarkshire (2024), 2025/2026 Revenue Budget Gap and Savings.

6. Conclusion

Renewco Power is developing an onshore pipeline of renewable energy projects that will generate significant demand in the South Lanarkshire economy. These are accompanied by skills and supply chain development initiatives to ensure that South Lanarkshire is ready to meet that demand and the economic benefits of the projects are maximised locally.

The National Planning Framework 4 states that energy projects will only be supported if they can demonstrate that they will maximise the net economic impact. The assessment of whether M74 Corridor Cluster aligns with this requirement is based on the commitments and actions that Renewco Power has taken on **supply chain development** and **skills development** under the Scottish Renewables Guidance. This considered both what Renewco Power has direct control over, and how it can enable others to have a positive impact across these areas. There is strong evidence that Renewco Power is actively addressing all four themes through a comprehensive and well-considered approach.

THE ASSESSMENT HAS FOUND THAT RENEWCO POWER'S APPROACH IS:

- **place-based** and rooted in the context of South Lanarkshire;
- **innovative** in its approach to maximising benefits;
- **collaborative** with other developers, communities and public bodies;
- **transparent**, including a commitment to impact evaluation;
- **flexible** enough to meet the evolving needs of the community; and
- **deliverable** and an environment will be created to allow communities to deliver those benefits which are enabled by the wind farm.

IT WAS ESTIMATED THAT DURING THE DEVELOPMENT & CONSTRUCTION PHASE THE M74 CORRIDOR CLUSTER COULD GENERATE:

- £41 million Gross Value Added (GVA) and 556 job years (c.205 at peak) in South Lanarkshire; and
- £130 million GVA and 1,690 job years (c.685 at peak) in Scotland.

During development and construction, the main opportunities for local suppliers would be related to the Balance of Plant contracts, including plant hire, civil engineering and construction, fencing, forestry and other skilled trades activities.

ON AVERAGE IN EACH YEAR OF ITS 40-YEAR OPERATIONAL LIFE, THE CLUSTER IS EXPECTED TO GENERATE:

- £14 million GVA and 87 jobs in South Lanarkshire; and
- £26 million GVA and 210 jobs in Scotland.

This economic activity, and the commitments under the four themes of the Scottish Renewables Guidance, will contribute to the **human, economic, social, and natural capital** of South Lanarkshire. This will increase the resilience of these communities and support their long-term economic development.



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