

## **BLANDFORD HILL ECO HUB**



## **ECONOMIC BENEFITS STATEMENT**

**LAND SOUTH OF BLANDFORD HILL (A354), WINTERBORNE  
WHITECHURCH, BLANDFORD FORUM, DORSET, NEAR DT11 0AA**

**ON BEHALF OF NATURALIS ENERGY DEVELOPMENTS LTD**

Date: April 2021

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**CONTENTS**

<b>1. INTRODUCTION .....</b>	<b>1</b>
<b>2. SOCIO-ECONOMIC BASELINE.....</b>	<b>4</b>
<b>3. CONSTRUCTION PHASE BENEFITS .....</b>	<b>9</b>
<b>4. BENEFITS CREATED ONCE THE SCHEME IS OPERATIONAL .....</b>	<b>11</b>
<b>5. SUMMARY .....</b>	<b>14</b>

## 1. INTRODUCTION

1.1 This report outlines the economic benefits that will be created by a proposed electric vehicle ("EV") charging station with a c.15MWp ground mounted solar farm and battery storage containers on land south of Blandford Hill (A354), Winterborne Whitechurch, Blandford Forum, Dorset, near DT11 0AA. It has been produced on behalf of Naturalis Energy Developments Ltd and the main quantifiable benefits are summarised below:

- i. **Construction phase employment:** The proposed development could support up to 117 temporary jobs, both direct jobs on-site and in the wider supply chain, during the three to six-month construction period.
- ii. **Contribution of construction phase to economic output:** The gross value added (GVA – a proxy for economic output) generated by jobs supported during the construction phase is around £3.5million.
- iii. **Operational benefits:** It is estimated that the scheme will support around eight full-time equivalent jobs (FTE) in Dorset and the wider regional economy once it is operational. The GVA associated with the 8 FTEs is estimated to be £3.8million over a 10-year period (present value). Business rates generated by the solar farm could be in the region of £42,000 per annum.
- iv. **Powering homes:** 15MWp of solar farm capacity is estimated to power around 4,000 homes per annum<sup>1</sup>.

### Report Structure

1.2 The remainder of this report is structured as follows:

- **Section 2** describes the character of Dorset local planning authority area, in comparison to the Dorset Local Enterprise Partnership area, the South West region and Great Britain. It presents information on employment trends, business numbers, unemployment and the claimant count.

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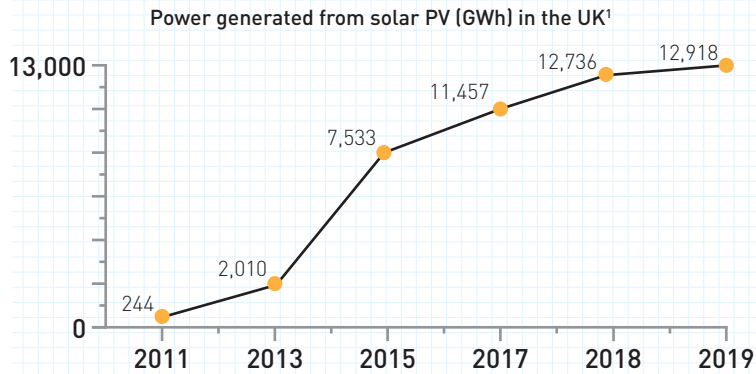
<sup>1</sup> This assumes a capacity factor of 12% for the site, noting Dorset has a relatively high solar resource for the UK. The UK average for solar photovoltaic project capacity factors is 11.2% (Source: 2020 Digest of UK Energy Statistics, Department for Business, Energy and Industrial Strategy). Annual figures are calculated as follows: 15MWp x 1,000 x 8,760 x 12% = 15.8m kWh and "Department for Business, Energy and Industrial Strategy, "Energy Consumption in the UK" Table C9, 22 October 2020, average, temperature-corrected domestic consumption in 2019 of 3,772 kWh, therefore 15.8m kWh divided by 3,772 kWh = 4,189 homes

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- **Section 3** sets out the construction phase benefits of the proposed development, outlining its contribution to employment and economic output.
  - **Section 4** sets out the number of jobs that the scheme will create once fully developed and occupied and presents the assessment of the contribution of the scheme to economic output.
  - **Section 5** presents a summary of the overall findings.

