Scottish & Southern Electricity Networks

TRANSMISSION

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Scottish & Southern Electricity Networks

SSEN Transmission – Bingally 400 kV Substation

Socio-Economic Assessment

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Glossary

Term	Definition
AIS	Air Insulated Switchgear
APS	Annual Population Survey
ASHE	Annual Survey of Hours and Earnings
ASTI	Accelerated Strategic Transmission Investment
BRES	Business Register and Employment Survey
CAPEX	Capital Expenditure (CAPEX), or capital costs, refers to initial costs incurred, including professional fees and other development costs, during construction of the Proposed Development
CCUS	Carbon capture utilisation and storage
Comparative Advantage	The ability of an economy to produce a given good or service in a more efficient and economically competitive manner than another economy
CWB	Community Wealth Building seeks to retain and reinvest wealth in local communities
Data Zone	A small area geography used in the production of official statistics in Scotland. Designed to have roughly standard populations of 500 to 1,000 household residents, they nest within Local Authorities
DEVEX	Development Expenditure (DEVEX) refers to costs incurred during construction of the Proposed Development
Direct Impact	Direct impacts refer to the jobs and economic output created directly by the Proposed Development, such as employing contractors on-site
Discount Rate	The discount rate is the rate of return used to discount future cash flows. It accounts for the fact that money is less valuable in the future than it is today, and it is used to calculate Net Present Value
Economically Inactive	Individuals who are neither employed nor unemployed. They may be students, retirees, carers, sick or discouraged workers, and some may want a job.
EIA	Environmental Impact Assessment
GDP	Gross Domestic Product (GDP) is a measure of the size and health of a country's economy over a period of time (usually one quarter or one year)
GIS	Geographic Information Systems
Green Book	The UK government's guidance on how to appraise policies, programmes and projects.
GVA	Gross Value Added (GVA) is an economic productivity metric that measures the value generated by any unit engaged in the production of goods and services
HRES	Highland Renewable Energy Strategy
HVDC	High-Voltage Direct Current
Indirect Impact	Indirect impacts capture the economic value generated by contractors' spending within supply chains

Term	Definition
Induced Impact	Induced impacts arise from the spending of workers involved in the Proposed Development, both directly and indirectly
Input-Output Model	Input–output modelling is an economic technique used to identify the interdependencies between different branches of a national economy or different regional economies. It maps out how the output of one industry relates to the input needed by other industries to produce goods and services
Job year	One job year represents one year of continuous employment
Just Transition	A Just Transition seeks to ensure that the benefits of a green economy transition are shared widely, while also supporting those who stand to lose economically
Magnitude of Effect	The extent to which the baseline value of an asset has changeed due to the Proposed Development
Major Effect	An effect that is considered significant under Environmental Impact Assessment (EIA) Regulations
Material Change	A significant alteration in the terms or conditions of a contract, such that the change may affect the parties' decision to enter into such an agreement
Minor Effect	An effect that is generally not considered significant under EIA Regulations
Moderate Effect	An effect that may be significant under EIA Regulations, depending on professional judgment and specific circumstances, particularly when the impact is borderline
Multiplier	An economic factor that measures how much a change in one variable will affect a related variable. When applied to an outcome, a multiplier will amplify the effect. Type 1 multipliers are applied to direct impacts in order to calculate indirect impacts. Induced impact is yielded when a type 2 multiplier is applied to the direct impact, and the indirect impact is subtracted.
Negligible Effect	An effect that is generally not considered significant under EIA Regulations
NGET	National Grid Electricity Transmission
NPF4	National Planning Framework 4
NPV	Net Present Value is used to calculate the current value of a future stream of payments
NRS	National Records of Scotland
OECD	Organisation for Economic Co-operation and Development
OHL	Overhead line
ONS	Office for National Statistics
Operational Phase	The period of time in which the Proposed Development is in operation, after construction and commissioning is complete
OPEX	Operational Expenditure (OPEX) refers the costs incurred when running daily operations, such as salaries, utilities and maintenance
Receptor	An asset, place or group that might be impacted by the Proposed Development
RLB	Red Line Boundary
SCQF	Scottish Credit and Qualifications Framework
Sensitivity	An asset's importance and capacity to absorb change

Term	Definition
SGT	Super grid transformers
SIC	The UK Standard Industry Classification is a five-digit classification which provides a framework for collecting/organising statistical data according to economic activity
SIMD	The Scottish Index of Multiple Deprivation (SIMD) ranks Scotland's Data Zones based on over 30 indicators of deprivation, grouped into seven domains: Income, Employment, Education, Health, Access, Crime, and Housing
SPP	Scottish Planning Policy
SSEN	Scottish & Southern Electricity Networks
Supply Chain	A network of individuals and businesses that are involved in the production process. Links on the chain begin with the producers of the raw materials and end with the delivery of the finished product
Turnover	The total revenue generated by a company (or sector) through its normal business activities within a specific period
UGC	Underground cable

Executive Summary

This socio-economic assessment examines the impacts of the proposed Bingally Substation and associated works, termed the 'Proposed Development' in this report, on the local, regional, and national economy and community. The assessment covers both the construction and operational phases. However, the Gross Value Added (GVA) and employment results presented here are based solely on the construction phase.

Key findings from cost estimate modelling include:

- The Proposed Development could contribute **£2.5 million** to the total GVA in The Highland Council area.
- The Proposed Development could directly support **14 job years** in The Highland Council area, where one job year represents one year of continuous employment.

Gross Value Added (GVA)

The economic benefits during the construction phase are anticipated to be substantial across various geographical levels. Table 0-1-1 below outlines the GVA and the direct, indirect, and induced impacts at The Highland Council, Scotland, and UK levels.

Table 0- 1: Estimate GVA Impact, £m

GVA	Direct impact	Indirect impact	Induced impact	Total impact
The Highland Council	1.8	0.4	0.3	2.5
Scotland	20.1	7.2	5.4	32.7
UK	34.6	29.3	19.5	83.4

Employment

The construction phase will also create substantial employment opportunities, as detailed in Table 0-1-2 below, showing the direct, indirect, and induced employment impacts at The Highland Council, Scotland, and UK levels.

Table 0- 2: Estimated Employment Impact

Employment	Direct Impact	Indirect Impact	Induced Impact	Total Impact
The Highland Council	14	4	4	22
Scotland	160	60	70	292
UK	290	260	210	762

Tourism and Recreation

The proposed Bingally Substation is not expected to significantly impact local tourism or recreation in the long-term. Access to tourism assets will be maintained, with most experiencing negligible or minor effects due to dense tree coverage. The RSPB Corrimony nature reserve may experience slight noise impacts, mitigated by tree coverage, resulting in a moderate overall impact. Fishing activities will remain largely unaffected due to distance and lack of hydrological connection to the development site. Two core paths are present within the Red Line Boundary (RLB) of the proposed development; the Corrimony to Tomich by the

River Enrick Core Path (IN05.02) and Eve's Road Core Path (IN05.03). These routes will remain open during the construction phase and managed either by controlled crossing points or temporary diversion where necessary. Given the proximity to the construction, the impact is assessed to be major for the duration of the construction phase. The core paths will be reinstated upon completion of the works. Overall, no significant long-term adverse effects on tourism or recreation are expected. Temporary impacts during construction will be managed and mitigated to minimise disruption.

Households and Communities

There are several villages and settlements within 5km of the Proposed Development, however, there are no significant impacts to individual households and local communities in the long term anticipated. While there may be temporary disruptions during the construction phase, such as increased traffic and noise mainly focused on the main roads, these effects will be controlled (by the mitigations identified in associated EA technical chapters) and are not anticipated to have lasting consequences. Overall, no significant long term adverse effects on households or communities are expected.

1. Introduction

This socio-economic assessment report has been prepared by Ove Arup & Partners Ltd ("Arup") on behalf of Scottish Hydro Electric Transmission plc ("the Applicant") who, operating and known as Scottish and Southern Electricity Networks Transmission ("SSEN Transmission") own, operate and develop the high voltage electricity transmission system in the north of Scotland and remote islands.

The report assesses the socio-economic impacts of the **Proposed Development - a 400 kV substation and associated infrastructure to be located at a single site**, near Tomich within The Highland Council Local Authority area. The report assesses the impact of the Proposed Development during both the **construction and operational phases**, considering effects at various geographical scales – the Local (The Highland Council area), Regional (Scotland), and National (UK) study areas. In addition to **employment and GVA impacts**, it also assesses potential effects on **tourism and recreational activities**, recognising their importance to communities and the economy of the north of Scotland.

The Proposed Development is key to supporting the proposed upgrade of the Beauly to Denny overhead line for the existing 275kV circuit to operate at 400kV as part of **SSEN Transmissions' Pathway to 2030 projects**[1]. These projects are part of a proposed major upgrade of the electricity transmission network to help deliver United Kingdom (UK) and Scottish Government climate change and energy security targets. They would connect UK based **low carbon renewable electricity generation** to areas of demand across the country, with the aim of building a cleaner, more secure, and affordable energy system for homes and businesses across Great Britain.

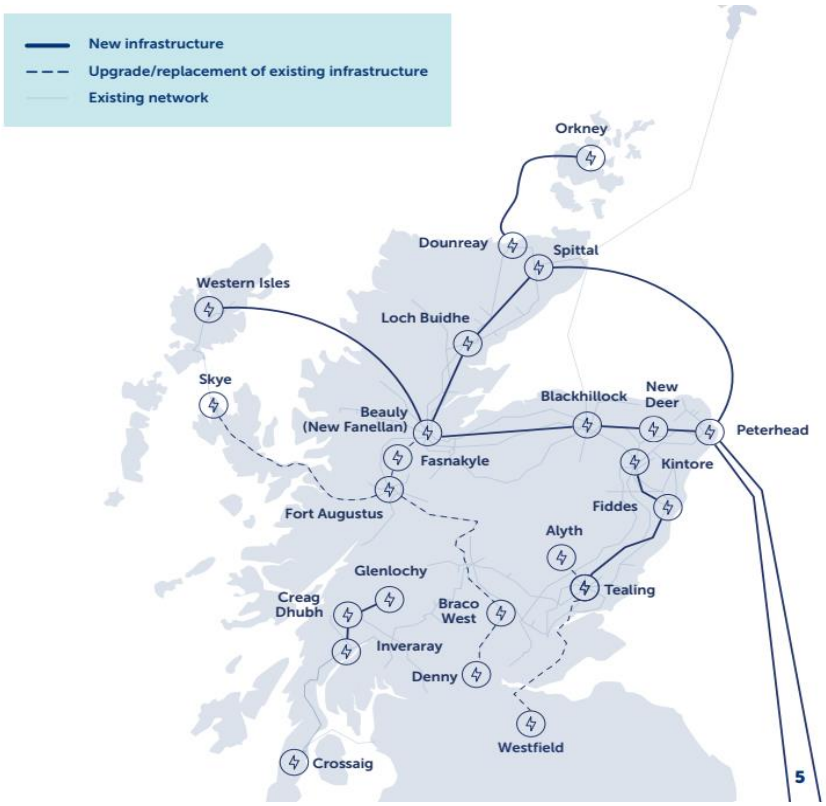

Figure 1-1: Overall map of ASTI / Pathway to 2030 project map

[1] 'Pathway to 2030' – Delivering 2030 Government targets and the transition to net zero - SSEN Transmission (ssen-transmission.co.uk)

2. Project Context

SSEN Transmission is investing over **£20bn** to upgrade the network infrastructure across the north of Scotland between now and 2030 as the region plays a leading role in the clean energy transition[2].

The need for the investment is well-established, with this national development looking to deliver a vital part of **NPF4's National Spatial Strategy.** The investment is expected to deliver extensive nationally significant strategic and socio-economic benefits, with SSEN Transmission committed to a Community Wealth Building (see Section 6.4) approach that maximises socio-economic benefits (within programme and spending constraints) to achieve a just transition for affected communities.

The Highland Council is supportive of renewable energy developments in principle, including the necessary grid infrastructure and connections. The Council has a 'Social Values Charter for Renewables Investment'[3] (approved 27 June 2024) which sets out the Council's expectations from developers wishing to invest in renewables in The Highland Council area. Its purpose is to embed an approach to community wealth building as set out in NPF4 Policy 25 and **unlock economic opportunities** for the area.

2.1 Proposed Development

Included in the 'Pathway to 2030' projects, is a new **Bingally 400 kV substation** located near Tomich which will facilitate the efficient transmission of renewable energy from its source to areas of demand across the country. The Proposed Development is fully described in Chapter 2 (Project Description), and includes:

- Construction of a new outdoor, Air Insulated Switchgear (AIS) 400 kV substation;
- The approximate dimension of the proposed substation is 376m x 290m;
- Tie in of the existing Beauly to Denny OHL infrastructure into the new substation;
- Areas for drainage, landscaping/screening and habitat enhancement;
- Temporary areas will also be required during construction for laydown and welfare.

An assessment of the socio-economic impact of the OHL tie-in as an individual project is shown in A.2.

2.2 Site Context

The new substation is located southeast of Tomich, near Cannich, approx. 6km from the existing Fasnakyle substation in The Highland Council area.

The location of the new substation site is marked by the red line boundary in Figure 2-1 .

[2] Scottish and Southern Electricity Networks Transmission, 'Projects delivering a Network for Net Zero, Pathway to 2030', available at: Projects delivering a Network for Net Zero - Pathway to 2030 - SSEN Transmission (ssen-transmission.co.uk)

[3] The Highland Council (2024), Social Value Charter for Renewable Investment, available at: 10._Social_Values_Charter_for_Renewables_Investment_2.pdf

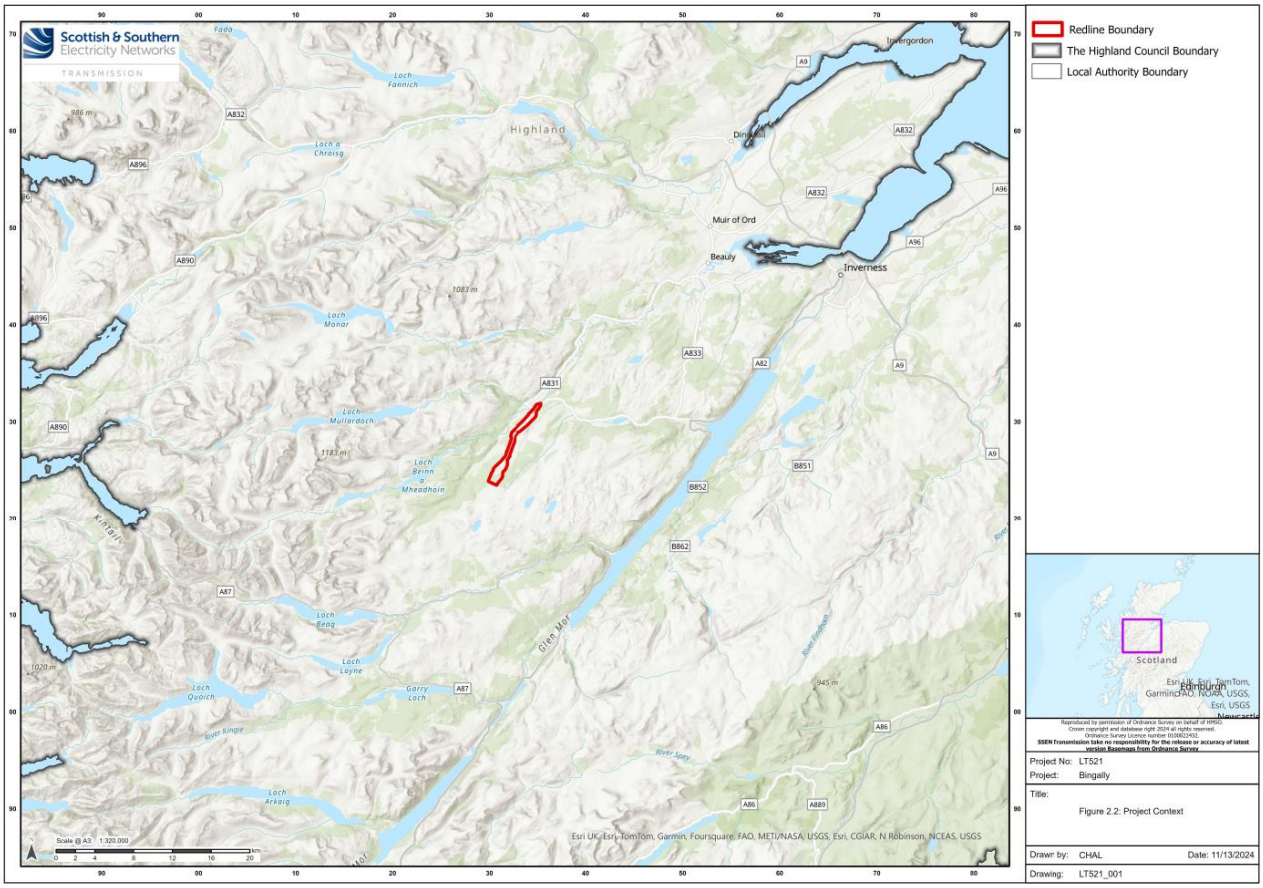

Figure 2-1: Proposed Development: regional / national location

As explained in Chapter 4 of the accompanying Environmental Assessment, this site was selected for the following reasons:

- Reduced environmental constraints.
- Adequate space to facilitate landscaping and biodiversity net gain enhancements.
- Connectivity for both existing and planned OHL infrastructure and local services.
- Ample size to accommodate all proposed infrastructure works.
- Meets construction requirements (including laydown and compound areas) without needing to extend beyond the site boundary

For the socio-economic assessment, the study area is extended beyond the site RLB. The Highland Council area is used as the Local study area, while interdependencies (other projects), tourism and recreation impacts are assessed for the immediate area - using a 5km radius as shown in Figure 2-2. A 2.5km buffer is also shown on the map to provide a sense of scale and used to aid analysis.

