

Country Insights and Actions

UK lab



Policy

Main Insights

Allocation Round 7 Contracts for Difference (AR7 CfD) reforms now include phased CfDs for floating offshore wind, extended contract lengths (20 years), and relaxed planning consent requirements for fixed-bottom projects.

Clean Industry Bonus (CIB) was introduced to incentivise sustainable supply chains.

Wales and Scotland are actively aligning with UK CfD reforms and pushing for strategic coordination via Scottish Sectoral Marine Plan for Offshore Wind Energy (SSEP).

Potential Actions

Align devolved ambitions with UK-wide Scottish Sectoral Marine Plan for Offshore Wind Energy (SSEP) and Clean Power 2030 targets.



Social Acceptance

Main Insights

Communities and marine users must be engaged early to head off opposition.

Potential Actions

Embed community benefit frameworks and regulator engagement early in project lifecycle (e.g. Wales Offshore wind action plan, Scotland's Offshore Wind Policy Statement).



Environmental Impact

Main Insights

Strong environmental impact assessments needed to protect ecosystems.

Potential Actions

Align Environmental impact assessment (EIAs) with strategic marine spatial planning and grid connection frameworks (e.g., National Energy System Operator (NESO) approach to minimising disruptions from new overhead).



Technology

Main Insights

Grid, port and supply infrastructure are inadequate and fragmented.

Potential Actions

Integrate NESO grid designs and fast-track upgrades and devolved port investment plans into national infrastructure strategy (e.g. supply chain clustering).



Finance

Main Insights

Existing financing instruments (e.g. traditional Contract for differences (CfDs) are ill-suited to Floating Offshore Wind (FOW).

High costs and risk inhibit investment.

Low participation in CFD auctions AR5 and AR6 for the floating offshore wind farms.

Large investments required to improve the current state of grid connection, ports and supply chain infrastructure.

The Crown Estate is deploying balance sheet capital into supply-chain infrastructure to crowd in private investment to complement leasing activities.

Potential Actions

Leverage phased CfDs, public-private financing pilot programmes, and devolved infrastructure funds (e.g. Public-Private Partnerships (PPPs), green bonds).

Great British Energy has been established to co-invest; the National Wealth Fund and UK infrastructure Bank are active in ports and grid-enabling infrastructure.

Blend public finance by combining Great British Energy co-investment, UK Infrastructure Bank (UKIB) guarantees and National Wealth Fund.

Scale port upgrades by extending Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS) style grants and pairing them with Crown Estate supply chain programme to de-risk heavy infrastructure Capital Expenditure (CAPEX).