# ECONOMIC BENEFITS

LAND SOUTH OF BLANDFORD HILL, DORSET  
CONSTRUCTION OF THE BLANDFORD HILL ECO HUB

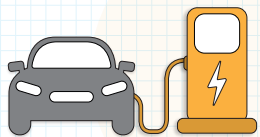
## SUPPORTING A GROWING SECTOR



### Jan-May 2019

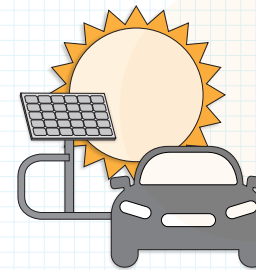
For the first time since the Industrial Revolution, Britain obtained more power from zero-carbon sources (48%) than fossil fuels (47%).

## SUPPORTING THE MOVE TO ZERO EMISSION VEHICLES

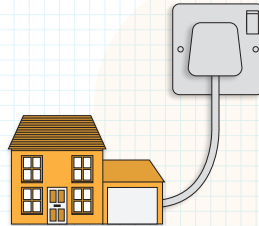


Sale of new petrol and diesel cars and vans to end from 2030, a decade earlier than planned.<sup>2</sup>

## BENEFITS OF THE SCHEME

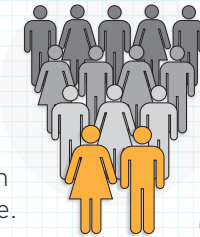


Investment of approximately **£10million** to develop a 15MWp solar farm, a battery storage facility, ultra-rapid electric vehicle chargers and a shop and cafe area.



Generating enough power for **c. 4,000** homes.

Up to **117** temporary jobs, both on-site and in the wider supply chain during the 3 to 6-month construction phase.



Supporting **8** permanent direct and indirect jobs once the proposed development is built and operational.

**£42,000**

Estimated potential annual business rates generated by the solar farm.



Up to **£3.5million** in gross value added to the economy over the 3 to 6-month construction phase.



Contributing **£3.8million** in gross value added<sup>3</sup> to the economy over the next 10 years.<sup>4</sup>

<sup>1</sup> Based on data in the 2020 Digest of United Kingdom Energy Statistics (DUKES), published by the Department for Business, Energy & Industrial Strategy.  
<sup>2</sup> As outlined in Powering our Net Zero Future: Energy White Paper, December 2020

<sup>3</sup> GVA, or gross value added, is the measure of the value of goods and services produced in an area, sector or industry.  
<sup>4</sup> Where future benefits are calculated over a longer timeframe, they have been discounted to produce a present value.

## 2. SOCIO-ECONOMIC BASELINE

### Introduction

2.1 This section presents a profile of the Dorset local planning authority (LPA) area, alongside the Dorset Local Enterprise Partnership (LEP) area<sup>2</sup>, the South West region, and Great Britain for comparison purposes. It examines the following topics:

- Employment – change over time and key sectors
- Businesses by size and change over time.
- Unemployment, including the claimant count.

### Employment<sup>3</sup>

2.2 Based on the most recent data published by the Office for National Statistics (ONS) from the Business Register & Employment Survey (BRES), in 2019 around 158,000 people – including the self-employed – worked in the Dorset LPA area.

2.3 Between 2015 and 2019, Dorset saw employment grow by 4.6% – equating to around 7,000 new jobs over the timeframe. This was higher than the increase seen in Great Britain as a whole (4.3%), however it was slightly below the growth of 4.8% witnessed in both the Dorset LEP area and South West region (see Table 2.1). The proposed development will create jobs in Dorset LPA and support the area’s growth by providing new labour market opportunities.