A 5km radius is deemed a suitable and proportionate area to assess direct impacts on local tourism and recreation assets.

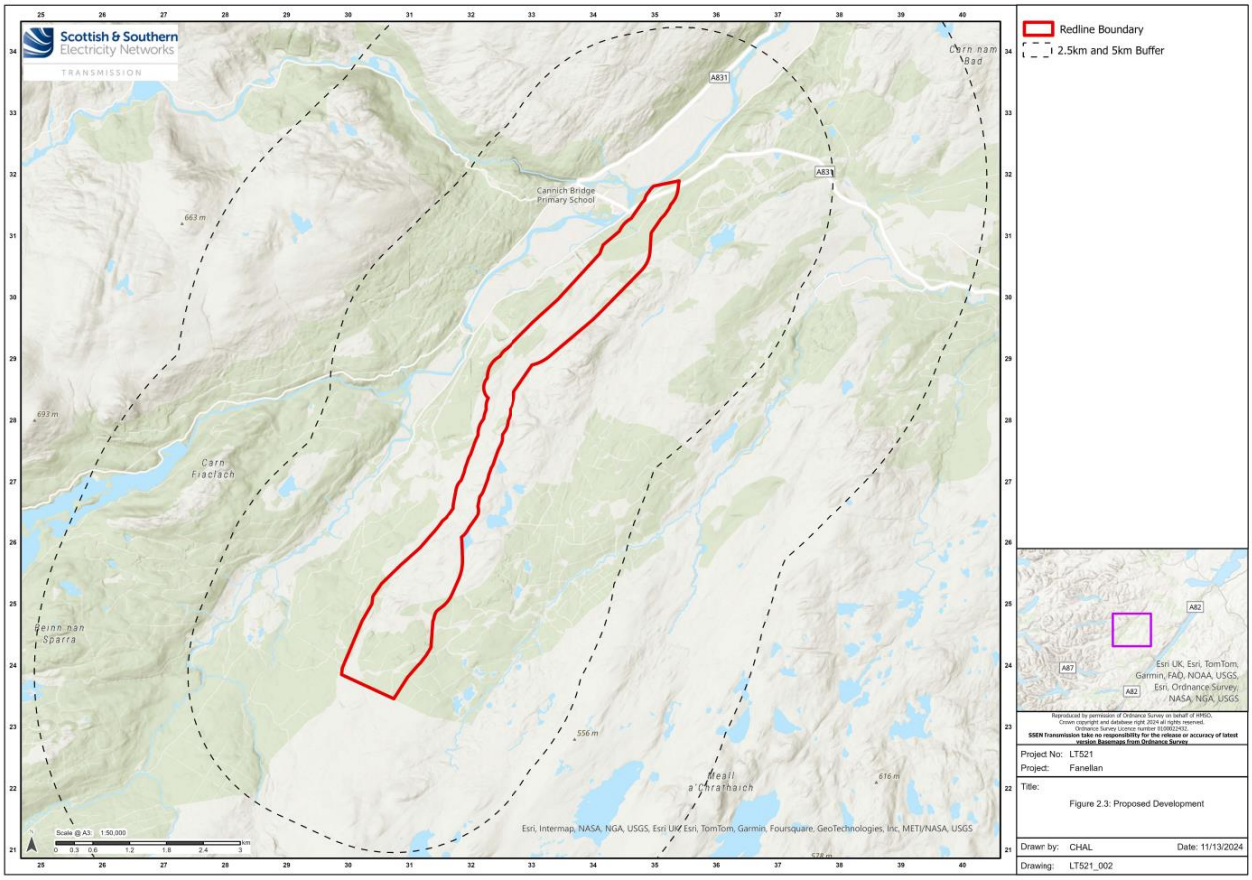

Figure 2-2: Proposed Development: red line boundary / local position

2.3 Socio-economic assessment context

The Proposed Development is part of a larger investment in northern Scotland's transmission network. These upgrades will enable the integration of **renewable energy** while delivering broader **economic, social and environmental benefits.** As with all major infrastructure developments, it is important to understand the local socio-economic impacts and enable early identification of opportunities for **Community Wealth Building** (see Section 6.4).

In undertaking the socio-economic assessment, the following documents, provided by SSEN Transmission, have been used as key references. Additionally, information and resources from the SSEN Transmission projects website have also been incorporated.

Table 2-1: Received documents

Recieved document reference	Document name	Date
1.	Site Location Plan	01/03/2024
2.	Location Plan Overview	17/10/2024
3.	Construction Breakdown for EIA	05/11/2024
4.	Enviornmental Constraints Document	25/08/2023
5.	Report on Consultation – Fasnakyle Area Substation	01/03/2023

Recieved document reference	Document name	Date
6.	Fasnakyle area (Bingally) Pre-application Consultation Booklet	13/03/2024
7.	Bingally Pre-application Consultation Feedback Booklet	14/06/2024

3. Legislation, Policy and Guidance

The methodology adopted for assessing the socio-economic impact of the Proposed Development is informed by a broad review of relevant legislation, policy and guidance at the UK, Scotland, The Highland Council and corporate level. This review ensures that the assessment aligns with strategic objectives and regulatory requirements pertinent to the Proposed Development.

Key documents such as **Scotland's Green Industrial Strategy** emphasise the economic benefits of transitioning to a net-zero economy, supporting the creation of well-paid jobs and stimulating investment across Scotland. This strategy is central for understanding the broader economic context and the potential benefits of enhancing grid capacity and resilience.

National Planning Framework 4 (NPF4) provides a strategic vision for Scotland's long-term development, promoting community wealth building and ensuring that new developments consider their impacts on employment, the green economy, and local communities. NPF4 also highlights the importance of minimising adverse effects on tourism and recreation, which are important economic sectors in the Highlands.

Scotland's National Performance Framework sets out a vision for national wellbeing, emphasising sustainable and inclusive growth. The Proposed Development aligns with the National Performance Framework and is expected to contribute positively to national wellbeing and economic resilience.

The National Strategy for Economic Transformation 2022 outlines priorities for economic growth, productivity, and fair economic opportunities. The calculation of GVA and employment impacts through this assessment work demonstrates alignment with this strategy and showing how the Proposed Development contributes to economic growth and opportunity.

The Scottish Government's Programme for Government 2024/25 focuses on key priorities such as eradicating child poverty, growing the economy, tackling the climate emergency, and ensuring high-quality public services. The Proposed Development is aligned strong with this programme, given its focus on net zero and contribution to growing the economy.

The Draft Energy Strategy and Just Transition Plan, published for consultation in January 2023, provides a roadmap for achieving a net-zero energy system, emphasising affordability, resilience, and clean energy. This Proposed Development is strongly aligned with this Plan, given the substation's role in enhancing grid capacity and supporting the transition to clean energy.

The Highland-Wide Local Development Plan 2012 sets out a vision for land use and development in the Highlands over the next 20 years, supporting sustainable growth and community wellbeing. It is pertinent to the Proposed Development ensuring alignment with local priorities and contributing to the sustainable development of the Highlands.

An Action Plan for Economic Development in the Highlands (2012) focuses on building on the region's substantial employment and population growth, providing insights into industries with the greatest economic potential and strategies for sustainable economic development[1].

Tourism Strategy: Scotland Outlook 2030, published in 2020, aims to position Scotland as a world leader in 21st-century tourism, emphasising sustainable and responsible tourism that benefits local communities, businesses, and the environment.

SSEN Transmission's Pathway to 2030 outlines the infrastructure required to support the growth in renewable electricity and achieve net-zero targets, highlighting the importance of grid resilience and capacity.

This policy landscape reveals a strong consensus on the importance of transitioning to a net-zero economy, supporting sustainable economic growth, and minimising adverse impacts on tourism and recreation. These shared priorities provide a robust foundation for assessing the socio-economic impacts of the Proposed Development, ensuring alignment with broader strategic goals and local priorities. Specific relevant guidance is detailed in Table 3-1 and further policy descriptors in Appendix 1.

Table 3-1: Legislation, Policy and Guidance Review

Strategy	Strategy element	Relevant guidance
Scotlands National Performance Framework	Economy	*'We also know that our economy must be environmentally sustainable, inclusive and benefit all our people and communities.'* **The project should consider how it can create local jobs and stimulate economic development**, contributing positively to national prosperity.
	Environment	*'Scotland is a beautiful country and we are blessed with abundant natural resources and architecture to rival the best in the world. Through this Outcome we recognise that it is our duty to protect and enhance these assets as essential to our economy, culture, way of life and the wellbeing of future generations.'* **The Proposed Development should consider how it can contribute to this outcome by operating with minimal environmental impact**, ensuring the protection of local biodiversity, and enhancing the condition of protected nature sites. This can also be through alignment with Scotland's climate goals.
	Community	*'We believe that access to greenspace, nature and other leisure activities positively enhances our lives and health.'* Access to green and blue spaces is a critical outcome within the NPF. **The Proposed Development should ensure that it enhances community well-being** by maintaining or improving access to local recreational areas. Engaging with local communities during the planning process will ensure that their needs and concerns are addressed, fostering a sense of ownership and inclusivity. This alignment with community access goals can help strengthen social cohesion and promote active lifestyles.
Scotland's National Strategy for Economic Transformation	Green Economic Recovery	*'We will align our economic recovery with our climate and nature targets'"* **The Proposed Development must align with sustainability goals,** minimising environmental impact by reducing carbon emissions, promoting renewable energy, and protecting natural resources.
	Infrastructure Investment	*'Supporting a just transition to a low-carbon economy'".* **The Proposed Development should enhance connectivity**, support innovation, and stimulate economic growth by improving infrastructure and creating jobs, all while adhering to low-carbon goals.
	Just transition	*'Supporting a just transition to a low-carbon economy.'* **The Proposed Development should ensure equitable distribution of benefits**, create job opportunities in green industries, and provide community support to workers affected by the transition.
National Planning Framework 4	Policy 1: Tackling the climate and nature crises	'*To encourage, promote and facilitate development that addresses the global climate emergency and nature crisis.'* **Significant weight must be given to the global climate and nature crisis** in all development proposals, supporting adaptation to future climate risks.
	Policy 2: Climate mitigation and adaptation	*'To encourage, promote and facilitate development that minimises emissions and adapts to the current and future impacts of climate change'* **Any Proposed Development should minimise greenhouse gas emissions** throughout their lifecycle, adapt to current and future climate risks, and prioritise retrofitting existing developments to reduce emissions and support climate adaptation.

Strategy	Strategy element	Relevant guidance
	Policy 3: Biodiversity	*'To protect biodiversity, reverse biodiversity loss, deliver positive effects from development and strengthen nature networks'* **Development proposals should enhance biodiversity** by restoring habitats and strengthening nature networks, integrating nature-based solutions where possible. Major developments must demonstrate that they conserve, restore, and enhance biodiversity, leaving nature in a better state than without intervention. Proposals should assess the site's ecological context, mitigate negative effects, and provide significant biodiversity enhancements, including community benefits. Local developments should also include proportional biodiversity measures, while minimising adverse impacts on the natural environment through careful planning to reverse biodiversity loss and enhance ecosystem resilience.
	Policy 11: Energy	'*To encourage, promote and facilitate all forms of renewable energy development onshore and offshore. This includes energy generation, storage, new and replacement transmission and distribution infrastructure and emerging low-carbon and zero emissions technologies including hydrogen and carbon capture utilisation and storage (CCUS).'* **Development proposals for renewable, low-carbon, and zero-emissions technologies will be supported**, including wind farms, grid infrastructure, energy storage, and carbon capture. Proposals must maximise local socio-economic benefits like job creation and supply chain opportunities, while addressing potential impacts on communities, landscapes, and the environment. Cumulative impacts and alignment with renewable energy and emissions reduction targets will be heavily weighted, and grid capacity should not limit development.
National Planning Framework 4	Policy 25: Community Wealth Building	*'To encourage, promote and facilitate a new strategic approach to economic development that also provides a practical model for building a wellbeing economy at local, regional and national levels.'* **Development proposals that align with local or regional community wealth-building strategies** and economic priorities will be supported. This includes improving community resilience, reducing inequalities, promoting local supply chains and job creation, and supporting community-led initiatives, such as new local firms or community ownership of assets.
	Policy 25: Tourism	*'To encourage, promote and facilitate sustainable tourism development which benefits local people, is consistent with our net zero and nature commitments, and inspires people to visit Scotland.'* **Proposed Developments should avoid negatively affecting communities**, services, or residential areas. Additionally, they should manage traffic, promote sustainable travel, and minimise carbon emissions. The reuse of tourism facilities must demonstrate that the current use is no longer viable, and any development must avoid detracting from local amenities or housing availability unless outweighed by clear economic benefits.
Draft Energy Strategy and Just Transition Plan	Job creation	**Promote job creation in the renewable energy sector**, especially in offshore wind, hydrogen, and energy efficiency projects.
	Community benefits	**Ensure local communities benefit from energy developments** through community ownership schemes and local investment.
	Economic growth	**Drive economic growth**, particularly in rural and economically disadvantaged areas, through the transition to a net-zero energy system

Strategy	Strategy element	Relevant guidance
Action Plan for Economic Development in the Highlands	Workforce Development	**Ensure the workforce has the necessary skills**; address youth unemployment; attract individuals with regional ties to fill new job opportunities.
	Job Creation	**Focus on creating jobs that raise the region's average earnings**, particularly in the private sector.
	Renewable Energy Development	**Ensure local workforce benefits from renewable energy projects**, creating jobs and economic opportunities.
	Tourism Training and Promotion	**Improve tourism-related training** to support job creation and economic benefits in the tourism sector.
	Local Benefit in Public Procurement	**Introduce local benefit considerations into public procurement** to support local businesses and communities.
SSEN Transmission Pathway to 2030	Grid Capacity and Resilience	The Pathway to 2030 outlines the **infrastructure required to support the growth** in renewable electricity and achieve net-zero targets. This includes significant investments in grid capacity and resilience to accommodate increased renewable energy generation
	Economic Impact	The Pathway to 2030 is expected to deliver substantial economic benefits, **including job creation and GVA contributions**, particularly in the North of Scotland.
	Community and Environmental Benefits	The statement of intent emphasises minimising community and environmental impacts while **maximising local socio-economic benefits**, such as job creation and supply chain opportunities

4. Methodology

The methodology for assessing socio-economic impact is used in relation to both the construction and operational phase of the Proposed Development.

- It begins with a comprehensive assessment of Existing Socio-economic Conditions in the area.
- Following this, **Proposed Development Specific Inputs** — such as **footprint, worker strategy, and capital costs**—were integrated, detailing the anticipated changes and investments associated with the development.
- These inputs were then used in **Input/Output Modelling** to analyse the economic interactions and impacts.
- Alongside this modelling, an **Assessment of Tourism and Recreation** was conducted to evaluate the potential effects on local tourism and recreational activities.
- The results from these analyses informed the **GVA and Employment Calculations**, providing a detailed understanding of the economic contributions and job creation potential.
- Finally, these findings were compiled into **Assessment Outputs**, offering a holistic view of the development's socio-economic impact, including its influence on tourism and recreation.

