

13 Socio-economics, Tourism & Recreation Assessment

13.1 Introduction

- 13.1.1 This chapter provides a revised assessment of the likely significant effects on Socio-economics, Tourism and Recreation associated with the construction and operation of the revised proposed development. It details the post-submission consultation responses and how these have been addressed, relevant changes in policy, legislation and guidance, and the amendments to the original proposed development detailed and assessed in the EIA Report October 2023 that are relevant to Socio-economics, Tourism and Recreation.
- 13.1.2 As interrelationships exist between the assessment of effects on Socio-economics, Tourism and Recreation and certain other disciplines, reference should be made to the following chapters of the AEI:
- **AEI Chapter 3: Revised Proposed Development Description;** and
 - **AEI Chapter 6: Landscape and Visual Impact Assessment.**
- 13.1.3 The economic assessment has been undertaken by Steve Lucas, of Development Economics, with support from Ben Wyper of SLR. Steve is an economist with nearly 30 years' experience of working in the UK whose expertise lies in business development, economic regeneration, and project appraisal. He has undertaken over 50 Green Book compliant economic appraisals and cost benefit analyses of major infrastructure and development projects over the past seven years, representing total public sector investment of well over £15 billion. Ben is a Senior EIA Consultant at SLR for the past four years and undertakes many of SLR's Socio-Economic Impact Assessments on both onshore and offshore windfarms, quantifying the projects' impacts on the local economy, land use, access to recreation and tourism.

13.2 Legislation, Policy and Guidance

- 13.2.1 Most of the legislation, policy and guidance with respect to Socio-economics, Tourism and Recreation used to prepare the original assessment in EIA Report October 2023 are still relevant to this assessment. However, the Scottish Borders Local Development Plan 2 (LDP2) was adopted on 22 August 2024. The planning policies of the LDP2 that are of relevance to Socio-economics, Tourism and Recreation have been listed below:
- Policy ED7: Business, Tourism and Leisure Development in the Countryside;
 - Policy ED8: Caravan and Camping Sites;
 - Policy ED9: Renewable Energy Development;
 - Policy EP6: Countryside Around Towns; and
 - Policy IS5: Protection of Access Routes.
- 13.2.2 Despite the updated LDP2, the new policies have not been amended to a degree that would impact the original assessment in EIA Report October 2023.

13.3 Consultation

13.3.1 **AEI Table 13.1** provides a summary of the consultation responses received for the EIA Report October 2023.

AEI Table 13.1: Consultee Comments on Socio-economics, Tourism and Recreation

Consultee	Consultee Comment	Applicant Response / Action	Date
ScotWays	By contrast to Figure 6.1, Figure 13.2 Existing Paths appears to show the affected right of way more accurately however only that which is directly affected by the application site.	Noted.	30/01/2025

13.4 Scope of Additional Environmental Information

13.4.1 This chapter considers the likely significant effects of the revised proposed development upon the local economy and labour market during the construction phase, as well as local job creation during the operational phase of the revised proposed development. The tourism and recreational impacts assessed in the EIA Report October 2023 are not expected to cause significant deviation from the EIA Report October 2023 to warrant reassessment.

13.5 Methodology

Baseline Characterisation

Study Area

13.5.1 The Wider Study Area (WSA) encompasses the area where economic and employment effects could occur. The WSA is required for certain receptor groups because the majority of the business and labour market effects that could occur would be experienced by population and business centres located across a wider area than that of the fixed location of the revised proposed development.

13.5.2 Due to the potential indirect effects occurring at a wider spatial area than that of the local authority alone, the WSA is inclusive of three spatial levels:

- The local WSA (Scottish Borders Council (SBC) administrative area);
- The regional WSA (Scotland); and
- The national WSA (UK).

Desk Study / Field Survey

13.5.3 The assessment uses desk-based information sources to assess the likely effects supplemented by consultation with relevant stakeholders where necessary, and professional judgement based on previous experience.

Methodology

13.5.4 The methodology used in the revised assessment for Socio-economics, Tourism and Recreation and Access is the same as that previously used to assess the original proposed development and is detailed in Chapter 13 of the EIA Report dated October 2023.

13.6 Baseline

13.6.1 The baseline conditions are fully described in Chapter 13 of the EIA Report October 2023 and that for the purposes of this assessment, the baseline previously described in Chapter 13 is unchanged.

13.7 Updated Assessment of Potential Effects

Design Amendments

- 13.7.1 During the construction phase of the revised proposed development there would be economic effects resulting from expenditure on items such as site preparation, development of access roads, purchase and delivery of materials, plant, equipment, and components, etc. Based on information provided by the applicant, the construction period for the revised proposed development is expected to occur over a 16-month period.
- 13.7.2 The applicant has provided technical information relevant to the revised proposed development that has enabled the production of broad estimates of likely construction costs for the revised proposed development. **AEI Table 13.2** below provides a breakdown of this predicted expenditure disaggregated by main category of spend, using October 2024 prices.