**Table 2.1: Employment Change, 2015-19**

Area	2015	2019	Absolute Change	% Change
Dorset LPA	151,000	158,000	7,000	4.6%
Dorset LEP	335,000	351,000	16,000	4.8%
South West	2,516,000	2,636,000	120,000	4.8%
Great Britain	29,819,000	31,088,000	1,269,000	4.3%

**Source:** Office for National Statistics – Business Register & Employment Survey

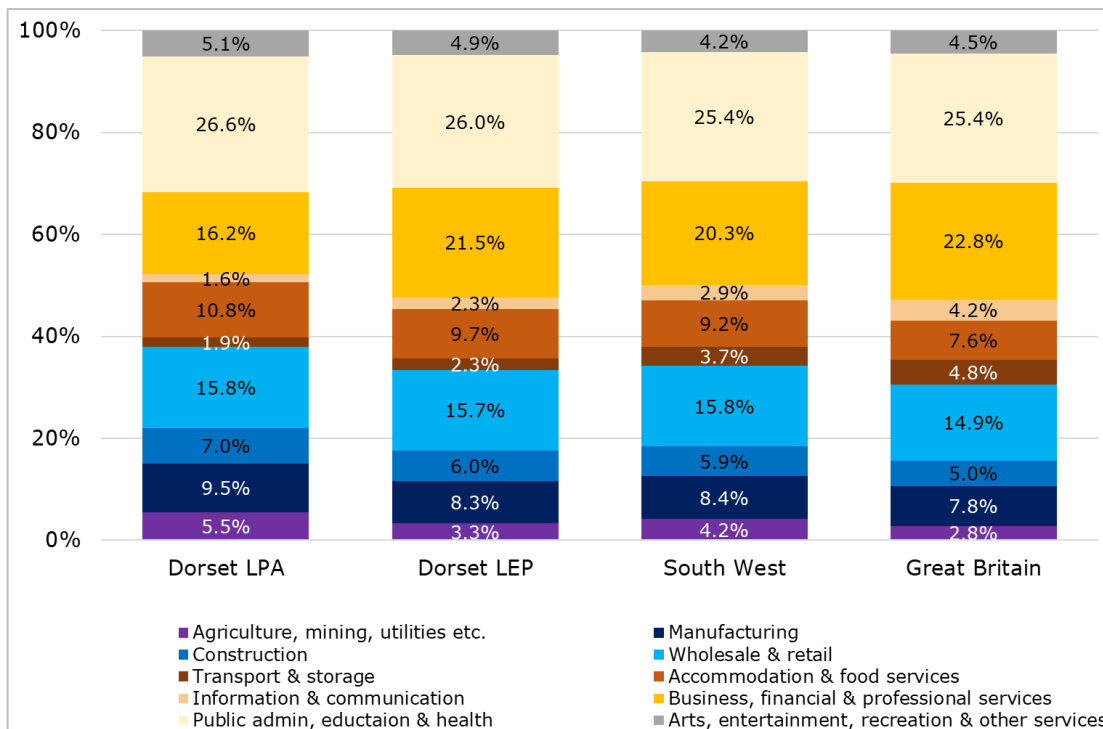
2.4 Public administration, education and health is the largest sector in Dorset LPA, accounting for around 42,000 (26.6%) of all jobs as of 2019. The second largest sector is business, financial & professional services, which accounted for 16.2% (25,500) of jobs in 2019, followed by wholesale and retail (15.8%/25,000 jobs).

<sup>2</sup> The Dorset LEP area includes the following local authorities: Bournemouth, Christchurch, Dorset & Poole.

<sup>3</sup> Figures presented in this section may sum due to rounding.

Wholesale and retail stands to benefit from the proposed development through new jobs created at the shop and café included in the proposal, meaning an already important sector for the area will continue to see new employment opportunities created. Figure 2.1 shows the sector share of employment in further detail.