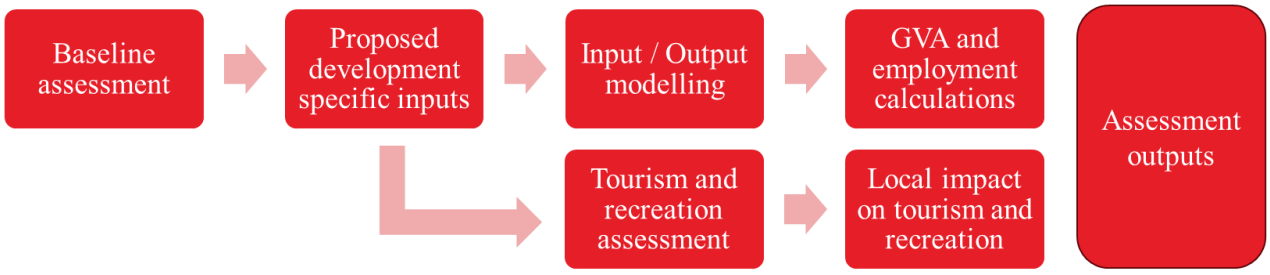

Figure 4-1: Socio-economic impact assessment methodology

4.1 Defining Impact Areas for the Assessment

The geographical scope of the socio-economic assessment is defined across three distinct scales to reflect the varying levels of impact.

The study areas are defined at three different scales to capture the varying levels of potential impact:

- **Local (The Highland Council area):** This scale focuses on the immediate context of the development, providing insights into the impacts on local communities and economies within The Highland Council region.
- **Regional (Scotland):** The regional scale assesses the broader impacts across Scotland, allowing for an understanding of how the project contributes to regional economic trends, particularly in terms of employment and GVA.
- **National (UK):** At the national level, the assessment examines the project's wider socio-economic implications, considering its potential influence on national economic patterns and contributions within the UK. By incorporating both broader regional scales and detailed local data, the assessment ensures that socio-economic impacts are evaluated at the most relevant levels.

In addition to these broader geographical scales, more detailed **baseline data** is used at the **Data Zone**[4] level. This granular data allows for a more focused assessment of localised impacts, considering the unique characteristics and socio-economic dynamics of this specific area. It is at this level that most of the **induced benefits** are expected – such as spending by workers and contractors – to occur, further stimulating economic activity within the local area.

Tourism and Recreation: For the assessment of tourism and recreation, the study area is more site-specific. This includes the land within the boundaries of the Proposed Development, as well as immediately adjacent areas where direct effects, such as visual or noise impacts, might be experienced. The study also considers a wider area extending up to 5km from the centre of the Proposed Development, to account for any indirect effects on tourism assets or recreational activities within the broader vicinity.

By tailoring the study areas to these different scales, the assessment ensures that both localised and broader socio-economic, recreational and tourism impacts are thoroughly evaluated.

4.2 Input-Output Modelling

Employment and GVA Multipliers for 2019, sourced from Scottish Supply, Use and Input-Output tables, are used to calculate direct, indirect and induced economic impacts of the Proposed Development.

- **Direct impacts** refer to the jobs and economic output created directly by the Proposed Development, such as employing contractors on-site.
- **Indirect impacts** capture the economic value generated by contractors' spending within their supply chains. These are calculated using Type I multipliers, which apply to the direct impacts.
- **Induced impacts** arise from the spending of workers involved in the Proposed Development, both directly and indirectly. This spending boosts economic activity further, and is calculated using both Type I and Type II multipliers applied to the direct impacts.

By applying these multipliers, the analysis accounts for the full economic ripple effect of the Proposed Development.

4.3 Economic Impacts during the Construction Phase

The economic impacts during the construction phase are measured in terms of employment and GVA.

Estimating Employment: To estimate employment impacts, turnover-to-employee ratios are used to calculate the direct employment generated by the project. Employment multipliers are then applied to account for indirect and induced jobs created through supply chain spending and worker spending.

Estimating GVA: Data on Capital Expenditure (CAPEX) provided by project managers, including professional fees and other development costs, are used to estimate GVA. Where possible, detailed itemised data and contract details are reviewed to differentiate between equipment and labour costs. The direct economic impact is estimated by applying turnover-to-GVA ratios specific to the sectors involved. Indirect and induced GVA are then calculated using Type 1 and Type 2 multipliers from the Scottish Input-Output tables.

4.4 Economic Impacts during the Operational Phase

The economic impacts during the operational phase are assessed based on the ongoing operational expenditure (OPEX) of the project and its long-term effects. OPEX is modelled using average annual operational costs, with turnover-to-GVA and employment ratios applied to estimate the direct economic effects. Multipliers are then used to determine indirect and induced impacts.

[4] Data Zones are small area geographies used in the production of official statistics in Scotland. Data Zones are designed to have roughly standard populations of 500 to 1,000 household residents and they nest within Local Authority boundaries (Scottish Government, 2024).

Net Present Value (NPV) Impact: To evaluate the long-term economic impact of operational expenditure, the effects are adjusted to their NPV using a 3.5% discount rate, following the UK Government's Green Book guidelines.

4.5 Impacts on Tourism and Recreation

The assessment of the Proposed Development's impacts on tourism and recreation focuses on key tourism and recreational assets in the surrounding area. Given the absence of specific guidelines for substation projects, professional judgment is applied, supported by widely recognised economic impact assessment methods. The assessment considers potential effects on recreational behaviour, such as changes to core path and walking routes, access issues such as construction traffic along an asset access route, reduced amenity, and changes to the landscape. The key impacts considered are:

- **Visual Impact:** Infrastructure may reduce scenic views, affecting tourist appeal.
- **Noise and Disturbance:** Construction and operational noise may disrupt visitor tranquillity.
- **Accessibility:** Infrastructure may impact access to tourist spots.
- **Perception:** Landscape changes or industrial presence may alter the area's recreational appeal.

4.5.1 Sensitivity of Receptors

To assess how sensitive different tourism and recreational assets are to potential impacts, their significance and capacity to absorb change is assessed based on factors such as:

- Its importance at a local, regional, national, or international level.
- Availability of alternative resources or routes.
- Ease of replacing the resource or adjusting behaviour.
- The asset's ability to accommodate change over time.
- The nature of its users, particularly sensitive groups (e.g., individuals with disabilities).

Table -1 outlines how the sensitivity of tourism and recreational receptors are categorised.

Table 4-1: Sensitivity of Receptors

Sensitivity of Receptor	Definition
High	The asset has **limited capacity to absorb change** and is **of high tourism/recreational value**. It may be of **national or international importance**, or there may be **no substitutes within its catchment area**. Example: remote nature reserves or scenic hiking trails where tourism is driven by natural beauty and tranquillity.
Medium	The asset can absorb **some change without significantly altering its character** and is of **regional importance** or has **some substitutes within its catchment area.** Example: villages with mixed cultural and natural attractions.
Low	The asset can tolerate **change with minimal impact on its character** and has **low tourism/recreational value.** It may be of local importance with multiple alternatives available. Example: areas near existing infrastructure or industrial sites.
Negligible	The asset is highly resilient to change and has **little to no tourism/recreational value.**

4.5.2 Magnitude of Effect

The magnitude of effect is assessed by determining how much the baseline value of an asset changes due to the development. This provides a foundation to measure the scale of impact. The magnitude is proportional to the degree of change in the asset's baseline condition and is categorised in Table 4-2.

Table 4-2: Magnitude of Effect

Magnitude of Effect	Description
High	A **major loss or improvement to key features** of the baseline condition, resulting in a fundamental change to the asset. Example: substantial increase or decrease in tourism spend, or a long-term improvement of recreational assets.
Medium	A **material change to key elements of the baseline condition**, altering the character of the asset but not fundamentally. Example: moderate changes in tourism spend or improvement in recreational opportunities.
Low	Changes are detectable but do **not significantly alter the baseline**. Example: small changes to tourism spend or recreational value.
Negligible	Changes are **barely distinguishable** from baseline conditions and approximate a "no change" situation.

4.5.3 Significance of effect

The significance of the effect is determined by combining the sensitivity of the receptor with the magnitude of the impact. This process uses professional judgment to determine whether effects are significant or not, particularly when sensitivities or magnitudes are borderline. Table 4-3 guides this process.

Table 4-3: Framework for Assessment of the Significance of Effects

Sensitivity of Receptor	Magnitude of Impact			
	Negligible	**Low**	**Medium**	**High**
High	Minor	Moderate	Major	Major
Medium	Negligible	Minor	Moderate	Major
Low	Negligible	Negligible	Minor	Moderate
Negligible	Negligible	Negligible	Negligible	Minor

- **Major effects** are typically considered significant under Environmental Impact Assessment (EIA) Regulations.
- **Moderate effects** may also be significant, depending on professional judgment and specific circumstances, particularly when the impact is borderline.
- **Minor and negligible effects** are generally not considered significant.

It is important to note that significant effects are not always negative or unacceptable. Effects can be beneficial, neutral, or adverse, and each will be specified where relevant.

To support this assessment, **geospatial mapping has been used to identify key tourism and recreational receptors**. The mapping will estimate the value of these assets to the local and regional economy, helping assess their potential sensitivity to the Proposed Development.

The assessment process outlined will result in a clear understanding of how the Proposed Development may impact tourism and recreation. By evaluating receptor sensitivity and the magnitude of change, and using professional judgment, we provide a balanced view of the significance of these impacts. This structured approach ensures the results of the assessment are transparent, reliable, and informative for decision-making.

4.6 Households and Communities

There are several villages and settlements within 5km of the Proposed Development. The eastern edge of Cannich village is 190m away from the RLB, with Glass House located on the A83 in Cannich, 200m away. Other settlements within 5km of the Proposed Development include Glassburn, Millness and the village of Tomich which is popular amongst tourists. Whilst there are likely to be temporary disruptions during the

construction phase, such as increased traffic and noise around Cannich and Tomich, these effects will be controlled (by the mitigation measures identified in associated EA technical chapters) and are not anticipated to have lasting consequences. The impact on local households and communities has been assessed further in the Recreation Assessment in Section 6.2.3.

4.7 Consultations

Consultations with key stakeholders, including project developers and contractors, have been conducted to refine the assumptions used in the analysis and ensure the accuracy of the economic impact estimates. These consultations involved reviewing documents from SSEN Transmission and engaging in discussions with contracted developers and project managers to gather CAPEX data and worker strategy details. It is important to note that there has not been direct consultation with local authorities or tourism stakeholders; instead, the analysis has relied on previous consultation documents and existing data. The objectives of these consultations are as follows:

- Validate Expenditure Data: Confirm the accuracy of DEVEX, CAPEX, and OPEX data.
- Understand Contracting Practices: Gain insights into the location and sectoral distribution of contractors.
- Assess Local Economic Contribution: Understand the proportion of expenditure expected to benefit the local and regional economies.
- Evaluate Tourism and Recreation Concerns: Gather input from existing consultation documents on potential impacts and mitigation strategies.

5. Existing Socio-economic Conditions

5.1 Summary

The assessment of existing socio-economic conditions provides a full overview of the current conditions in the Proposed Development study area. This assessment covers various critical aspects, including population, economic activity, employment, supply chain capacity and capability, qualifications, earnings, GVA, deprivation, land use, housing, tourism, and recreation. Spatial analysis using Geographic Information Systems (GIS) has been used to ensure accurate and detailed insights.

Population: The population analysis examines the demographic characteristics of the area, such as age distribution and migration patterns. Key findings indicate that the population of the area is 1,027, with a notable trend of outward migration of the under-24's in The Highland Council area.

Economic Activity: This section evaluates the economic landscape, focusing on key occupations and employment rates. The analysis reveals that the primary economic activities in The Highland Council area include professional occupations, contributing significantly to the local economy.

Employment: Employment trends are assessed, including sectoral employment distribution. The findings show that the employment rate is 77%, with major employment sectors being construction, accommodation and food services and education.

Supply Chain Capacity and Capability: Given the Inverness West Rural – 01 Data Zone's higher than average concentration of construction employment (17.8%) relative to the national average (5%), the Proposed Development could significantly benefit the local economy by creating supply chain opportunities, boosting local businesses and supporting employment, provided the necessary construction and maintenance skills are available locally.

Qualifications: The qualifications section examines the educational attainment levels of the local workforce. The data indicates that 86% of The Highland Council area's working-age population holds qualifications at SCQF Level 7 and above, demonstrating the area's capacity to capitalise on high-skilled job opportunities.

Earnings: This part of the assessment compares average and median earnings within the study areas. The median earnings in The Highland Council Area are £35,900.

GVA: The average GVA per worker in the Inverness West Rural – 01 Data Zone was £57,000 in 2021, which was higher than the average for The Highland Council area (£51,000) in-line with that of Scotland (£57,000) but lower than that of the UK (£66,000).

Deprivation: The deprivation analysis uses Indices of Multiple Deprivation to identify areas of socio-economic disadvantage. The Inverness West Rural – 01 Data Zone falls within the 4th quintile of the Scottish Index of Multiple Deprivation (SIMD) 2020.

Land Use: Land falling within the redline boundary of the Proposed Development substation is predominantly upland hill grazing and coniferous forestry plantations, with adjacent core paths used by walkers, cyclists and horse riders.

Housing: In 2023, the vacancy rate for dwellings in the Inverness West Rural – 01 Data Zone was 7%, which is more than double the figure for Scotland (3%), and higher than The Highland Council Area's vacancy rate of 5%, with a notable proportion of long-term empty dwellings, 4%, which is double the national average.

Tourism and Recreation: Scotland's Tourism Strategy plans to increase visitor spend by £1 billion by 2034, with a focus on adventure tourism and cultural experiences. In 2023, the Highlands recorded 2.29 million overnight visits, resulting in £762 million in spending. This part assesses the tourism and recreation sector, including visitor numbers, tourism revenue, and recreational facilities. The area attracts 18,000 visitors annually, generating £547 million in tourism revenue, with key attractions including hill walking and mountaineering spots.

5.2 Socio-economics

This section provides an overview of the existing socio-economic characteristics of the Proposed Development study areas and the Inverness West Rural – 01 Data Zone, where data is available.

- Population
- Economic activity
- Employment
- Supply chain capacity and capability
- Qualifications
- Earnings
- GVA
- Deprivation
- Land Use
- Housing

5.2.1 Population

The Highland Council area is a mainly rural region in the north of Scotland covering an area of around 26,484km[25] and has a population of 238,060 (as of June 2021)[6]. The Highland Council had the 7th highest population in 2021, out of all 32 council areas in Scotland. The main settlements within The Highland Council area includes Inverness, Fort William and Nairn which have populations of approximately 46,960, 10,500 and 10,100 respectively and the area is divided into eight city and local committees which are recognised by the Council.