AEI Table 13.2: Predevelopment, Construction, and Commissioning Cost Estimates (October 2024 prices)

Category of Expenditure	£ millions
Development and project management costs	7.1
Turbines/plant	84.7
Electricals/grid connection/battery storage	94.9
Civils/contingency and miscellaneous	28.4
Total	215.1

- 13.7.3 Overall project expenditure during the construction and capital investment phase of the revised proposed development is expected to amount to approximately £215 million (2024 prices). This total compares to a total of £198 million (2021 prices) that was estimated for the original proposed development. The main reasons for the change in expected costs are:
- the reduced number of wind turbines;
 - the effects of inflation (this assessment uses 2024 prices rather than a 2021 price base used in the original assessment); and
 - revised cost estimates for the construction and installation of the battery storage element of the revised proposed development, which is now based on a larger number of comparable developments located elsewhere in Scotland.

13.7.4 The estimated project expenditure for the revised proposed development, set out in **AEI Table 13.2**, has been used to assess the estimated proportions of expenditure in terms of their spatial location in the following section. This spatial breakdown of expenditure, based on experience with similar projects (including completed schemes), uses the following areas:

- The local WSA (SBC administrative area);
- The regional WSA (Scotland); and
- The national WSA (UK).

Construction Effects

Summary of Assessment of Original Proposed Development

Gross Effects During Construction

- 13.7.5 Gross Value Added (GVA) worth £6.3 million was expected to be generated by the original proposed development in the local WSA economy during the 16-month construction phase. This was equivalent to £4.7 million p.a. over this period.
- 13.7.6 The equivalent predicted overall GVA total for Scotland was £19.2 million (£14.4 million p.a.), and for the UK as a whole it was £47.2 million (£35.5 million p.a.).
- 13.7.7 With respect to employment, a total of 92 person-years of gross temporary employment was predicted to be generated in the local WSA economy during the 16-month construction phase. This amounted to an average of 64 person-years p.a. during the construction period.
- 13.7.8 The equivalent predicted overall total for Scotland was 272 person-years (204 p.a.), and for the UK it was 666 person-years (501 p.a.).

Net Effects During Construction

- 13.7.9 The predicted duration of the construction phase was 16 months. Therefore, the anticipated additional boost to local WSA employment was equivalent to 64 jobs annually during the construction phase if the original proposed development was permitted and delivered as intended by the applicant.
- 13.7.10 In 2021 there were an estimated 53,000 jobs located within the Scottish Borders local authority area. The temporary addition of 64 net jobs to this total would increase the number of jobs by around 0.12%. The effect on the local employment base was therefore considered to be **Low** and so **Not Significant**.
- 13.7.11 In terms of output, a net additional annual total of £4.4 million of GVA per annum was predicted to be generated by the original proposed development in the local WSA economy during the construction phase. The equivalent predicted annual total for Scotland was £17.5 million and for the UK it was £39.6 million.
- 13.7.12 As of 2021, the estimated annual value of output generated within the Scottish Borders local authority area was approximately £2.56 billion. The temporary augmentation of the local WSA economy by £4.4 million net would increase the size of the local WSA economy by around 0.17%.

The effect on the value of the local WSA economy was therefore considered to be **Low** and so **Not Significant**.

Assessment of Revised Proposed Development

Gross Effects During Construction

- 13.7.13 Estimates of the expected direct construction phase employment implications of the revised proposed development have been derived using the information on anticipated project expenditure set out on **AEI Table 13.2**, as well as assumptions obtained from the following sources:
- employment and GVA multipliers for Scotland, obtained from Input-Output tables for Scotland (1998-2021) published by the Scottish Government;
 - employment and GVA multipliers for the UK obtained from Input-Output tables published by the UK Government; and
 - ratios of turnover per unit of GVA, and GVA per employee, have been derived from Scottish and UK Government data.
- 13.7.14 Using all of these sources summarised above, estimates have been derived of the direct gross employment and GVA effects that would be expected to be delivered by the revised proposed development for three spatial areas: Scottish Borders; Scotland; and the UK as a whole. These estimates are presented in **AEI Table 13.3** for both the construction period as a whole, and on a per annum basis. The employment estimates are provided on a person-year basis and the GVA estimates are presented using a 2024 price base.