**Figure 2.1: Employment by sector, 2019**



**Source:** Office for National Statistics – Business Register & Employment Survey

### Total Businesses

2.5 Between 2010 and 2020, the number of businesses in Dorset LPA grew by 9.7% (1,780). This represented lower growth when compared with the increases seen in Dorset LEP (14.1%), the South West (16.2%) and Great Britain (25.4%). The proposed development could help boost business growth in Dorset, for example, via the proposed new shop and café. Table 2.2 presents the business data in more detail.

**Table 2.2: Business Change, 2010-2020**

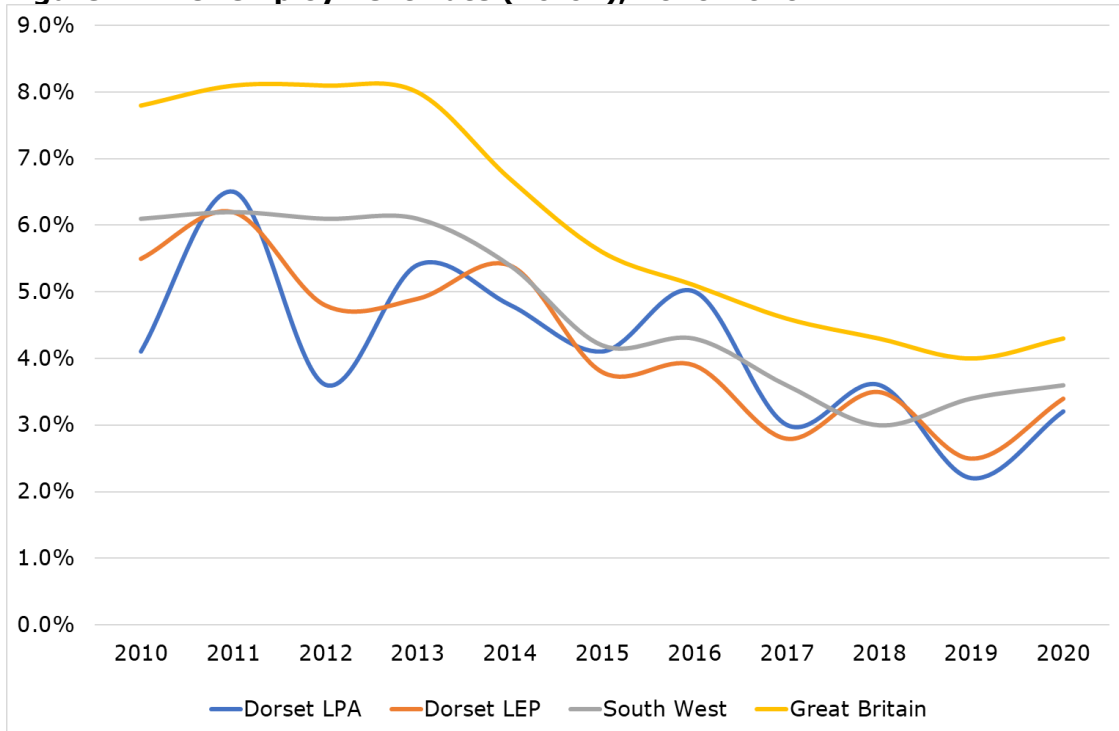
Area	2010	2020	Absolute Change	% Change
Dorset LPA	18,435	20,215	1,780	9.7%
Dorset LEP	33,550	38,270	4,720	14.1%
South West	239,425	278,265	38,840	16.2%
Great Britain	2,489,955	3,121,905	631,950	25.4%

**Source:** Office for National Statistics – UK Business Count

## Unemployment

2.6 Overall, the unemployment rate in Dorset LPA fell between 2010 and 2020 (see Figure 2.2). For the timeframe October 2019-September 2020, the unemployment rate for people aged 16-64 in Dorset LPA was 3.2% – lower than the LEP area (3.4%), the South West (3.6%) and Great Britain (4.3%). Compared with the figure of 4.1% for the same timeframe in 2010, this represents an improvement of 0.9 percentage points. Unemployment in Dorset LPA peaked at 6.5% in 2011 based on the information presented in the chart and fell to a low of 2.2% in 2019. The 3.2% recorded in 2020 represents an increase over a 12-month period and this is likely to be a reflection of the Covid-19 pandemic and its impact on the economy. Further information on the pandemic (and its labour market effects) is presented below in relation to the claimant count.