[5] Highland Council (2022) Highland Council https://www.highland.gov.uk/info/695/council_information_performance_and_statistics/165/highland_profile_-_key_facts_and_figures [Accessed 23/08/2024]

[6] National Records of Scotland (2022) Highland Council Area Profile Highland Council Area Profile (nrscotland.gov.uk) [Accessed 23/08/2024]

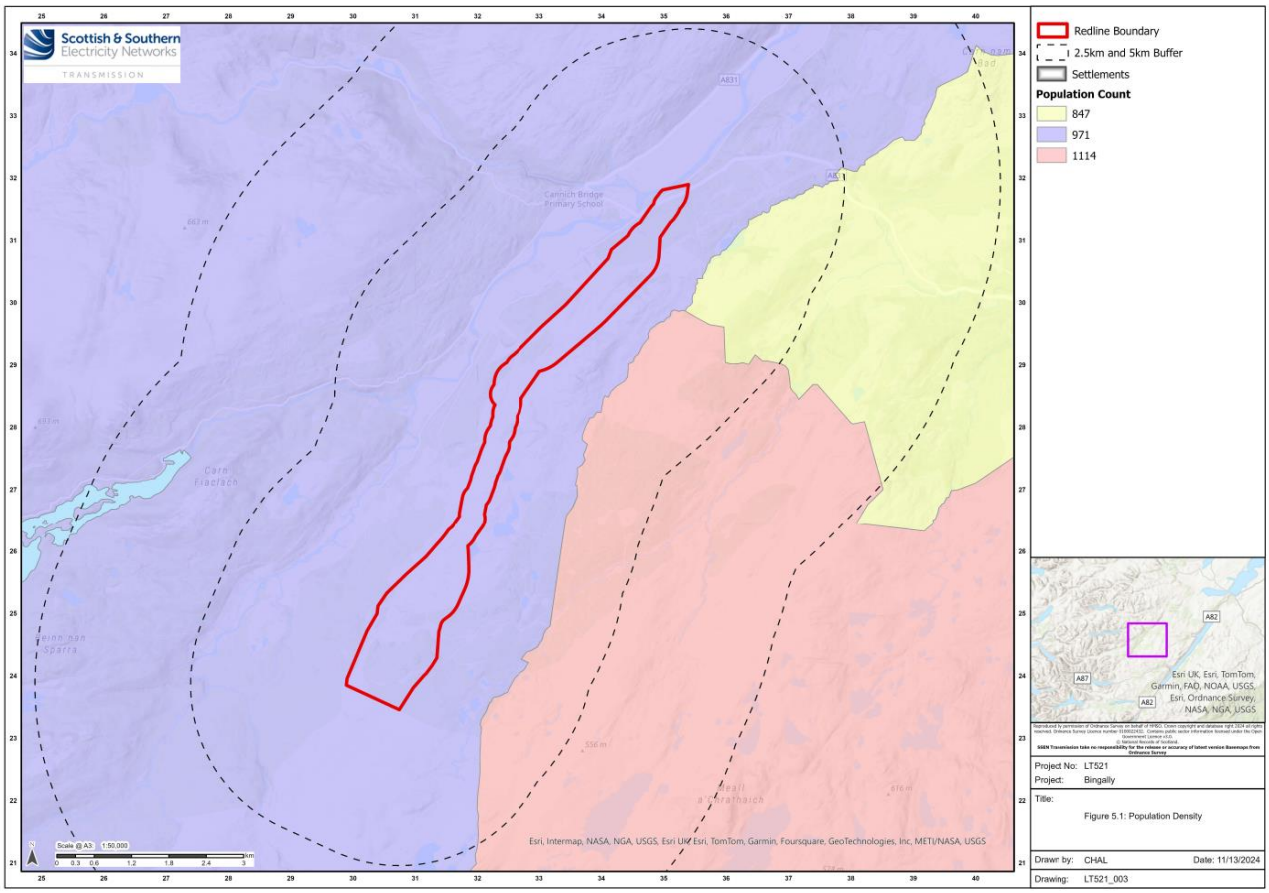

Figure 5-1: Population Structure by Study Area

Data collected from the National Records of Scotland (NRS) and Office for National Statistics (ONS) shows that, in 2021, Inverness West Rural – 01 Data Zone had a population of 971 as shown in Figure 5-1, and just over half (60%) of the residents were of working age. This percentage is slightly lower compared to the working-age population in 2022 for Scotland (63%), and the UK (63%).

Additionally, in 2021, 23% of the population in the Data Zone were aged 65 and over. This is higher than the figures for Scotland (20%), and the UK (19%) in 2022. These figures indicate an aging population and a high elderly dependency ratio in the area surrounding the substation, compared to the wider Highlands, Scotland, and the UK.

There is considerable outward migration of the under-24's in The Highland Council area, and by 2026 the 16-24 population is expected to decrease by 7.1% from the 2016 figure[7]. The 16-24 age-group is an important segment of the population for future economic stability and growth, with continued outward migration of young people from the Highland region presenting a risk to the future of economic prosperity for the region.

[7] National Records of Scotland (2019) available at: https://www.nrscotland.gov.uk/files/statistics/council-area-data-sheets/highland-council-profile.html#population_projections [accessed 30/08/2024]

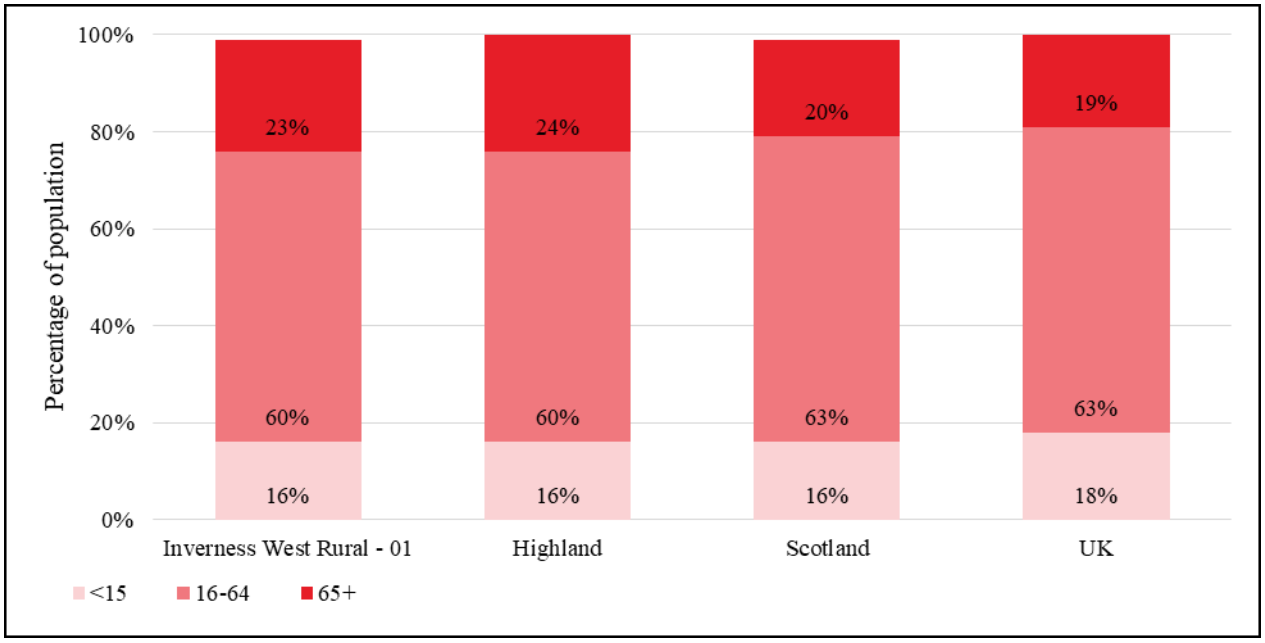

Figure 5-2: Population Structure by Study Area (NRS, 2022 and ONS, 2022)

5.2.2 Economic activity

Data obtained from the Annual Population Survey (APS, 2024) indicates that in the year to March 2024, The Highland Council area experienced a similar rate of economic activity to Scotland and the UK. However, during this period, the unemployment rate in Scotland and the UK was 4% while it remained 0% in The Highland Council area. Despite this low unemployment rate, a significant portion of the working-age population (27%) in The Highland Council area was economically inactive but wanted a job. This suggests barriers, such as a lack of suitable job opportunities and skills mismatch. While the region's economic activity rate indicates vibrancy, the high economic inactivity rate highlights underlying issues that need to be addressed to fully utilise the available workforce.

Table 5-1: Economic Activity, April 2023-March 2024 (APS)

	Highland	Scotland	UK
Economic activity rate - aged 16-64	**79%**	**77%**	**79%**
Employment rate - aged 16-64	77%	74%	75%
% aged 16-64 who are employees	68%	66%	66%
% aged 16-64 who are self employed	8%	8%	9%
Unemployment rate - aged 16-64	0%	4%	4%
Unemployment rate - aged 16+	0%	4%	4%
% who are economically inactive - aged 16-64	**22%**	**23%**	**22%**
% of economically inactive who want a job	27%	17%	17%
% of economically inactive who do not want a job	73%	84%	83%

Professional occupations were most prevalent in The Highland Council area between April 2023 and March 2024, followed by elementary occupations and associate professional occupations. It is notable that although professional occupations accounted for a large proportion of jobs in The Highland Council area (22%), this figure is low relative to wider Scotland and the UK, at 26% and 27% respectively. The same can be said of associate professional occupations, which accounts for just 12% of jobs in The Highland Council area relative to 16% in Scotland and 15% across the UK. Occupations that account for a greater portion of jobs in

The Highland Council area than in Scotland and the UK are elementary occupations; skilled trades; caring, leisure and other service occupations; sales and customer service occupations; and process, plant and machine operatives.

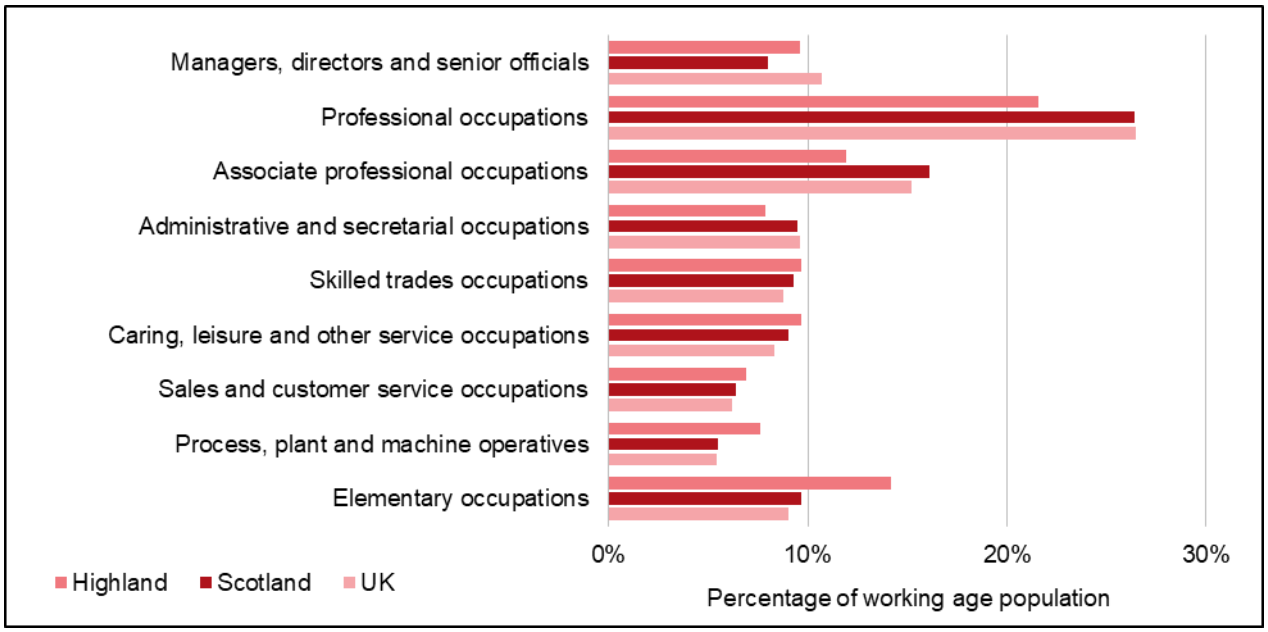

Figure 5-3: Occupations, April 2023-March 2024 (APS)

5.2.3 Employment

To understand the economic landscape of the area surrounding the Proposed Development, we can examine the key industries within the Inverness West Rural - 01 Data Zone. Data collected from the Business Register and Employment Survey (BRES, 2023) reveals that, in 2022, the Data Zone's largest industry was Education 33.3% of employment. In The Highland Council area, Scotland and UK, the Education industry employed 7.1%, 8.4% and 8.3%, of the respective areas total workforce.

The dominance of the Education industry in the area immediately surrounding the substation is clear, especially when compared to the wider local Highland Council area, Scotland, and UK, where the leading sector accounts for 16%, 15% and 13% of employment, respectively. This highlights the lack of industry diversification in the Data Zone compared to the Local, Regional and National study areas. Table 5-2 illustrates the concentrated employment trend, showing that the smallest study area (Data Zone) has 0% employment in 11 of the 18 industries which employ the UKs workforce. The next largest sector was Accommodation and Food Services, which makes up 22.2% of employment and is likely reflective of the Highland's sizeable leisure and tourism sector.

Tourism is an important component of the Scottish Economy and a significant source of employment across the country[8]. The sector employs people of varying ages, abilities, skill sets and nationalities, and it encompasses a range of subsectors such as accommodation, restaurants, travel agents, museums and other recreational and cultural activities[9]. This makes tourism a flexible industry with a low barrier to entry, and employability programmes focussed on priority groups, such as young offenders, 'back to work' and young people exemplify the important role that tourism can play in ensuring inclusive growth in Scotland.

Using 14 identified Standard Industry Classification (SIC) codes for the tourism sector, as recommended by VisitScotland[10], employment data was obtained from BRES (2022). This data reveals that the tourism sector accounted for **35 jobs** in the Inverness West Rural – 01 Data Zone in 2022, with 25 people working in the holiday accommodation and hotel sector.

[8] Scottish Government (2018). 'Tourism in Scotland: the economic contribution of the sector', available at: **Error! Hyperlink reference not valid.**

[9] Scottish Tourism Observatory, 'Tourism Businesses in Scotland', available at: Tourism Businesses in Scotland | Scottish Tourism Observatory

[10] VisitScotland (2024).'TOURISM EMPLOYMENT IN SCOTLAND', available at: Tourism Employment in Scotland - Statistics | VisitScotland.org

Construction is a dominant industry in the Inverness West Rural 01 Data Zone, employing 17.8% of the population. In The Highland Council area, Scotland and UK, the construction industry employed 7%, 8.4% and 8.3%, of the respective areas total workforce.

This suggests that construction is a dominant industry in the area surrounding the Proposed Development, which could indicate that The Highland Council area, and especially the Inverness West Rural – 01 Data Zone, has a comparative advantage over both Scotland and the UK in construction-related activities[11].

In The Highland Council area, the sector supported 17,000 jobs, and across Scotland, tourism accounted for 228,000 jobs. This translates to the tourism sector representing 8%, 13%, and 9% of employment in the Inverness West Rural – 01 Data Zone, The Highland Council area and Scotland, respectively. Furthermore, Scotland's tourism sector is larger than the Organisation for Economic Co-operation and Development (OECD) averages in terms of employment and GDP.[5]

Table 5-2: Employment, 2022 (BRES)

Industry	Data Zone	Highland	Scotland	UK
Agriculture, forestry & fishing	0%	11.0%	3.4%	1.7%
Mining, quarrying & utilities	0%	2.8%	2.4%	1.2%
Manufacturing	0%	4.7%	6.6%	7.5%
Construction	17.8%	7.1%	5.6%	5.0%
Motor trades	0%	2.0%	1.7%	1.8%
Wholesale	0%	2.0%	2.4%	3.6%
Retail	0%	9.4%	8.7%	8.5%
Transport & storage (inc postal)	0%	3.9%	4.0%	4.9%
Accommodation & food services	22.2%	11.8%	8.2%	7.9%
Information & communication	0%	2.0%	3.1%	4.4%
Financial & insurance	0%	0.7%	3.2%	3.2%
Property	0%	1.2%	1.3%	1.9%
Professional, scientific & technical	4.4%	4.7%	7.4%	9.0%
Business administration & support services	8.0%	4.7%	7.8%	8.8%
Public administration & defence	4.0%	4.7%	6.2%	4.5%
Education	33.3%	7.1%	8.4%	8.3%
Health	0%	15.7%	15.0%	13.2%
Arts, entertainment, recreation & other services	2.2%	4.7%	4.6%	4.4%

5.2.4 Supply chain capacity and capability

Given the Inverness West Rural – 01 Data Zone's higher than average employment in construction, the Proposed Development could benefit the local economy. The construction phase is likely to create supply chain opportunities across sectors, boosting local businesses, supporting employment, and potentially leading

[11] Comparative Advantage: an economy's ability to produce a particular good or service at a lower opportunity cost than its trading partners.

to job creation. However, this positive impact hinges on the availability of necessary construction and maintenance skills within the local workforce. If these skills can be sourced locally, the economic benefits could be substantial, fostering growth and stability in the community.

5.2.5 Qualifications

In 2023, the proportion of the working-age population with at least an SCQF level 7 qualification (equivalent to a Scottish Higher) in The Highland Council area was slightly lower than that of wider Scotland, but higher than the national (UK) level. This indicates that The Highland Council area has a workforce that is well-qualified and shows potential for upskilling.