AEI Table 13.3: Estimates of gross development phase GVA and employment effects for the revised proposed development

Spatial Area	Gross GVA overall (£m, 2024 prices)	Gross GVA p.a. (£m, 2024 prices)	Gross Employment total (person-years)	Gross Employment p.a. (person-years)
Scottish Borders (Local WSA)	9.8	7.4	106	79
Scotland (total, including Local WSA)	30.5	22.9	330	247
UK (total, including Scotland)	69.7	52.3	752	564

- 13.7.15 Economic output (GVA) worth £9.8 million would be expected to be generated by the revised proposed development in the local WSA economy during the anticipated 16-month construction phase. This is equivalent to £7.4 million per annum over this period.
- 13.7.16 The equivalent predicted overall GVA total for Scotland is £30.5 million (£22.9 million p.a.), and for the UK as a whole it is £69.7 million (£52.3 million p.a.).
- 13.7.17 With respect to employment, a total of 106 person-years of gross temporary employment is predicted to be generated in the local WSA economy during the anticipated 16-month construction

phase for the revised proposed development. This amounts to an average of 79 person-years p.a. located in the Scottish Borders area during construction.

- 13.7.18 The equivalent predicted overall total for Scotland is 330 person-years (247 p.a.), and for the UK it is 752 person-years (564 p.a.).

Net Effects During Construction

- 13.7.19 So far, the focus has been on the gross effects of development and construction of the revised proposed development at three spatial levels. The next step is to consider and quantify the potential for net additional effects by taking account of three additional concepts:
- **Leakage:** is the proportion of project outcomes that benefit individuals or organisations located beyond the relevant area of impact (e.g., the Local WSA area).
 - **Displacement:** is an estimate of the economic activity hosted by the revised proposed development that would be diverted from other businesses in the spatial impact area.
 - **Multipliers:** an estimate for further economic activity associated with additional income and/or project procurement activity stimulated by project activity within the spatial impact area under consideration.
- 13.7.20 The specific values assumed for multipliers for Scotland and the UK are sourced from national input-output tables and vary by the project expenditure category. Assumptions about leakage are based on local labour market indicators and experience of other windfarm projects located in Scotland.
- 13.7.21 **AEI Table 13.4** shows the estimates of net additional construction phase effects, both overall and on a per annum basis during the anticipated 16-month construction period.

AEI Table 13.4: Estimates of net additional development phase GVA and employment effects for the revised proposed development

Spatial Area	Net GVA overall (£m, 2024 prices)	Net GVA p.a. (£m, 2024 prices)	Net Employment total (person-years)	Net Employment p.a. (person-years)
Scottish Borders (Local WSA)	9.7	7.3	104	78
Scotland (total, including Local WSA)	37.0	27.8	401	301
UK (total, including Scotland)	77.9	58.5	841	631

- 13.7.22 With respect to employment, a total of 104 person-years of net additional temporary employment is predicted to be generated in the local WSA economy during the construction phase of the revised proposed development. The equivalent overall total for Scotland is 401 person-years, and for the UK it is 841 person-years.
- 13.7.23 The predicted duration of the construction phase is 16 months. Therefore, the anticipated additional boost to net employment in the Scottish Borders area is equivalent to 78 jobs annually during the construction phase if the revised proposed development is permitted and delivered as intended by the applicant.

- 13.7.24 In 2022 there were an estimated 53,000 jobs located within the Scottish Borders local authority area¹. The temporary addition of 78 net jobs to this total would increase the number of jobs by around 0.15%. The effect on the local employment base is therefore considered to be **Low** and so **not significant**.
- 13.7.25 In terms of output, an additional net annual total of £7.3 million of GVA per annum is predicted to be generated by the revised proposed development in the Scottish Borders area economy during the construction phase of the revised proposed development. The equivalent predicted annual total for Scotland is £27.8 million and for the UK it is £58.5 million.
- 13.7.26 As of 2022, the estimated annual value of output generated within the Scottish Borders local authority area was approximately £2.56 billion². Adjusted to 2024 prices, the value of output is estimated to amount to approximately £2.75 billion. The temporary augmentation of the local WSA economy by £7.3 million net would increase the size of the local WSA economy by around 0.26%. The effect on the value of the local WSA economy is therefore considered to be **Low** and so **not significant**.

Operational Effects

Summary of Assessment of Original Proposed Development

- 13.7.27 The original assessment expected that there would likely be between 19 and 24 indirect jobs created by operational and maintenance supply chain effects associated with the original proposed development within the local WSA.
- 13.7.28 Therefore, in terms of the overall potential for operational phase job creation from the combined direct and supply chain effects, the overall total number of gross full-time equivalent jobs that could be created in the Scottish Borders local authority area was estimated to amount to between 24 and 33 gross permanent jobs (i.e., between 5 and 9 direct jobs, plus between 19 and 24 indirect jobs).
- 13.7.29 When the various additionality factors are taken into account, the effect would be expected to lie in the range 21-29 net additional jobs.
- 13.7.30 Given that there was estimated to be 53,000 jobs located in the Scottish Borders local authority area, this stimulus to net local job creation was expected to increase the size of the WSA employment base by between 0.04% and 0.05%. Although positive, this effect was assessed to be **Negligible** and therefore **Not Significant**.