**Figure 2.2: Unemployment Rate (16-64), 2010-2020**



**Source:** Office for National Statistics – Annual Population Survey

**Note:** Each year presented on the chart represents the 12 months from Oct-Sept

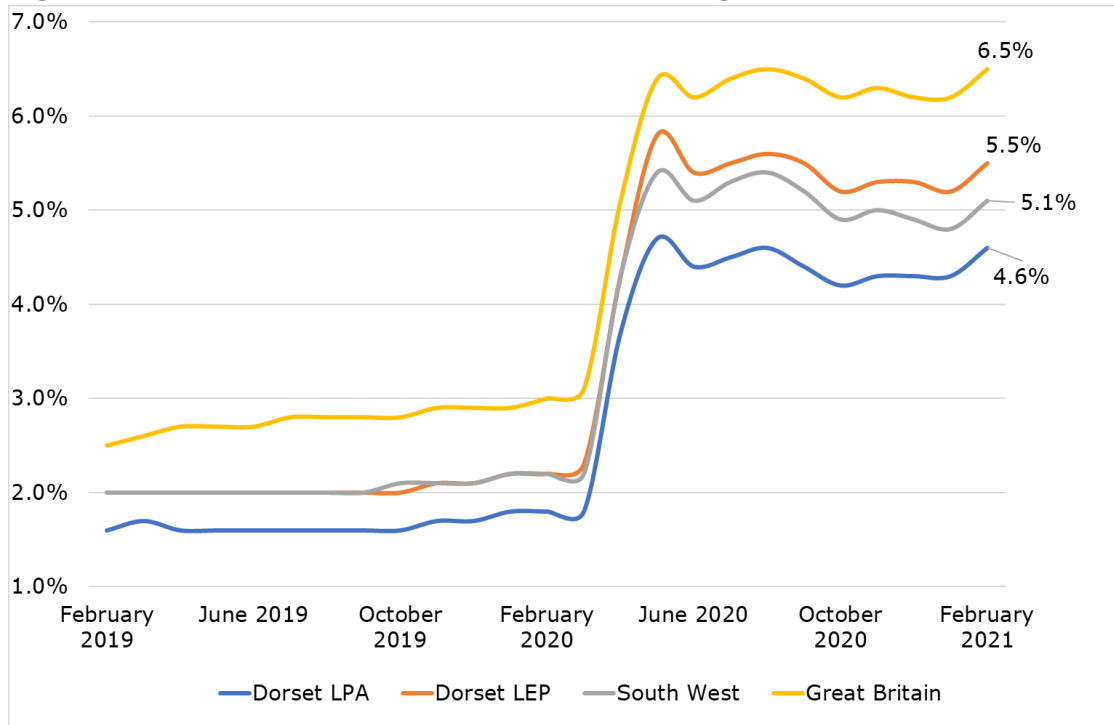
## Claimant Count

2.7 The most accurate measure of unemployment at the current time is the claimant count, which counts the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work.



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- 2.8 Figure 2.3 shows the claimant count in Dorset LPA for every month from February 2019 to February 2021, expressed as a proportion of residents aged 16-64. For all areas shown in the chart, a sharp rise is evident in the claimant count between March and April 2020, which will be down to the impact of Covid-19. This is down in part to more people claiming unemployment-related benefits and also because of changes made to the system by government which means more people are eligible to claim benefits.
- 2.9 ONS states that enhancements to Universal Credit as part of the UK Government's response to the pandemic mean that an increasing number of people became eligible for unemployment-related benefit support despite still being in work. Consequently, changes in the claimant count will not be wholly because of changes in the number of people who are not in work. It is not possible to identify to what extent people who are employed or unemployed have affected the numbers.
- 2.10 In February 2019, the claimant count in Dorset LPA was 1.6% and by February 2021 it had risen to 4.6%. This equates to almost 6,200 more people claiming Jobseeker's Allowance or Universal Credit who are required to seek work and be available for work. Dorset LPA has consistently had a lower claimant count than the LEP, the region and the UK, however Figure 2.3 shows the impact that Covid-19 has had on claimant rates in all areas. This makes it imperative that new job opportunities are created in the area in the long-term, in order for the local economy to recover. The proposed development will help to achieve this by supporting temporary jobs during the construction phase and permanent jobs once it is operational.