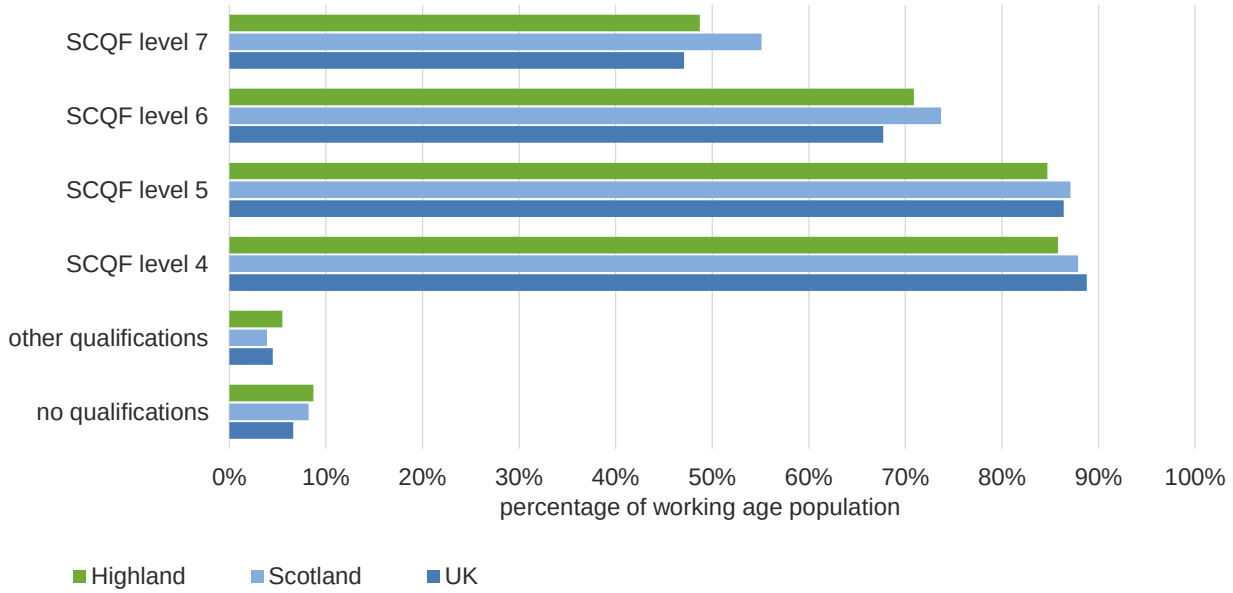

Figure 5-4: Qualifications by study area, 2023 (APS)

5.2.6 Earnings

The mean gross pay for full-time workers in The Highland Council area is slightly lower than in both Scotland and the UK, with the UK having the highest mean gross pay. However, the median gross pay is highest in The Highland Council area and lowest at the UK level. As the size of the study area decreases, the mean and median pay figures converge. This indicates that at larger geographical levels, the mean gross pay is skewed by a few highly paid individuals. Therefore, incomes are more evenly distributed at the local level than at the national level.

Similarly, the mean workplace-based gross pay of full-time workers is higher at wider geographical levels, with The Highland Council area claiming the lowest mean pay and the UK the highest. This is expected given that The Highland Council area is more rural, with less industry, while wider Scotland and the UK benefit from economic hotspots such as Glasgow and London where there are greater economic opportunities and more highly paid, skilled jobs. The median workplace-based pay of full-time workers appears to be highest at the regional level, with Scotland claiming the highest pay; the UK follows closely behind, and The Highland Council area claims the lowest gross pay. It is worth noting that, again, the discrepancy between mean and median pay is largest at the UK level and lowest at The Highland level.

Figure 5-5: Resident-based Gross Annual Pay of Full Time Workers, 2023 (Annual Survey of Hours and Earnings)

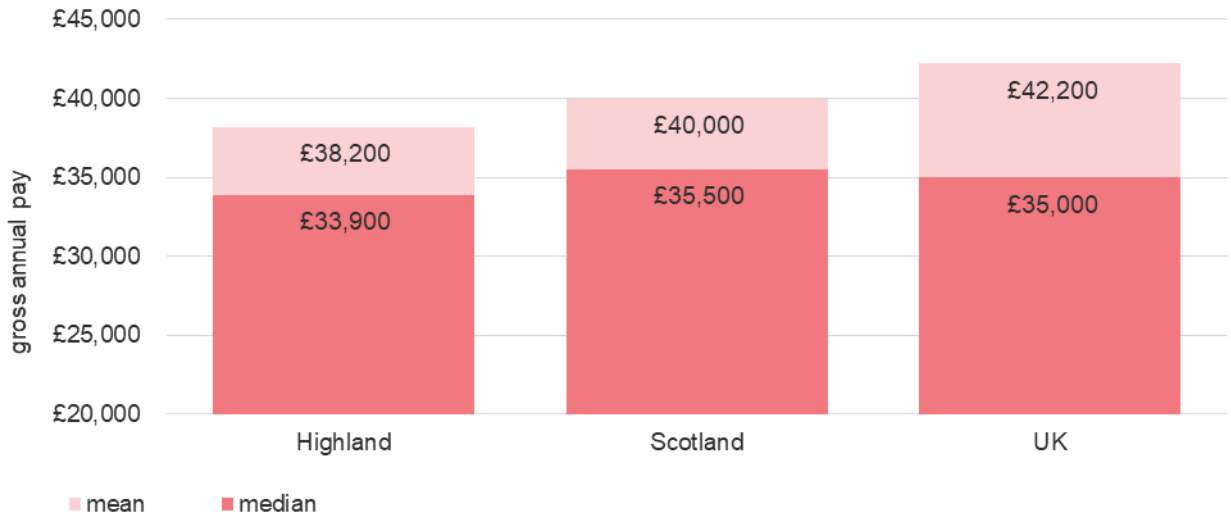

Figure 5-6: Workplace-based Gross Annual Pay of Full Time Workers, 2023 (Annual Survey of Hours and Earnings)

5.2.7 GVA

GVA is a productivity metric that measures the value generated by any unit engaged in the production of goods and services. It provides a currency value for outputs less the cost of inputs directly attributable to that production, such as raw materials and labour contracts. Therefore, GVA per worker represents the average economic contribution made by an individual worker to a region, sector or economy.

In 2021, the total GVA in the Inverness West Rural – 01 Data Zone was around £10 million (ONS), and the GVA per worker for this area was around £57,000 (ONS and BRES). In The Highland Council area, GVA totalled £6.3 billion, and GVA per worker stood at £51,000. The GVA per worker was in line with that across Scotland and lower than that of the UK, at £63,000 and £68,000 respectively, indicating that The Highland Council area has a relatively low level of GVA per worker and GVA per worker is highest at the Data Zone level. This suggests that the activity undertaken by workers in the Inverness West Rural – 01 Data Zone adds much value to the economy and is likely skilled work. GVA totalled £150 billion in Scotland and £2 trillion in the UK.

Figure 5-7: GVA per worker, 2022(ONS, APS, and BRES)

5.2.8 Deprivation

The Scottish Index of Multiple Deprivation (SIMD) 2020 ranks each of Scotland's 6,976 Data Zones from 1 (most deprived) to 6,976 (least deprived). This ranking is based on over 30 indicators of deprivation, such as pupil attainment and travel time to a GP, grouped into seven domains: Income, Employment, Education, Health, Access, Crime, and Housing. Quintiles split the ranked Data Zones into 5 groups, each containing 20% of Scotland's Data Zones. Data Zones in the 1st quintile fall within the 20% most deprived in Scotland.

The Inverness West Rural – 01 Data Zone falls within the 4th quintile of the SIMD, indicating a relatively low level of deprivation compared to some nearby Data Zones, which are more built up and fall within the 2nd and 3rd quintiles (see Figure 5-8).

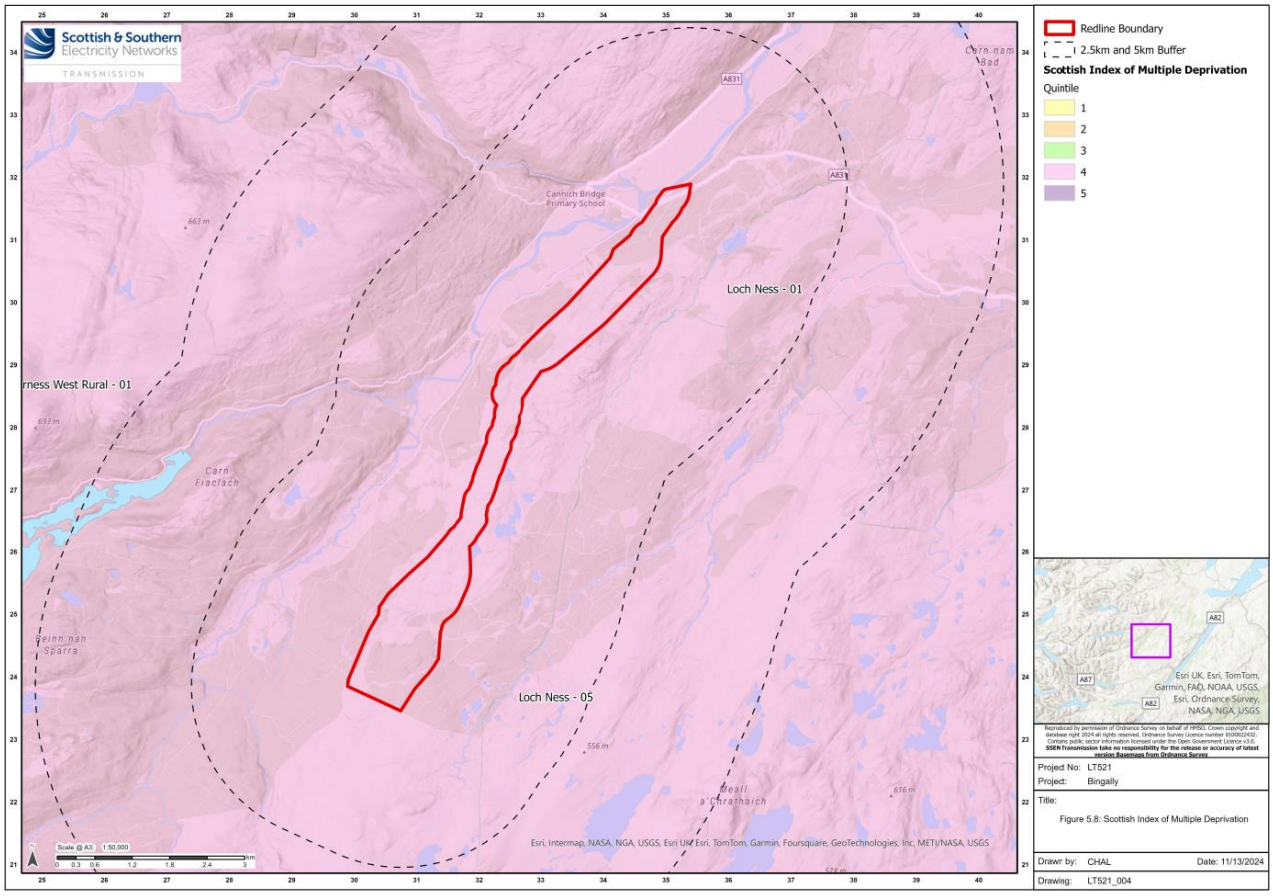

Figure 5-8: SIMD Mapping

5.2.9 Land use

Land falling within the RLB of the Proposed Development is predominantly comprised of moors, heathland and commercial forestry plantation. Within 2.5km of the substation, land use varies, with coniferous and mixed forestry dominant alongside arable farmland and outdoor recreational pursuits. There is also an area of discontinuous urban fabric where the village of Cannich lies, close to the northern end of the Proposed Development boundary.

Figure 5-9: Land Use Mapping

5.2.10 Housing

Data obtained from the NRS (2024) shows that a higher percentage of dwellings in the Inverness West Rural – 01 Data Zone were vacant than in The Highland Council area in 2023, and the percentage of vacant dwellings in this Data Zone was more than double the percentage of vacant dwellings across Scotland. Also, the proportion of dwellings that were long-term empty was higher in The Highland Council area and Inverness West Rural – 01 Data Zone than in Scotland as a whole.

Table 5-3: Dwellings by occupancy, 2023 (NRS, 2024)

Study Area	Total dwellings	% Occupied dwellings	% Vacant dwellings	% Long-term empty dwellings	% Second homes
Scotland	2,721,225	96%	3%	2%	1%
Highland	123,568	92%	5%	3%	3%
Data Zone	505	87%	7%	4%	1%

A Housing Needs Assessment for The Highland Council area has estimated that 24,000 new houses will be required in The Highland Council area in the next decade, meaning around twice as many homes must be built per year compared to the current trend in housing delivery[12]. This poses a challenge that could require as much as £2.8 billion in investment to solve.

Housing statistics from Scottish Government (2022) suggest that almost 9,000 dwellings in The Highland Council area are vacant and more than 8,000 of them are second homes. The proportion of total dwellings which are vacant private dwellings and second homes make up 7% of the housing stock in The Highland Council area. This figure is 3 percentage points higher than the figure for Scotland.

5.3 Tourism

This section offers an overview of tourism activities in the immediate area, establishing the existing socio-economic conditions for the assessment of the Proposed Development's impacts. Additionally, it reviews the economic value of tourism within The Highland Council area and more broadly across Scotland.

5.3.1 Tourism in Scotland

Scotland's Tourism Strategy sets out plans to deliver an additional £1billion growth or more in visitor spend to £5.5-6.5 billion by 2020[13]. The Strategy highlights potential assets that could be developed in Scotland, including walking and cycling routes, adventure tourism, food and drink experiences and local history and culture in rural areas. Other identified growth opportunities include activities related to adventure tourism, business tourism, cruises, golf, mountain biking and sailing.

Tourism significantly contributes to the economy at the national, regional, and local level. The sustainable tourism sector supports approximately 206,600 jobs, with many positions in beverage services, hotels, recreation, and amusement fields. In 2017, the tourism industry generated around £4,127.1 million in GVA.[14]

Neither Scotland's Tourism Strategy nor the Tourism Scotland 2020 Yearly Review suggests that energy projects are viewed as obstacles to tourism growth. A review of the Tourism Scotland 2020 Strategy indicates that total overnight visitor spending, growth in overnight spend in key markets, and overall tourism turnover generally increased between 2012 and 2017. In 2023, there were 2.29 million overnight tourism visits to the Highlands, with a total overnight spend of £762 million.

Prior to the COVID-19 pandemic, the GVA from tourism was increasing year on year. However, in the Highlands, this growth has stagnated since 2008.

[12] The Highland Council. (2024). 'Addressing he housing challenge', available at: Addressing the housing challenge | The Highland Council

[13] Scotland Outlook 2030 - Scotland's tourism strategy (scottishtourismalliance.co.uk)

[14] Chapter 4: The Contribution of Tourism in Scotland - Tourism in Scotland: the economic contribution of the sector - gov.scot (www.gov.scot)

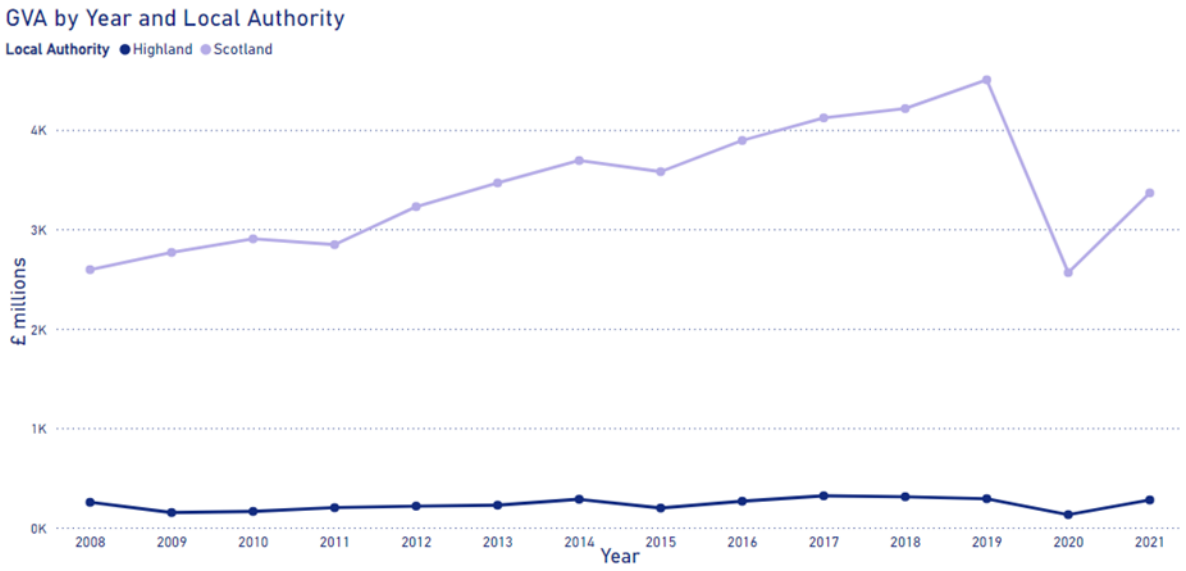

Figure 5-10: Tourism GVA by year for the Highlands and Scotland

5.3.2 Tourism in Highlands

As shown in Table 5-4, in 2022, 18,000 jobs in the Highlands were in the tourism sector, making up 14.8% of total employment in the area.