Assessment of Revised Proposed Development

- 13.7.31 Once operational, a permanent workforce would be required to operate and maintain the revised proposed development. Based on experience of proposed and completed onshore wind farm projects of a comparable size and in similar locations elsewhere in Scotland, it is estimated that

¹ ONS Jobs Density data series

² ONS Regional and local authority GVA estimates

there are likely to be between 3 and 5 permanent direct jobs created by the revised proposed development during its operational phase.

13.7.32 As well as the direct impacts on employment during the construction phase, there would also be indirect effects generated throughout the operational phase. Indirect effects arise from the placing of contracts with other businesses, both in the local area and elsewhere in Scotland, supplying services and materials to the revised proposed development during its operational phase. Examples of such supply chain activity would include the procurement of:

- site maintenance, including waste management and recycling;
- ecology management in line with biodiversity enhancement proposals (see **AEI Technical Appendix 8.6 Outline Biodiversity Enhancement and Restoration Plan**);
- vegetation management along revised proposed development civil infrastructure;
- maintenance and repair of revised proposed development civil infrastructure;
- plant and equipment hire;
- supply of consumable items (e.g., fuels, lubricants and oils, spare parts, etc.);
- statutory turbine inspections; and
- catering for meetings and visits.

13.7.33 In addition to the list above, local shops, cafes, accommodation providers and hotels often experience an increase in business during the operational phase from visitors to the site (e.g., as a result of extra technicians being needed onsite during maintenance and servicing).

13.7.34 Overall, based on experience with similar projects elsewhere in various parts of Scotland, it is expected that there is likely to be between 12 and 15 indirect jobs created by operational and maintenance supply chain effects associated with the revised proposed development within the local WSA.

13.7.35 Therefore, in terms of the overall potential for operational phase job creation from the combined direct and supply chain effects, the overall total number of gross full-time equivalent jobs that could be created in the Scottish Borders local authority area is estimated to amount to between 15 and 20 gross permanent jobs (i.e., between 3 and 5 direct jobs, plus between 12 and 15 indirect jobs).

13.7.36 When the various additionality factors are taken into account, the net effect on employment would be expected to lie in the range 13 - 18 net additional jobs.

13.7.37 Given that there are estimated to be 53,000 jobs located in the Scottish Borders local authority area (as of 2022), this stimulus to net local job creation would be expected to increase the size of the local WSA employment base by between 0.02% and 0.03%. Although positive, this effect is assessed to be **Negligible** and therefore **not significant**.

13.8 Mitigation

13.8.1 No additional mitigation measures are required for the revised proposed development as those outlined within this chapter are considered to be beneficial impacts and, regardless, are not considered to be significant.

13.9 Updated Assessment of Residual Effects

- 13.9.1 The residual effects noted in Chapter 13 of the EIA Report October 2023, remain unchanged. All residual effects are noted as being not significant.

13.10 Updated Assessment of Cumulative Effects

- 13.10.1 The cumulative effects noted in Chapter 13 of the EIA Report October 2023, remain unchanged

13.11 Summary of Effects

- 13.11.1 There is no significant change in effects between that reported for the original proposed development in Chapter 13 of the EIA Report October 2023 and that for the revised proposed development. A comparison between the effects for both is provided in **AEI Table 13.55**.

AEI Table 13.5: Summary of Residual Effects

Receptor and Impact Pathway	Original Proposal Development		Revised Proposed Development	
	Magnitude of Impact	Residual Significance	Magnitude of Impact	Residual Significance
Local Economy	Low	Not Significant	Low	Not Significant
Local Employment (Construction)	Low	Not Significant	Low	Not Significant
Local Employment (Operation)	Low	Not Significant	Low	Not Significant

13.12 Conclusion

- 13.12.1 Overall, there are not considered to be any significant impacts on socio-economics, tourism and recreation as a result of the removal of seven wind turbines and construction period (as well as additional inflation and other factors) from the revised proposed development.
- 13.12.2 The revised proposed development would lead to an increase in net GVA output and employment during the construction phase within each of the spatial areas assessed. However, the number of jobs created during the operational phase would be lower than that of the original assessment, reflective of the lower number of wind turbines.
- 13.12.3 The chapter confirms the original assessment remains largely valid, with minimal changes to the baseline conditions. The impacts to local economy and labour market receptors during the construction and operation phase of the revised proposed development is considered to be Minor to Negligible and therefore, not significant, with the implementation of mitigation and best practice measures set out within the EIA Report October 2023 still considered to be appropriate.