**Figure 2.3: Claimant Count as % of Residents aged 16-64, 2019-21**



Source: NOMIS

### 3. CONSTRUCTION PHASE BENEFITS

#### Supporting Construction Employment

3.1 In a design and access statement by TGC renewables associated with a planning application (15/00588/FUL) for a proposed 21MW solar farm on the land at Radbrook Pastures in Stratford-on-Avon<sup>4</sup>, it is noted that solar farms create opportunities for local businesses through the supply chain, including aggregates suppliers, security and monitoring during operation, farming and landscaping contractors and other aspects of the construction process, such as fencing. The report goes on to quote a 2014 solar farm appeal decision: APP/K1128/A/13/2206258, which states that solar farms:

*"...would provide some support for the construction industry and local contractors/suppliers could be engaged during the construction and eventual decommissioning stages. Some construction workers may also use some local services. Furthermore, the scheme would generate additional income for the landowners, enhancing farm incomes and possibly diversifying some farm businesses. This would accord with the Government's objective of promoting a strong rural economy. In addition, the development would assist in increasing the security and diversity of electricity supply. These economic benefits are important considerations that can be given much weight"* (Paragraph 17).

3.2 In the Construction Traffic Management Plan associated with the proposed development, it is estimated that there will be up to 50 construction workers on-site during peak times of the construction period, which is expected to be around three to six months, although the charging station may take longer to build.

3.3 The direct jobs on-site will support further employment via the "multiplier effect", which measures further economic activity (jobs, expenditure or income) associated with additional local income and local supplier purchases. Research published in 2014 by the Centre for Economic & Business Research (Cebr) on solar powered growth in the UK<sup>5</sup> gives an employment multiplier for large-scale solar PV investments of 2.33 – i.e. for every single job supported on-site, 1.33 indirect/induced jobs are supported in the wider economy. Applying this multiplier

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<sup>4</sup> *Planning, Design & Access Statement – Proposed Solar Farm on Land at Radbrook Pastures: TGC Renewables, August 2018.*

<sup>5</sup> *Solar powered growth in the UK – the macroeconomic benefits for the UK of investment in solar PV: Cebr (report for the Solar Trade Association), September 2014.*

to the maximum 50 on-site jobs, the Proposed Development could support 67 additional temporary jobs in the wider economy during the three to six-month build phase.

- 3.4 In total, the Proposed Development could support up to 117 temporary jobs, both direct jobs on-site and indirect/induced roles in the wider economy, during the three to six-month construction period. A similar number of jobs are expected to be supported as part of the decommissioning process after 40 years when the solar farm comes to the end of its lifespan.

#### **Gross value added**

- 3.5 The contribution of the site to economic output has been calculated by taking the maximum 50 on-site jobs associated with the scheme and multiplying this by an estimate of average levels of gross value added (GVA) per construction employee in the South West. Based on data sourced from the Office for National Statistics (ONS), GVA per construction employee in the South West is around £67,000 per annum. This is based on data for 2018.
- 3.6 The 67 indirect/induced jobs have been multiplied by the average GVA per job in the South West overall. Based on 2018 ONS data, annual GVA per job was approximately £54,000.
- 3.7 Based on the figures above, it is estimated that during the circa three to six-month construction of the proposed development, the GVA associated with the 117 temporary jobs supported on-site and in the wider economy is up to around £3.5million.