Table 5-4: Tourism in the Highlands – Employment and economic performance

Local Authority	Tourism employment in 2022	Tourism employment as a percentage of all employment	Tourism businesses in 2023	Tourism businesses as a percentage of all businesses	Tourism turnover in 2021	Total tourism GVA per head in 2021
Highland	18,000	14.8%	1,455	13.6%	£547 million	£18,558

According to VisitScotland's 2023 tourism survey[15], 85% of visitors cited the region's scenery and landscape as their main reason for visiting. The top three reasons for tourists visiting the Highlands are the scenery and landscape, the history and culture, and the outdoor activities available. The top five attractions or activities undertaken in the Highlands include hill walking, mountaineering, hiking, and rambling; visiting a castle or fort; exploring a nature reserve; visiting a visitor or heritage centre; and shopping.

5.3.3 Tourism in the Study Area

For the Proposed Development, tourism receptors within a 5km radius of the RLB have been identified. These receptors will be assessed for their sensitivity to the Proposed Development and the magnitude of its impact on them. Table 5-5 below shows a list of all the tourism receptors and their distances from the Proposed Development.

[15] Scotland Visitor Survey - Domestic & International | VisitScotland.org

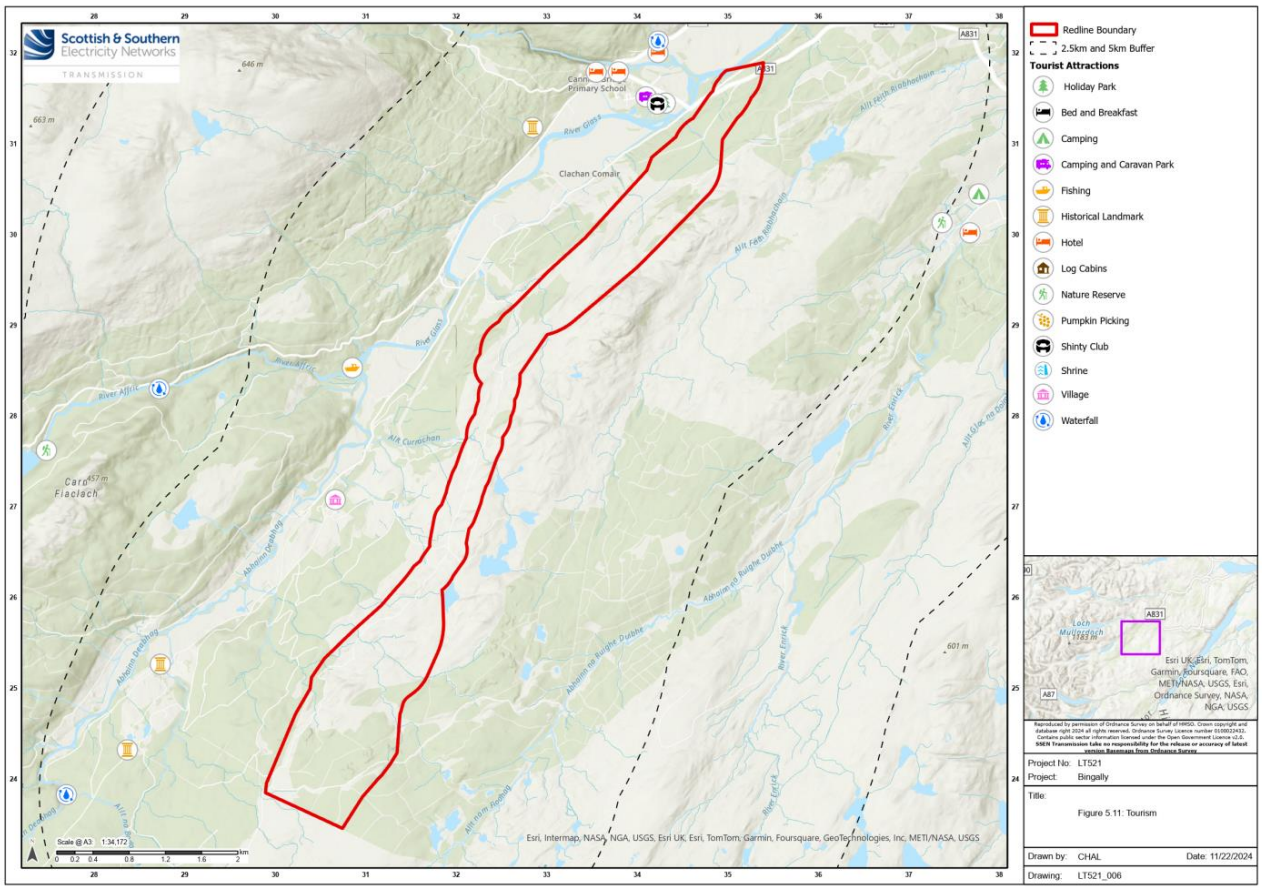

Figure 5-11: Tourism Mapping

Table 5-5: Tourism receptors

Tourist attraction	Description	Distance from Site Boundary
Cannich Waterfall*	Cannich Waterfall is located close to Cannich Village. It is not as widely known as some of Scotland's larger or more famous waterfalls.	805m
Cannich Woodland Camping and Caravan Park	A well-equiped camping and caravn park.	522m
Corrimony Chambered Cairn	A well-preserved Neolithic burial site located near Cannich Village, estimated to be over 4,000 years old.	3.4km
Comar Wood Dun	An Iron Age hillfort located near Cannich, located in Comar Wood.	1.3km
Dog Falls*	A waterfall located in Glen Affric, surrounded by ancient Caledonian pine forest.	3.4km
Glen Affric*	One of Scotland's most beautiful glens, renowned for its landscapes of ancient Caledonian pine forests, lochs and mountains. Fishing is popular in the lochs and rivers associated with Glen Affric.	4.2km
Fishing in the River Affric*	A popular river for salmon, brown trout and pike fishing. Fishing is often regulated here to preserve the environment and local fish populations.	4.2km
Loch Beinn a'Mheadhoin*	A popular loch for salmon, brown trout and pike fishing.	4.3km
Glen Affric Holiday Park	A holiday park offering a variety of accomodations, including self-catering cabins, and spacious pitches for carvavans and motorhomes.	370m
Guisachan House	A country house serving as an ideal base for outdoor activities and exploring the nearby area.	1.6km
Harriet's Brae	A self catering cottage, featuring panoramic views of the surrounding countryside.	1.6km
Highland Retreats Cannich	A range of self-catering lodges.	690m
Hill Cottage	A holiday home.	1.1km

Tourist attraction	Description	Distance from Site Boundary
Loch Ness Pumpkins	A seasonal attraction offering visitors the chance to pick their own pumpkins.	3.8km
Old Stables Corrimony	A self-catering holiday cottage.	3.1km
Plodda Falls	A dramatic waterfall located near Tomich	2.2km
RSPB Corrimony	A nature reserve managed by the Royal Society for the Protection of Birds (RSPB). The reserve offers a variety of walking trails, where visitors can spot bird species such as golden eagles, red kites and woodpeckers.	2.8km
Strathglass Shinty Club*	Shinty Club located in the heart of the Strathglass valley.	3.5km
The Grey Hen Luxury B&B	A Bed and Breakfast located near Glen Affric.	4.2km
The Holy Well of St Ignatius	A historic and spiritual site located near Loch Ness, believed to have been visited by St Ignatius of Loyola in the 16th century. The well has been a place of pilgrimage for centuries, attracting those seeking peace, reflection and healing.	3km
The Wild Acre	An eco-friendly retreat, offering yurts and glamping pod camping.	2.8km
Westward B&B	A Bed and Breakfast.	980m
Wild Rose Escapes	Self catering accomodation.	1.1km
Tomich Village	Tomich is a popular tourist destination amongst those visiting Glen Affric and the surrounding area.	1.1km

Notes:

*signifies a tourist attraction that is also considered to be used for reactional purposes.

5.4 Recreation

Informal recreational assets relate to walking routes and open spaces which are not commercial in nature. The Proposed Development is located within a relatively remote setting with the dominant recreation offering being walking routes. A number of formal and informal recreational routes are located within the 5km study area, these are presented in Table 5-6 and recreational sites such as local villages and churches are presented in Figure 5-12. Additional recreational assets are mentioned in Table 5-55 and include the Strathglass Shinty Club and fishing spots on the River Affric and at Loch Beinn a'Mheadhoin.

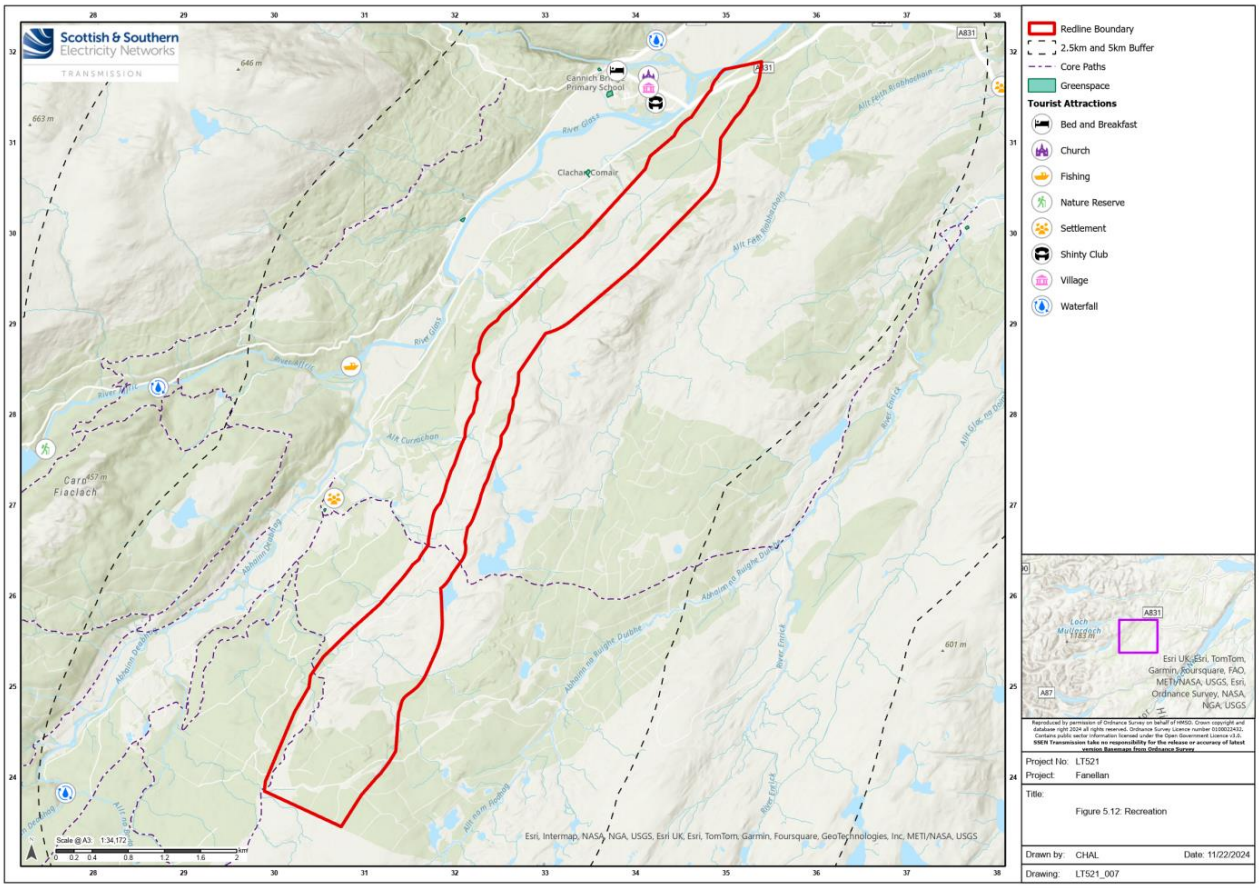

Figure 5-12: Recreation Mapping

Table 5-6: Recreational Routes

Recreational Routes	Route Reference	Distance from Site Boundary
Dog Falls to Comar	IN05.11	1.8km
Guisachan Falls circuit	IN05.05	945m
Carn Fiarclach Circuit	IN05.09	1.8km
Knockfin Track	INO5.12	1.5km
Beinn na Sparra Circuit	IN05.08	2km
Loch Beinn a Mheadhoin Circuit	IN05.04	3.8km
Alt Garbh to Tomich by Cougie	IN05.07	1.6km

Recreational Routes	Route Reference	Distance from Site Boundary
Eve's Road	IN05.03	0km (core path runs through southern part of the Proposed Development boundary)
Forestry Commission Car Park to Shenval (upper)	IN02.03	4.7km
Shenval to Corrimony Track	IN02.04	4.3km
Corrimony to Tomich by River Enrick	IN05.02	0km (core path runs through the middle part of the Proposed Development boundary)
Corrimony to Tomich variation	IN02.01	2.6km

Table 5-7: Recreation sites

Recreation Site	Description	Distance from Site Boundary
Maccoll Road Park	Park	830m
Our Lady and St Bean's Church	Church	640m
Residents in Cannich	Residents in Cannich village	190m
Residents in Glassburn	Residents in Glassburn settlement	3km
Residents in Millness	Residents in Millness settlement	2.6km
Residents in Tomich	Residents in Tommich Cannich village	1.1km

6. Assessment of Potential Effects

This section sets out the potential **socio-economic, recreation and tourism impacts arising from the construction, operation and maintenance of the Proposed Development**. The impacts are measured across the construction, operational and maintenance phases of the Proposed Development. The areas of focus are within The Highland Council area, as well as Scotland and UK as a whole. These include:

- Direct impacts arising from the investment, in terms of employment and GVA impact;
- Indirect impacts using economic multipliers, in terms of employment and GVA;
- Induced impacts through the wider economic effects of increased spending in the local economy;
- Net economic impact through the sum of the direct, indirect, and induced impacts;
- Assessment of impacts on tourism and recreation, considering both the construction and operational phases.

6.1 Construction Impacts

The capital and development expenditure will generate socio-economic benefits for the **Local (The Highland Council Area)**, **Regional (Scotland)** and **National (UK)** study areas, particularly in terms of employment and GVA. It is important to note that the employment and GVA figures for each study area cannot be aggregated, as the impacts within The Highland Council are included in the overall impacts for Scotland, and similarly for the UK.

A key assumption in this socio-economic assessment methodology is that 60% of the capital expenditure is retained within the UK, based on SSEN Transmission's past procurement experience. However, there is a risk that the UK supply chain for the specialised component parts of substations may not be mature enough to meet the equipment demands for the significant network upgrades. With the accelerated construction pipeline, including ASTI works expected to be completed before 2030, there is a possibility that less of the expenditure will be retained within the UK. Supporting evidence for this figure has not been received, so it is recommended that results are viewed as being at the upper limit of potential benefits.

The total employment and GVA generated in each study area are disaggregated to reflect the direct, indirect and induced impact of the Proposed Development. Where **direct impacts** refer to the jobs and economic output created directly by the Proposed Development; **indirect impacts** are generated by contractors' spending within their supply chains; and **induced impacts** arise from the discretionary spending of both direct and indirect jobs supported by the Proposed Development.

Figure 6-1 presents the predicted direct, indirect and induced economic (GVA and employment) impacts during construction of the Proposed Development for the Local, Regional and National study areas.

In order to demonstrate the total employment impact of the Proposed Development during construction, impacts have been expressed both as jobs (profiled over time) and in job years, where one job year represents one year of continuous employment. Job years provide a useful metric for employment as the construction phase is a relatively short period of time, and job years demonstrates the total employment impact.

