



# Economic Impact Study of Ørsted Investments in the Humber region

A Report for Ørsted UK

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# 1 Executive Summary

Ørsted is among the world's leading renewable energy companies. Over the last decade, the East Coast has grown to become one of Ørsted's major areas of development in the UK. Beginning their activities at the Port of Grimsby in 2012 with a small base and associated infrastructure for the Westernmost Rough offshore wind farm, they since opened their expanded East Coast Hub in 2019, now the world's largest offshore wind operations and maintenance centre. The Hub currently supports the six operational East Coast offshore wind farms developed by Ørsted over the last decade (Westernmost Rough, Lincs, Race Bank, Gunfleet Sands, and Hornsea 1&2); over the next decade, it will deliver two more. Combined, the existing and future wind farm developments create a capacity of 8.6GW, contributing 17% of the UK government's 2030 ambition of 50GW of offshore wind.

This study quantifies the economic impact of Ørsted-led investments in the Humber region over the last decade and forecast to 2030. Using best practice methodologies, it assesses the effect of the offshore wind farms and associated investments in the Humber on the local employment and business environment, the diffusion of activity through supply chains, and the induced effect of this activity on the wider economy.

Through employment and training opportunities, wind energy in the Humber has transformed the shape of work in the region, engaging local people in a fast-growing and dynamic industry. It has provided new skills and sustainable jobs in a coastal economy, boosting production and providing a source of regional prosperity for decades to come. Through direct investment in local education, and training opportunities in the company, Ørsted is providing a route for local young people to enter one of the world's most dynamic and growing industries.

## 1.1 Economic Impact Results

Ørsted has directly invested or enabled investment of **£9.5 billion** (Westernmost Rough, Race Bank, Hornsea 1 and Hornsea 2) in infrastructure and assets within a proximity of the Humber. Over the next decade, further investments will add another **£14 billion** in this region.

We have modelled this investment to demonstrate the Gross Value Added (GVA) – a measure of productivity – which this investment has contributed to the economy.

The total national economic impact of the investments is **£2.2 billion GVA** over the two decades of offshore wind investment in the Humber.

The effect of this investment generates economic activity through Ørsted's supply chain across the country, in construction work required to build the wind farms in the Humber, and induced jobs across the UK as a result of the increased spending.

Further Ørsted development will **sustain at least 760 jobs in supply chain companies** around the UK, **7,500 in construction roles**, and **1,100 roles across the broader economy**.

## 1.2 Regional GVA and Employment

Ørsted's investments have made a major contribution to the regional economy.:

- Ørsted has contributed **£816 million GVA to the Humber economy** over the past decade. Ørsted's presence and further investment in the Humber will deliver a **further £960 million** to the Humber economy in the period to 2030. This totals more than **£1.7 billion GVA**.
- Of the above, it is estimated that more than **£45 million** has been invested directly into local community, education and skills development in the Humber region to date, such as the £1m donation to the Grimsby Youth Zone, with significant further investments planned.
- The East Coast Hub is Ørsted's home for the long-term operations and maintenance of their operational East Coast offshore wind farms. There are **520 people currently employed at the East Coast Hub** in the Humber, 230 directly employed by Ørsted and the remaining being long term operations and maintenance contractors. Since 2017, **21 apprentices** have been trained at the East Coast Hub, and 20% of these are female. Over the next decade, more than **80 new apprentices** will be created across a range of technical and non-technical roles.
- Over the period to 2030, the number of people working out of the East Coast Hub will **increase to over 800**, adding 250 high-value jobs in the green economy.

## 1.3 Carbon Abatement

The offshore wind investments off the Humber coast have a major role to play in the UK's journey towards net-zero emissions:

- By 2030, investment here will generate enough electricity **equivalent to at least one in four homes in the UK** powered by Ørsted from assets off the Humber.
- Ørsted's investments in the Humber region to date have led to **3 million tonnes of CO2 abatement**. In the period through to 2030, there will be a **further 21 million tonnes of avoided** emissions.
- The combined value of this CO2 abatement to the UK economy is estimated at **£6.8 billion**.