#### **4. BENEFITS CREATED ONCE THE SCHEME IS OPERATIONAL**

##### **Introduction**

- 4.1 This section outlines the impact of the proposed scheme, in terms of supporting permanent employment and economic output in Dorset. It also provides estimates on the business rates generated by the scheme on an annual basis, along with the number of homes it will power. In addition, a summary of how the scheme will support local and sub-regional economic development objectives is provided.

##### **Employment**

- 4.2 Based on information provided by the client, it is estimated that up to six gross full-time equivalent (FTE) jobs will be supported by the scheme once it is operational. This includes employment at the shop and café. Indirect jobs will also be supported, via the 'multiplier effect'. At a regional level, i.e. the South West, guidance indicates that in retail for every one direct job created, a further 0.38 jobs are supported in the wider supply chain<sup>6</sup>. Retail has been used as a proxy for the jobs at the proposed scheme, given that this is the sector in which most jobs are likely to be created. Accounting for the multiplier effect, the proposed scheme is estimated to support eight FTE jobs in Dorset and the wider South West region once it is operational.

##### **Gross value added**

- 4.3 The contribution of the site to economic output has been calculated by taking the job creation associated with the scheme and multiplying this by an estimate of average levels of GVA per employee in the South West (£54,000 in 2018, based on ONS data). It is estimated that once operational and fully occupied, GVA associated with the eight FTE jobs will be around £444,000 per annum.
- 4.4 Looking at the economic output contribution over a longer timeframe, over a ten-year period the GVA associated with the eight FTE jobs is estimated to be £3.8million (present value)<sup>7</sup>.

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<sup>6</sup> *Additionality Guide, Fourth Edition*. Homes & Communities Agency, 2014.

<sup>7</sup> Where future benefits are calculated over a 10-year timeframe, they have been discounted to produce a present value. This is the discounted value of a stream of either future costs or benefits. A standard discount rate is used to convert all costs and benefits to present values. Using the Treasury's Green Book, the recommended discount rate is 3.5%.

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## **Business rates**

- 4.5 Business rates are an important economic contributor to an area. Drawing on information produced by the Solar Trade Association, it is estimated that the solar farm element of the proposed scheme could generate up to £42,000 per annum in business rates<sup>8</sup>. The battery storage delivered by the scheme could also be subject to business rates, while charges will also be applied to the shop and café. It is not possible to estimate these at the current time, meaning the business rates generated by the entire scheme on an annual basis could be higher.

## **Powering Homes**

- 4.6 The c.15MWp solar farm element of the proposal is estimated to generate electricity equivalent to that consumed by approximately 4,000 homes per annum (see footnote 1 for details of calculation).

## **Supporting Economic Development Objectives**

- 4.7 At a local level, Dorset Council has produced an Economic Growth Strategy for the timeframe 2020-24<sup>9</sup>. The Strategy sets out the Council's ambitions to enable clean, inclusive, sustainable and good quality economic growth across the whole of Dorset. Significantly, it contains a number of measures designed to progress the move towards a zero-carbon economy. The proposed scheme will help the Strategy to achieve a number of its aims and objectives, notably:
- Supporting the growth of new and existing businesses.
  - Supporting growth in Dorset's low carbon economy and skills
  - Developing and promoting Dorset as a location for the growth of clean and green technology.
- 4.8 At a sub-regional level, the Dorset Local Enterprise Partnership published its Strategic Economic Plan (SEP) in 2014 – 'Transforming Dorset'<sup>10</sup> – which sets out the key strengths and opportunities within Dorset's economy and how they will be supported to drive economic growth. In February 2016, the LEP refreshed the SEP

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<sup>8</sup> *Photovoltaic Memorandum of Agreement – Revaluation 2017*. For schemes in England with a capacity greater than 10MWp but not exceeding 15MWp, the rateable value per megawatt is £5,570. For the 15MWp solar farm, this translates to a rateable value of £83,550. This is then subject to a multiplier of 0.504, meaning the business rates payable are estimated at £42,109.