A significant proportion of the direct benefits associated with the Proposed Development are expected to be concentrated during the construction phase, as this will generate the highest increase in economic activity. These direct benefits could present substantial economic opportunities for local workers, businesses, and supply chains. The extent to which these benefits are realised locally will depend on the capability of local infrastructure and supply chains to support the construction activities required for the Proposed Development.

In The Highland Council area, the Health industry dominates, forming 16% of the total workforce. The Accommodation & Food Services industry is the second largest sector in terms of employment in the area

(12%), and Agriculture, Forestry and Fishing is the third (11%). The Highland Council area also has a well-represented Retail sector and Construction sector, which make up 9% and 7% of the workforce, respectively. It is worth noting that proportion of The Highland Council Area's workforce that is employed in each of these sectors is higher than the respective figure for Scotland and the UK. This may indicate that The Highland Council area has a comparative advantage in these sectors.

Tourism in The Highland Council area supported around 17,000 jobs (13% of total employment) in 2022, and it is therefore important to consider the trade-offs between positive local economic effects and the potential for construction activity to disrupt local tourism assets. Owing to The Highland Council area's relatively dominant tourism sector, tourism infrastructure and recreational assets in the area surrounding the Proposed Development have been accounted for and factored into the economic assessment. Where assets may be temporarily damaged or blocked from use during construction, the Proposed Development could be responsible for a temporary decrease in employment and GVA. This report provides a qualitative assessment of the potential for such temporary effects – see section 6.1.3

6.1.1 GVA

Socio-economic modelling indicates that the Proposed Development could contribute £2.5 million to total GVA in The Highland Council area. At the regional level, the Proposed Development could contribute up to £32.7 million in GVA to the Scottish economy, and for the UK economy this number could rise up to £83.4 million.

A summary of the GVA results is shown in Table 6-1 below.

Table 6-1: Total estimated economic impact at Highland, Scotland and UK level

GVA	Direct GVA (£m)	Indirect GVA (£m)	Induced GVA (£m)	Total GVA (£m)
Highland	1.8	0.4	0.3	2.5
Scotland	20.1	7.2	5.4	32.7
UK	34.6	29.3	19.5	83.4

The construction phase of the Proposed Development will result in direct, indirect and induced GVA impacts that vary by geographical level. When a contract is secured, jobs and economic output will be directly generated. During the construction phase, £1.8 million in GVA could be directly generated if contracts are secured in The Highland Council area. The spending by contractors within their supply chains is expected to generate an indirect GVA, and together the direct and indirect effects are expected to generate induced GVA through the discretionary spending of direct and indirect jobs. This contributes to £2.5 million of GVA in the Highlands through direct, indirect and induced impacts.

The total estimated GVA supported by the Proposed Development at the UK level is £83.4 million. The results at Highland, Scotland and UK level are also depicted in Figure 6-1below.

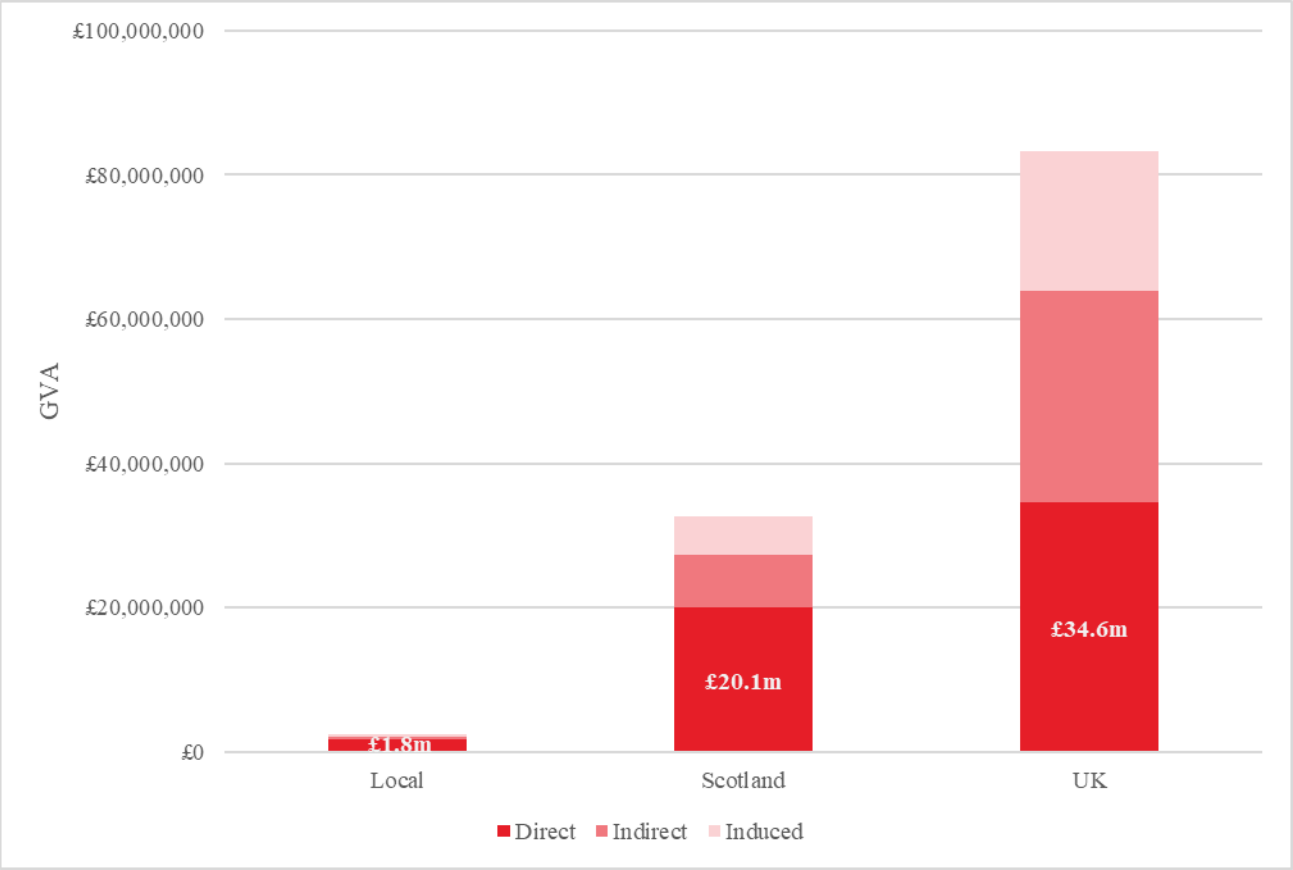

Figure 6-1: Estimated direct, indirect and induced GVA impact at the local, regional and national level

6.1.2 Employment

Estimates indicate that the Proposed Development could support 22 job years in The Highland Council area, where one job year represents one year of continuous employment. This is conditional on commitment by the supply chain to employing local labour as far as possible.

Additionally, employment impact modelling suggests that the Proposed Development could support 292 job years across Scotland, and on a national scale, the Proposed Development could support 762 job years.

Table 6-2: Estimated direct, indirect and induced economic impact at the local, regional and national level (job years)

Employment	Direct Impact	Indirect Impact	Induced Impact	Total Impact
Highland Council	14	4	4	22
Scotland	160	60	70	292
UK	290	260	210	762

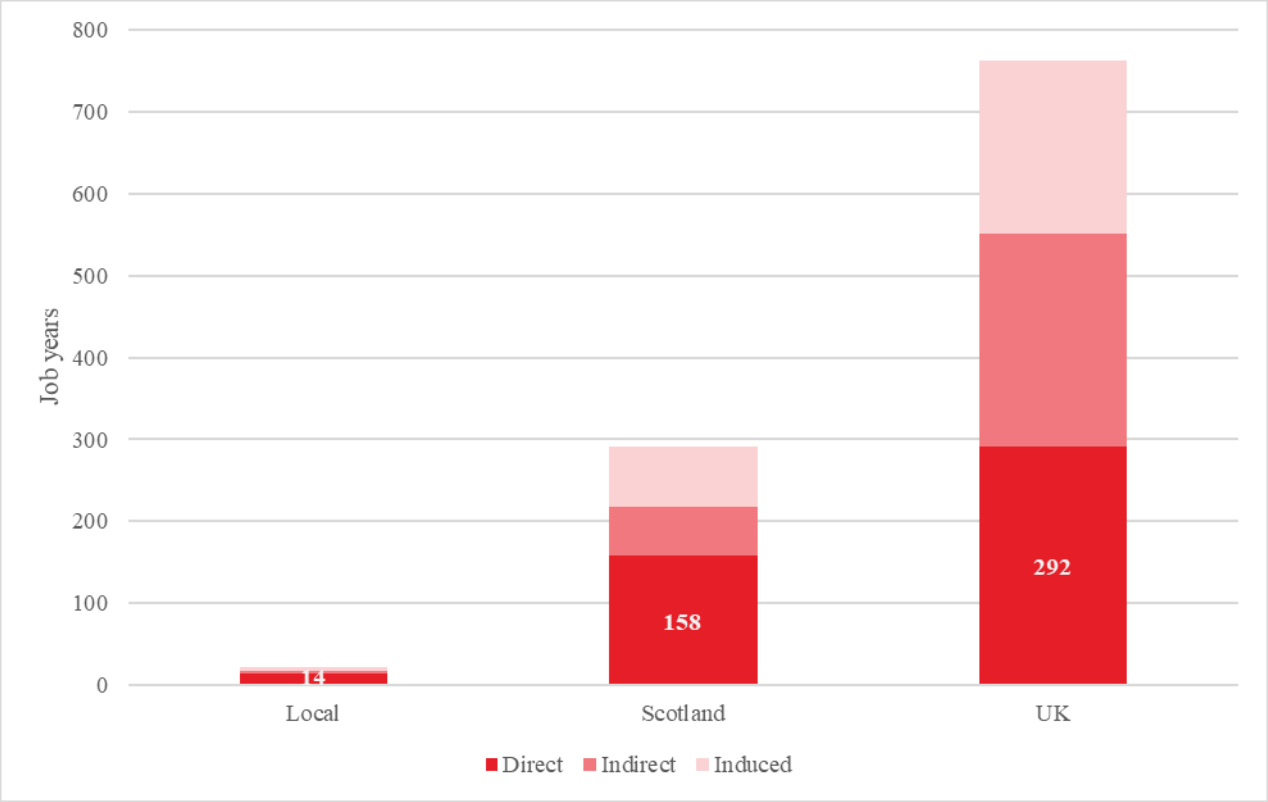

Figure 6-2: Estimated direct, indirect and induced employment impact at the local, regional and national level (job years)

It is estimated that the Proposed Development will directly support 762 job years across the UK; of which 292 will be supported in Scotland; and 22 will be supported in The Highland Council area.

6.1.3 Tourism

This section assesses whether the Proposed Development would be expected to result in a change in visitor behaviour, leading to a reduction in tourism spend. As presented in the Section 5.3.3 and in Table 5-55, the Proposed Development lies within a 5km radius of several tourist attractions.

While data is not available for the immediate area, it is considered that the reasons for visiting this area would be broadly similar to those mentioned above. Situated at the head of two remote and long glens, Cannich is a prime walking destination in the Scottish Highlands. There are a wide range of high and low-level walking and cycling trails with several marked pathways and forest trails around the Loch Affric and Loch Beinn a Meadhoinn. There are also two popular waterwalls: Dog Falls and Plodda Falls and the nearby rivers provide a great opportunity for trout and salmon fishing.

It is anticipated that there would be no significant effects on visual amenity, air quality or noise impacts beyond approximately 5km from the Proposed Development. Therefore, tourist receptors located further than 5km are expected to experience negligible effects and are not considered further in this assessment.

Access to all tourism assets is expected to remain, with assets not expected to be significantly affected by the Proposed Development once operational. While there will now be employees accessing the site, it is unlikely to be a significant change as this will only be infrequently for required maintenance. It should be noted that substations have been known to cause some noise pollution once operational, in the form of a ‘humming sound’. However, no significant change to the tourism baseline is expected during the operational phase. Any potential impact would only be short-term and temporary during maintenance activities.

It is anticipated that access to all the tourism assets would be maintained throughout the construction period. The majority of tourism assets have been classified as likely to experience **negligible** or **minor** effects as a result of the Proposed Development due to the dense tree coverage in the area, masking the Proposed Development site, reducing air quality impacts and providing acoustic attenuation. In addition to this, the

majority of tourist assets are more than 2.5km away from the Proposed Development and are downslope (to the north of the Proposed Development), meaning there will be less visual impact.

As discussed in the Environmental Impact Assessment (EIA), the associated environmental assessments have shown that there is no significant impact expected on both the Cannich Woodland Camping and Caravan Park and Glen Affric Holiday Park for visual, air or noise pollution. The topography or the surrounding landscape plays a major part in this. The effect has been assessed as **negligible** for those staying at the campsites.

The RSPB Corrimony is a nature reserve that lies 3.1km away from the Proposed Development, and the access to the Proposed Development runs through the reserve. As the nature reserve is home to a variety of rare bird species including black grouse, this receptor is highly sensitive and is therefore vulnerable to change. There is expected to be a slight noise impact resulting from the construction of the Proposed Development which may impact the reserve. The dense tree coverage separating the Proposed Development from the nature reserve is likely to significantly reduce the impact. The most significant impact will be during the construction of the access track as well as the continuous movement of materials along the access route during construction, having significant impacts on noise and disturbance. This disturbance will be localised to the access tracks which is near the edge of the reserve, and therefore the overall effect has been assessed as being of **moderate** magnitude. During operation, the impact is expected to be minimal, although there will be a permanent loss of land from the access track. Good practice measures will be applied to control noise generated from construction activities and as the impact is temporary it is anticipated that there this would have a limited effect on the receptor.

Fishing is popular amongst tourists in the area. Access to the River Affric and Loch Beinn a'Mheadhoin will be maintained and it is likely that due to them being situated more than 4km downslope of the Proposed Development, there will be little effect on the fishing stock or tranquillity of the area. There is no hydrological connection from the Proposed Development to either of these fishing spots. It is therefore anticipated that the water quality of the River Affric and Loch Beinn a'Mheadhoin would not be affected during construction and would not affect the fish population, resulting in the overall magnitude of impact being assessed as short-term and **minor**.

Tomich, a popular village amongst tourists visiting the area lies 1.1km away from the Proposed Development. Whilst the village itself is unlikely to face any significant impact from the Proposed Development, those visiting the area may be impacted slightly should they visit the tracks around the site. The dense tree coverage within the local area, separating the village from the Proposed Development, is likely to significantly reduce any impact the Proposed Development may have and as no construction traffic will be directed through Tomich, the overall effect has been assessed as being of **minor** magnitude. During the operational phase, it is likely that there may be a slight humming sound which is commonly associated with substations, however, tree coverage in the area between the Proposed Development and Tomich will likely act as a buffer, reducing this impact.

The impact on the tourism sector has been assessed as **moderate** at worst. It is considered that there may be a moderately significant impact on the wildlife at RSPB Corrimony. However, as the construction phase is temporary, no long-term adverse significant impact on the tourism industry is expected to result from the Proposed Development and no significant changes to the baseline described in Section 5.3 are anticipated.

Table 6-3: Tourism receptors

Receptor	Sensitivity	Impact	Assessment
Cannich Waterfall	Medium	Low	Minor
Cannich Woodland Camping and Caravan Park	Medium	Low	Negligible
Corrimony Chambered Cairn	Low	Low	Negligible
Comar Wood Dun	Low	Low	Negligible
Dog Falls	Medium	Low	Minor

Receptor	Sensitivity	Impact	Assessment
Glen Affic	Medium	Low	Minor
Fishing in the River Affric	Medium	Low	Minor
Fishing at Loch Beinn a'Mheadhoin	Medium	Low	Minor
Glen Affric Holiday Park	Medium	Medium	Negligible
Guisachan House	Low	Low	Negligible
Harriet's Brae	Low	Low	Negligible
Highland Retreats Cannich	Low	Medium	Minor
Hill Cottage	Low	Medium	Minor
Loch Ness Pumpkins	Low	Low	Negligible
Old Stables Corrimony	Low	Low	Negligible
Plodda Falls	Medium	Low	Minor
RSPB Corrimony	High	Low	Moderate
The Grey Hen Luxury B&B	Low	Low	Negligible
The Holy Well of St Ignatius	Medium	Low	Minor
The Wild Acre	Medium	Low	Minor
Westward B&B	Low	Low	Negligible
Wild Rose Escapes	Low	Low	Negligible
Tomich	Medium	Medium	Negligible

6.1.4 Recreation

As shown in the baseline and in Table 5-5, the Proposed Development lies within a 5km radius of several recreational receptors. It is anticipated that there would be no significant effects on visual amenity, air quality or noise impacts beyond approximately 5km from the Proposed Development. Therefore, recreational receptors located further than 5km from the Proposed Development are anticipated to experience negligible effects or less as a result of the Proposed Development and are not considered further in this assessment.

