

BERWICK BANK WIND FARM ONSHORE ENVIRONMENTAL IMPACT ASSESSMENT APPENDICES

Appendix 13.4: Socio-Economics Industry Definitions

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APPENDIX 13.4 INDUSTRY DEFINITIONS

This appendix sets out technical analysis underpinning the Onshore Socio-economics EIA Report.

This appendix provides the Industry Definitions: definitions of ‘all industries’, ‘impact industries’, and ‘offshore wind sector’, representing industries directly and indirectly associated with the construction, operation and maintenance, and decommissioning of offshore energy infrastructure.

There is a need to assess impacts of the Proposed Development on the following industrial activities:

- **All industries:** this industry definition includes all Standard Industrial Classification 2007 (SIC07) codes and can be thought of as the ‘whole’ economy.
- **Impact industries:** various permutations of impact industries are utilised, each defined in Table A13.3.1 and Table A13.3.2. These impact industries should not be seen as representing only activity that currently contributes to the offshore wind sector. Instead, these impact industries should be seen as representative activities in industries that can contribute either directly or indirectly to the construction, operation and maintenance, and decommissioning of offshore energy infrastructure.
- **Offshore wind sector:** this industry definition represents activity that is currently supported by the offshore wind sector.

All industries

All industries activity is the whole economy and includes all SIC07 codes.

Impact Industries

Conventional modelling of economic impacts for most industrial sectors relies on government statistics, for example those based on SIC07 codes. SIC07 data is most appropriate for traditional industries. The development of new codes for a maturing sector such as offshore wind takes time. At this stage, there are currently no SIC07 codes specific to the offshore wind sector. This means that conventional SIC analyses of offshore wind and related activities needs to map existing SIC07 data onto offshore wind and related activities, which is not straightforward. Analyses using SIC07 codes also rely on generalised data. This means that – either intentionally or unintentionally – some activities relevant to offshore wind and related activities might be excluded, and other activity unrelated to offshore wind and related activities might be included. There is no officially agreed definition to be used when assessing the offshore wind related industry based on SIC07 codes.

This Chapter’s adopted approach for defining impact industries follows the typical socio-economics EIA practitioner approach, which is based on the technical author’s identification of industrial activities based on SIC07 codes most likely to contribute either directly or indirectly to the construction, operation, and maintenance, and decommissioning of offshore energy infrastructure.

There is variance in the level of detail that employment and GVA data can be obtained via publicly available data sources:

- **Employment:** data can be obtained via the ONS (Office for National Statistics) *Business Register and Employment Survey* (BRES). BRES reports data as detailed as SIC07 ‘subclasses’ (or five digit SIC07), which is the most detailed level of standardised industry classification available.
- **GVA:** data can be obtained via *Regional gross value added (balanced) by industry: Local authorities by International Territorial Level 1 (ITL1) region*. This dataset reports data as detailed as SIC07 ‘divisions’ (or 2 digit SIC07), and in a number of instances aggregates

a number of related divisions. This level of reporting is not as detailed as employment data available via BRES.

Because of these differences in statistical reporting, a more detailed definition of impact industries using SIC07 subclasses has been adopted for employment analysis (see Table A13.3.1), with SIC07 divisions (some aggregated) used for GVA analysis (see Table A13.3.2).

Table A13.5.1 Construction (C), Operation and Maintenance (O), and Decommissioning (D) Employment Impact Industries Definition (based on SIC07 Classes/Subclasses)

SIC07 class/subclass	Description	C	O	D
25.11	Manufacture of metal structures and parts of structures			
25.50	Forging, pressing, stamping and roll-forming of metal; powder metallurgy			
25.61	Treatment and coating of metals			
25.93	Manufacture of wire products, chain and springs			
25.94	Manufacture of fasteners and screw machine products			
25.99	Manufacture of other fabricated metal products n.e.c.			
26.11	Manufacture of electronic components			
26.12	Manufacture of loaded electronic boards			
26.51/2	Manufacture of electronic industrial process control equipment			
27.11	Manufacture of electric motors, generators and transformers			
27.12	Manufacture of electricity distribution and control apparatus			
27.20	Manufacture of batteries and accumulators			
27.31	Manufacture of fibre optic cables			
27.32	Manufacture of other electronic and electric wires and cables			
33.11	Repair of fabricated metal products			
33.13	Repair of electronic and optical equipment			
33.14	Repair of electrical equipment			
33.20	Installation of industrial machinery and equipment			
35.11	Production of electricity			
35.12	Transmission of electricity			
38.31	Dismantling of wrecks			
38.32	Recovery of sorted materials			
39.00	Remediation activities and other waste management services			
42.22	Construction of utility projects for electricity and telecommunications			
43.12	Site preparation			
77.32	Renting and leasing of construction and civil engineering machinery and equipment			
77.39	Renting and leasing of other machinery, equipment and tangible goods n.e.c.			
80.20	Security systems service activities			

Table A13.5.2 Construction, Operation and Maintenance, and Decommissioning GVA Impact Industries Definition (based on SIC07 Divisions)

SIC07 division	Description	C	O	D
1-9; 35-39	Agriculture, mining, electricity, gas, water and waste			
24-30	Manufacture of metals, electrical products and machinery			
31-33	Other manufacturing, repair and installation			
42	Civil engineering			

SIC07 division	Description	C	O	D
77	Rental and leasing activities			

Offshore wind sector

The definition of the offshore wind sector adopted for this chapter is based on proprietary research carried out by Fraser Allander Institute (FAI) on behalf of Scottish Renewables. This defines the offshore wind sector according to individual firms currently active in the sector. The underlying data is not publicly available and therefore cannot be scrutinised, therefore FAI's headline findings on employment and GVA supported by offshore wind sector activity have been used in this Chapter.

However, even if FAI's underlying offshore wind sector activity data was publicly available for scrutiny, this data would be based on individual firms, and would not be based on SIC07 codes. The SIC07 code of each individual firm could be used in order to build an 'impact industries' definition similar to the definitions set out in Table 13.3.1 and Table 13.3.2, however this would be subject to the same considerations set out above under 'Impact Industries'.