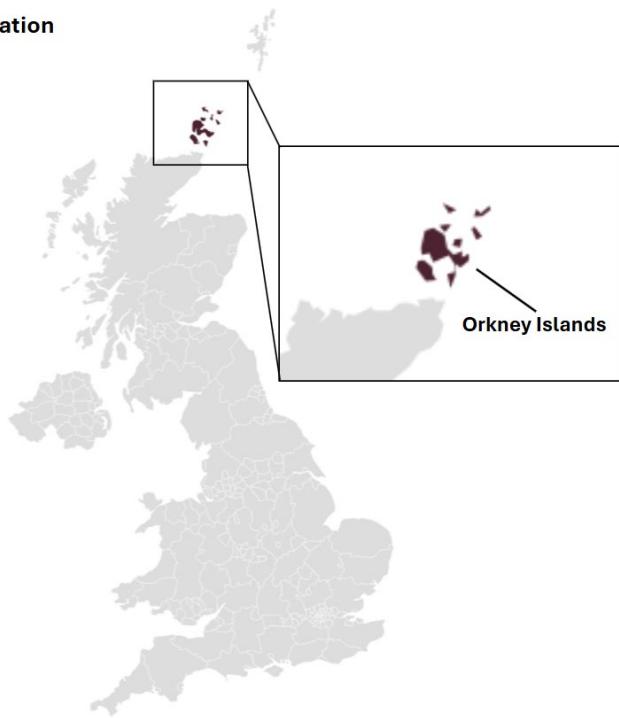


# Quanterness Windfarm, Orkney Islands Council: Factsheet

## Deal information

<b>Deal announced</b>	21/10/2025
<b>Sector:</b>	Wind
<b>Location:</b>	Orkney Islands
<b>Counterparty:</b>	Orkney Islands Council
<b>NWF Finance</b>	£62.1m
<b>Product</b>	Debt

## Project Location



## Summary

The National Wealth Fund will provide a £62.1 million corporate loan to support Orkney Islands Council in delivering a 28.8 MW community-owned onshore wind farm at Quanterness. This project will generate clean energy for export to the mainland, bolster local economic growth, and contribute to national net zero targets. It will be the largest local authority owned wind farm in the UK, serving as a model for other councils, particularly in England and Wales, which now benefit from more supportive planning regulations. Onshore wind supports the government's Clean Power 2030 mission, including the specific manifesto commitment to double onshore wind capacity as a cornerstone of its goal to fully decarbonise electricity by 2030. That means increasing onshore wind capacity from 14GW to 29GW<sup>i</sup>.

## Sector context

Around 30% of the UK's electricity generation now comes from wind power, with onshore wind contributing approximately 10%. To meet the UK Government's ambition to expand onshore wind where local support exists, substantial investment is required in grid infrastructure, supply chains, and project development. Onshore wind energy projects offer lower capital expenditure and shorter development timelines compared to offshore, while still

delivering significant long-term returns, strategic energy security benefits and contributing to the UK's broader clean energy goals.

Local authorities and regional partnerships will play a key role in enabling planning, consenting, and community engagement for future onshore wind projects. As significant landowners, with appropriate support councils are also well positioned to act as developers and asset owners.

## Impact

The Project is expected to deliver impact against both of the NWF's strategic objectives. The Quanterness wind farm will consist of 6 wind turbines with a capacity of 4.8MW each, contributing to national net zero targets. Onshore wind is one of the cheapest forms of renewable energy with Orkney being one of the best locations in terms of windspeed in the UK.

The project is expected to support around 170 FTE direct and indirect jobs across construction and operation and deliver £10.4 million in Gross Value Added during construction and £0.5 million annually during operation. The fully council owned model will also generate long-term income for Orkney Islands Council that will be retained locally, with the potential for replication across other local authorities exploring locally owned renewable energy infrastructure. A community benefit fund of £135,000 per year (£5,000 per MW installed) will be managed by local community councils, supporting local services including transport and retrofitting, with 60% allocated to the wind farm's host communities and 40% distributed across Orkney.

## ESRG considerations

Orkney Islands Council's ability to identify and manage Environmental, Social, Resilience and Governance (ESRG) risks in relation to the Quanterness Windfarm has been assessed against the National Wealth Fund's ESRG framework, which applies a proportionate approach for Local Authority-led projects. The Council has demonstrated strong governance and delivery capability through the development phase and in its wider operations, ensuring local accountability and control. The project will be delivered in line with industry standards for onshore wind development, with robust planning, environmental assessment, and community engagement processes in place to mitigate material risks.

## Impact metrics

#9	# Local Authority Deals
£62.1	Total Investment in Wind Sector
170 <sup>ii</sup>	Jobs Created and Supported
39,663 tCO2e <sup>iii</sup>	Emissions avoided
28.8MW	Generation Capacity

<sup>i</sup> [New plan to kickstart onshore wind revolution - GOV.UK](#)

<sup>ii</sup> Jobs created across construction and operations (direct and indirect). Construction: 161 jobs, Operations: 9 jobs

<sup>iii</sup> Emissions avoided are calculated using a new emissions methodology that captures enabled impacts of NWF investment. Further comments on the methodology change will be available in the 2024/25 Annual Report and Accounts.