The key recreational activities within 5km of the Proposed Development are walking routes, fishing spots and sports clubs and key recreational sites include the local villages and settlements. These recreational receptors are not expected to be affected by the Proposed Development once operational. Any potential impact would only be short-term and temporary during maintenance activities.

There are several recreational trails and core paths located in close proximity to the Proposed Development and are recreational assets due to their tranquillity and their nature offering. Therefore, any noise, air pollution or visual amenity impacts could have a significant impact on these assets. However, as the area is heavily wooded, the Proposed Development will be concealed by numerous trees, which are also likely to act as a natural barrier, helping to mitigate both noise and air pollution associated with the construction and operations. Furthermore, the majority of the core paths are located to the north and west of the Proposed Development which is downhill from the site. As a result, the visual impact of the development will be minimal, as the topography will naturally reduce its prominence from these paths. With regard to visual

amenity, noise and air pollution as well as other indirect effects on recreational paths those that are more than 1km away from the Proposed Development, have little incline, and are shielded by buildings and woodlands are expected to face non-significant **negligible** impacts during the construction phase.

The most significant effect on recreation will be the potential disruption of two core paths. The Corrimony to Tomich by the River Enrick Core Path (IN05.02) crosses through the centre of the site boundary, and Eve's Road Core Path (IN05.03) runs through the southern part of the Proposed Development's boundary. Although these paths will not be lost, they are within the RLB of the site. SSEN Transmission will have to ensure these paths remain open during construction and operation. However, there may be periods of disruption requiring suitable temporary diversions. The proximity of the construction site will be impactful, as the landscape of the paths within the RLB will be significantly different from the one that is currently enjoyed, and noise and sound pollution is anticipated. Therefore, the effect has been assessed as **major**.

Other than the walking routes, the recreational activities are seasonal and lie a sufficient distance away from the Proposed Development, shielded by surrounding buildings, ensuring that no significant visual, noise or other effects resulting from the construction of the Proposed Development would occur which could deter users. Therefore, the magnitude of the impact has been assessed as **negligible**.

As shown in Table 6-4, the potential effect of the Proposed Development on recreation receptors in the study area is assessed as having a predominantly **negligible/minor** and no significant long-term impact. The impact on Eve's Road and the Corrimony to Tomich by River Enrick Core Path has led to the Proposed Development having a potentially significant adverse impact on recreation during construction. However, it is important to note that there are numerous other core paths nearby, providing walkers with a variety of alternative routes. This ensures that they can continue to enjoy the area's tranquillity and maintain their connection to nature. There is anticipated to only be slight changes to the baseline described in Section 5.4.

Table 6-4: Recreation receptors

Receptor	Sensitivity	Impact	Assessment
Dog Falls to Comar	Low	Low	Negligible
Guisachan Falls circuit	Low	Medium	Minor
Carn Fiarclach Circuit	Low	Low	Negligible
Knockfin Track	Low	Medium	Minor
Beinn na Sparra Circuit	Medium	Low	Negligible
Loch Beinn a Mheadhoin Circuit	Low	Low	Negligible
Alt Garbh to Tomich by Cougie	Low	Medium	Minor
Eve's Road	Medium	High	Major
Forestry Commission Car Park to Shenval (upper)	Low	Low	Negligible
Shenval to Corrimony Track	Low	Low	Negligible
Corrimony to Tomich by River Enrick	Medium	High	Major
Corrimony to Tomich variation	Low	Low	Negligble
Maccoll Road Park	Medium	Low	Minor

Receptor	Sensitivity	Impact	Assessment
Our Lady and St Bean's Church	Low	Low	Negligible
Residents in Cannich	Medium	Medium	Minor
Residents in Glassburn	Medium	Low	Minor
Residents in Millness	Medium	Low	Minor
Residents in Shenval	Medium	Low	Minor
Residents in Tomich	Medium	Low	Minor
Strathglass Shinty Club	Low	Medium	Minor

6.2 Operational Impacts

6.2.1 Socio-economics

The operational socio-economic impacts of individual substations are expected to be minimal. This is primarily because, once constructed, substations require relatively low levels of ongoing maintenance and staffing compared to other types of infrastructure projects. The primary function of a substation is to manage and distribute electrical power, which is largely automated and monitored remotely. As a result, the day-to-day operations do not generate significant employment opportunities or economic activity at the local level.

However, when considering the cumulative impacts of all the projects under the Pathway to 2030 programme, the overall socio-economic benefits become more apparent. Collectively, these projects will create more jobs in maintenance, monitoring, and support services across the network. While any single substation may not significantly impact local employment or economic activity, the combined effect of multiple substations and related infrastructure projects will contribute to sustained job creation and economic growth on a broader scale.

6.2.2 Tourism

Evidence suggests that there will be minimal impacts on tourism will be impacted on an ongoing basis due to the operation of the Proposed Development. The visual and environmental effects are expected to be minimal once construction is complete.

6.2.3 Recreation

There is minimal evidence to suggest that recreation will be impacted on an ongoing basis due to the operation of the Proposed Development. The visual and environmental effects are expected to be minimal once construction is complete.

6.3 Cumulative Effects

There is potential for cumulative effects to arise from various projects included in the Pathway to 2030. These effects could impact Gross Value Added (GVA), employment, tourism, and recreation. The impacts on GVA and employment are likely to be more significant at a regional level, particularly during the operational phase of these projects. Additionally, tourists and recreational users, especially those on long-distance routes, may experience effects if they are near an OHL for a long period of time. This sequential visibility could affect their overall experience and perception of the landscape.

6.4 Community Wealth Building opportunities

Community Wealth Building (CWB) is a method chosen by the Scottish Government to deliver a fairer, more equal society as part of a National Strategy for Economic Transformation. CWB seeks to retain and reinvest wealth in local communities. This not only strengthens community ties, but also promotes sustainable development, equitable economic opportunities and long-term business resilience.

The Five Pillars of Community Wealth Building are:

1. Inclusive Ownership - developing more local and social enterprises that generate community wealth.
2. Spending - maximising community benefits through procurement and commissioning, developing good enterprises, fair work and shorter supply chains.
3. Workforce - increasing fair work and developing local labour markets.
4. Land and property - growing the social, ecological, financial and economic value that local communities gain from land/property assets.
5. Finance - ensuring that flows of investment and financial institutions work for local people, communities and businesses.

SSEN Transmission is part of the SSE Group - a champion of clean energy. SSE Group, and SSEN Transmission specifically, support CWB and recognise the potential benefits the approach can bring to local communities in Scotland. SSEN Transmission's Sustainability Strategy commits to sharing benefits with communities and to working with partners to support local projects, supply chains and housing solutions.

Great care is taken to ensure that local communities benefit from SSEN Transmission's projects. We understand that our work can create opportunities and have impacts in the areas where we operate, and we believe it is our responsibility to create lasting positive effects. To achieve this, we work closely with local stakeholders and community groups to identify their needs and priorities, and we strive to incorporate these into our project planning and implementation. By working collaboratively and transparently with local communities, we aim to create a legacy of sustainable benefits.

In September 2024, SSEN Transmission launched our Community Benefit Fund with an initial value of £10 million. This fund is designed to support projects that create a positive impact in communities and over the coming years it is anticipated that significant funding will support local economic development, community, and wellbeing economy projects. The fund can be used by communities and the third sector to support CWB projects across the north of Scotland.

The SSE Group is a long standing supporter of the Just Transition, which correlates closely with the pillars of CWB. SSE's latest Just Transition Strategy was published in 2024. It builds upon SSE's world first Just Transition Strategy 2020. SSEN Transmission's Sustainability Strategy commits to creating a Just Transition Workforce Plan which will contribute to the CWB workforce pillar.

To enable a Just Transition, SSE Group has established a framework of twenty principles to guide decision-making, with ten KPIs to track and evidence progress, and a commitment to move to a place-based approach, ensuring work in impacted areas is rooted in local context and communities. SSEN Transmission is engaged in delivery of this.

7. Conclusions

The Proposed Development is poised to deliver socio-economic benefits across multiple regions, including The Highland Council area, Scotland, and the UK. These benefits will manifest through direct impacts, such as job creation and increased GVA, as well as indirect and induced impacts. Indirect impacts will arise from economic multipliers and employee spending within supply chains, while induced impacts will stem from the broader economic effects of increased local spending by employees.

During the construction phase, the Proposed Development will generate significant economic activity. The Highland Council area is expected to see a direct GVA contribution of £1.8 million. When combined with indirect and induced impacts, the total GVA contribution rises to £2.5 million. This phase will also support 22 job years. At the regional level, Scotland will benefit from a total GVA impact of £32.7 million and 290 job years, while the UK will see a GVA contribution of £83.4 million and 1,076 job years. It is important to note that these figures represent the maximum GVA and employment anticipated in the UK.

In the local area, the construction sector accounts for 17.8% of jobs. This sector will experience a substantial boost from the Proposed Development, potentially representing a significant portion of local construction jobs. This influx of economic activity could enhance the area's comparative advantage in these sectors, further strengthening the local economy. The development will provide considerable opportunities for local workers, businesses, and supply chains, reinforcing the region's economic resilience and growth.

Tourism, a critical sector in The Highland Council area, supporting 13% of total employment (BRES, 2022), may experience both positive and negative impacts. On the positive side, increased economic activity could lead to improvements in local tourism infrastructure and services, attracting more visitors in the long term. However, construction activities might temporarily disrupt tourism assets, potentially leading to a short-term decrease in tourism-related employment and GVA. Balancing these trade-offs will be crucial to maximising the net positive impact on the tourism sector.

The net socio-economic impact of the Proposed Development is expected to be overwhelmingly positive. The combination of direct, indirect, and induced effects will generate significant economic opportunities for local workers, businesses, and supply chains. The extent of these benefits will depend on the capability of local infrastructure and supply chains to support the construction activities. Strategic planning and investment in local capabilities will be essential to fully realise these benefits and mitigate any potential adverse effects. For Scotland to fully benefit from the opportunities presented by this investment, there will be a need for a supportive policy and investment environment and Community Wealth Building approach.

Appendices

A.1 Policy review

A.1.1 National Strategic Context (Scotland)

A.1.1.1 Scotland's National Performance Framework

The National Performance Framework aims to create a successful, sustainable, and inclusive society by achieving 11 national outcomes. These outcomes focus on improving well-being, reducing inequalities, and ensuring environmental sustainability. The Proposed Development must demonstrate its positive contribution to these outcomes, particularly in fostering economic growth, promoting resilient infrastructure, and tackling climate change. This aligns with social value by enhancing community well-being and environmental sustainability.

A.1.1.2 Scotland's National Strategy for Economic Transformation (2022)

This strategy outlines how Scotland aims to achieve economic growth over the next decade by collaborating with businesses and leveraging strengths in energy, technology, space, and decarbonisation. The Proposed Development should align with these objectives, contributing to job creation and economic growth. It supports community wealth building by fostering local economic opportunities and enhancing Scotland's energy infrastructure.

A.1.1.3 National Planning Framework 4

Adopted in February 2023, NPF4 integrates national policy into planning decisions and guides spatial development until 2045. It designates significant national developments, including renewable electricity generation and transmission infrastructure. The Proposed Development is part of this strategic infrastructure, supporting national and regional spatial priorities. This development is crucial for economic growth, job creation, and ensuring resilient energy infrastructure, while also considering its impact on tourism and recreation.

A.1.1.4 Scottish Governments Programme for Government 2024/25

This programme outlines impactful measures for 2024/25, focusing on eradicating child poverty, growing the economy, tackling the climate emergency, and ensuring high-quality public services. It includes significant investments in regional economic development and renewable energy. The Proposed Development aligns with these priorities by contributing to economic growth, job creation, and environmental sustainability. It must also consider its impact on tourism and recreation, ensuring it supports community wealth building and does not negatively affect natural spaces.

A.1.1.5 Green Industrial Strategy 2024

The Green Industrial Strategy, published on 11 September 2024, aims to position Scotland as a leader in clean energy industries during the transition to net zero. It focuses on electrifying existing industries and attracting new investments through enhanced renewable electricity production. The strategy emphasises creating well-paid jobs in green industries, workforce development, and skills training to benefit local communities. It also promotes innovation and local supply chains to stimulate economic development. The Proposed Development should align with this strategy by supporting renewable energy integration, creating local jobs, and ensuring long-term socio-economic benefits for surrounding communities, contributing to a just transition to net zero.

A.1.1.6 Tourism Strategy: Scotland Outlook 2030

Scotland Outlook 2030 is a national tourism strategy that aims to ensure tourism benefits Scotland's communities, economy, and international profile. It focuses on developing a skilled workforce, creating sustainable destinations, providing memorable experiences, and supporting diverse, resilient businesses. Given tourism's significant role in Scotland's economy, the Proposed Development should consider its impact on local tourism, ensuring it contributes positively to communities and aligns with sustainability goals.

A.1.1.7 Scottish Planning Policy (SPP)

The Scottish Planning Policy outlines the Scottish Government's land use planning principles, emphasising sustainable economic growth. It confirms that the planning system should support development that contributes to economic growth and high-quality places. The Proposed Development should align with SPP by facilitating sustainable economic growth, creating new jobs, and strengthening economic capacity and resilience within communities.

A.1.1.8 Draft Energy Strategy and Just Transition Plan

The Draft Energy Strategy and Just Transition Plan outlines Scotland's vision for transforming its energy system to meet net zero targets. It focuses on expanding renewable energy, improving energy efficiency, and reducing reliance on fossil fuels, while ensuring a just transition that supports workers and communities. The strategy emphasises creating green jobs, fostering innovation, and ensuring fair distribution of benefits from the energy transition, particularly for communities historically dependent on fossil fuels. The Proposed Development should align with this strategy by supporting renewable energy expansion and ensuring socio-economic benefits for local communities.

A.1.2 Regional Strategic Context

A.1.2.1 Highland-Wide Local Development Plan

The Highland-wide Local Development Plan outlines the vision for sustainable growth and investment in the Highlands by 2030. It aims to balance population growth, economic development, and environmental protection. The Proposed Development should contribute to renewable energy growth while protecting the area's environmental quality. It should also support local economic development by creating jobs and enhancing infrastructure necessary for long-term growth in the Highlands.

A.1.2.2 Action Plan for Economic Development in the Highlands

The Action Plan for Economic Development in the Highlands focuses on generating new employment in the private sector and social economy to offset the impacts of national public sector cuts. The Proposed Development should align with this plan by stimulating local economic growth, creating jobs, and ensuring community benefits.

A.1.2.3 Highland Renewable Energy Strategy (HRES) and Planning Guidance

The Highland Renewable Energy Strategy aims to harness the energy and economic potential of renewable technologies in the Highland area. It emphasises the economic opportunities from transitioning to a low-carbon economy and the critical role of the renewables sector. The Proposed Development should maximise local economic opportunities while balancing social and environmental considerations, contributing to both the global environment and local communities.

A.2 OHL Tie-in Assessment

This section of the assessment evaluates the impact of the OHL tie-in only.

A.2.1 Gross Value Added (GVA)

The economic benefits during the construction phase are anticipated to be substantial across various geographical levels. Table 0-1 below outlines the GVA and the direct, indirect, and induced impacts at the Highland, Scotland, and UK levels.

Table 7-1: Estimated GVA Impact (£)

GVA	Direct impact	Indirect impact	Induced impact	Total impact
The Highland Council	£84,674	£18,298	£15,997	£118,970
Scotland	£987,866	£301,398	£266,623	£1,555,887
UK	£1,662,109	£1,317,798	£763,602	£3,743,509

A.2.2 Employment

The construction phase will also create substantial employment opportunities, as detailed in Table 0-2 below, showing the direct, indirect, and induced employment impacts at The Highland Council, Scotland, and UK levels.

Table 7-2: Estimated Employment Impact (job years)

Employment	Direct Impact	Indirect Impact	Induced Impact	Total Impact
The Highland Council	1	0	0	1
Scotland	7	2	4	13
UK	13	11	10	35