<sup>9</sup> *Dorset Council Economic Growth Strategy*. Dorset Council, July 2020.

<sup>10</sup> *Transforming Dorset: Strategic Economic Plan*. Dorset Local Enterprise Partnership, 2014.

and published its Strategic Economic Vision<sup>11</sup>. Each document highlights the importance of having a growing business population and increased employment opportunities, both of which the proposed scheme will help in achieving.

- 4.9 More recently in December 2020, the LEP published its Draft Local Industrial Strategy (LIS), which presents a twenty-year plan to increase productivity, innovation, earnings and wellbeing across the county<sup>12</sup>. LIS's have been developed by sub-regional bodies across England, following the launch of the Government's national Industrial Strategy in 2017. The Government announced in March 2021 that its Industrial Strategy will be replaced by a 'plan for growth'. It remains to be seen how this impacts on LIS's, however the Draft Dorset LIS is the most recent economic development strategy available and it is useful to consider its key points in relation to the proposed scheme.
- 4.10 One of the main areas discussed in the LIS is infrastructure and the issue of climate change features heavily as part of this. Of particular significance to the proposed scheme, the LIS highlights the importance of *"Developing a place that is well-connected, allowing people to interact both in person and digitally. A place that is energy resilient, utilising local renewable energy sources."*<sup>13</sup>

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<sup>11</sup> *A Strategic Economic Vision for Dorset*. Dorset Local Enterprise Partnership, February 2016.

<sup>12</sup> *Dorset Local Industrial Strategy, Draft December 2019*. Dorset Local Enterprise Partnership.

<sup>13</sup> Page 32 – *Dorset Local Industrial Strategy, Draft December 2019*. Dorset Local Enterprise Partnership.

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## 5. SUMMARY

5.1 This report has highlighted the economic benefits that will be created by a proposed electric vehicle (“EV”) charging station with a c.15MWp ground mounted solar farm and battery storage containers on land south of Blandford Hill in Dorset. The main findings from the analysis can be summarised as follows:

### **The Dorset Economy**

- **Jobs growth:** Between 2015 and 2019, Dorset saw employment grow by 4.6% – equating to around 7,000 new jobs. This was higher than the increase seen in Great Britain as a whole (4.3%), however it was slightly below the growth of 4.8% witnessed in both the Dorset LEP area and South West region. The proposed scheme will create jobs in Dorset LPA and support the area’s growth by providing new labour market opportunities.
- **Supporting a post-Covid-19 recovery:** The number of people claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work has increased significantly in Dorset LPA as a result of the Covid-19 pandemic. Between February 2019 and February 2021, there has been an increase of almost 6,200 in the number of people claiming these benefits in the LPA. This makes it imperative that new job opportunities are created in the area in the long-term, in order for the local economy to recover. The proposed development will help to achieve this by supporting temporary jobs during the build phase and permanent jobs once it is operational.

### **Benefits Generated by the Proposed Scheme**

- **Construction phase employment:** The proposed development could support up to 117 temporary jobs, both direct jobs on-site and in the wider supply chain, during the three to six-month construction period (and similar levels of employment during decommissioning of the project).
- **Contribution of construction phase to economic output:** The gross value added (GVA) generated by jobs supported during the construction phase is around £3.5million.
- **Operational benefits:** It is estimated that the scheme will support around eight full-time equivalent jobs (FTE) in Dorset and the wider regional economy



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once it is operational, mainly in the regionally important retail sector. The GVA associated with the 8 FTEs is estimated to be £3.8million over a 10-year period (present value). Business rates generated by the solar farm could be in the region of £42,000 per annum.

- **Powering homes:** 15MWp of solar farm capacity is estimated to power around 4,000 homes per annum.
- **Supporting economic development objectives:** The proposed scheme will support local and sub-regional economic development objectives. This includes Dorset Council's Economic Growth Strategy, which highlights the importance of moving towards a zero-carbon economy and supporting the growth of new and existing businesses in the area.