

## CHAPTER 12: SOCIO-ECONOMIC, RECREATION AND TOURISM

<b>12.</b>	<b>SOCIO-ECONOMIC, RECREATION AND TOURISM</b>	<b>12-2</b>
12.1	Executive Summary	12-2
12.2	Introduction	12-3
12.3	Scope of Assessment and Methodology	12-3
12.4	Consultation	12-4
12.5	Legislation, Policy and Guidance	12-5
12.6	Methodology	12-9
12.7	Baseline	12-11
12.8	Assessment of Likely Significant Effects	12-15
12.9	Mitigation	12-19
12.10	Residual Effects	12-20
12.11	Summary and Conclusions	12-20

### Figures (Volume 2 of this EIA Report)

Figure 12.1: Recreation

### Appendices (Volume 4 of this EIA Report)

Appendix 12.1: Draft Outdoor Access Management Plan

## 12. SOCIO-ECONOMIC, RECREATION AND TOURISM

### 12.1 Executive Summary

- 12.1.1 This Chapter considers the predicted effects on socio-economic activity, and recreation and tourism activity during construction and operation of the Melgarve Cluster Project (the Proposed Development).
- 12.1.2 As a significant investment (approximately £100 million by SSEN alone) in a key economic sector, the Proposed Development supports the National Strategy for Economic Transformation and the emerging Energy and Just Transition Plan at the national level. Regionally it supports the Economic Development Action Plan for the Highlands, the Inverness and Highland City Vision as well as the emerging Community Wealth Building Strategy for the Highlands. It would provide contract and employment opportunities for Highland based people and businesses throughout the duration of the Proposed Development.
- 12.1.3 During the construction phase, the Proposed Development is expected to generate up to 350 direct Person Years Employment (PYE) at the Scotland level. At the Highland level, this equates to up to 175 direct PYE. These PYE can be converted to direct GVA through the GVA for specialised construction activities, generating £22.4 million in direct GVA nationally, including £11.2 million direct GVA at the Highland level.
- 12.1.4 In addition, there would be potential beneficial effects through temporary increased local spending on the supply of goods and services during construction including worker accommodation. Based on other similar projects this is anticipated to be approximately £2.8 million throughout the construction period. It is anticipated that these effects, would bring additional opportunity for the supply chain and the creation of local jobs. The construction activity will benefit wider Highland and Scottish companies and contribute to the economy. Once operational, the Proposed Development would facilitate renewable generation planned for the consented Cloiche Wind Farm and the proposed Dell 2 Wind Farm.
- 12.1.5 Construction is predicted to result in a temporary **Negligible** and not significant effect on the economy of Scotland. Construction is predicted to result in a temporary **Minor Beneficial** and not significant effect on the economy of the Highlands. The predicted residual socio-economic effect in relation to operational activities are deemed to be of **Negligible** and not significant at the national level. The predicted residual socio-economic effect in relation to operational activities are deemed to be of **Minor Beneficial** and not significant at the regional level.
- 12.1.6 The main benefits will be associated with the construction phase, and the Proposed Development is not expected to generate any direct full time employment onsite during its operation. There will be regular and ad hoc maintenance as required, however this work will be periodic, so it would be very hard to say any of this would be sufficient to fully support and/or sustain additional employment from these activities.
- 12.1.7 The predicted residual socio-economic effect in relation to operational activities are deemed to be **Negligible** and not significant at the national and regional levels. The predicted residual socio-economic effect in relation to operational activities are deemed to be **Negligible** and not significant at the national and regional levels.
- 12.1.8 The review of the recreational and tourism asset base found that there are no notable visitor attractions or activities located close to the Proposed Development. There are country sport activities on the estate and neighbouring estates and these are not expected to be adversely affected by the Proposed Development. The area is remote with very little population, limited to a few scattered properties around Garvamore and Garvabeg around 2.5 km to the east of Melgarve substation. There are also a few recorded and publicised recreational routes within the area giving the potential for views of the Proposed Development. These include the General Wade's Military Road which passes to the south of Melgarve, and forms part of the popular Corrieyairack Pass route (part of Scottish Hill Tracks 236 and 237). In addition, the main spine road of the Stronelairg Wind Farm is promoted by the South Loch Ness Access Group as part of the Monadhliath Trail between Fort Augustus and Whitebridge. There are also some path routes leading from Glen Spean which provide access to local

mountains, notably a route from Garva Bridge, ascending the Corbett Meall na h-Aisre which follows the ridgeline to the east of the Proposed Development. The mitigation proposed and the review of secondary research around visitor motivation confirms that visitors are not dissuaded from visiting or revisiting an area where there is renewable infrastructure. This confirms that there will be no adverse effects on these assets as a result of the Proposed Development.

- 12.1.9 The predicted residual recreational and tourism effect in relation to construction activities are deemed to be **Negligible** and not significant at the national and regional levels. The predicted residual recreational and tourism effect in relation to operational activities are deemed to be **Negligible** and not significant at the national and regional levels.

## 12.2 Introduction

- 12.2.1 This Chapter reports on the assessment of the potential and likely predicted socio-economic, recreation and tourism impacts of the Melgarve Cluster Project (the Proposed Development).
- 12.2.2 The Proposed Development is required to connect the consented Cloiche Wind Farm and the proposed Dell 2 Wind Farm to the electricity transmission network at Melgarve substation. Between the two proposed / consented wind farms and Melgarve substation, the Proposed Development would comprise a combination of approximately 7 km of new double circuit steel structure 132 kV overhead line (OHL) and approximately 9.9 km of new 132 kV underground cable (UGC). Cable Sealing End (CSE) compounds would be required to facilitate the transition between OHL and UGC. New permanent and temporary access tracks would also be required to facilitate the construction and operation of the Proposed Development.
- 12.2.3 This assessment has been carried out in line with Scottish Government guidance on 'Net Economic Benefit and Planning'<sup>1</sup>. The guidance highlights how the net economic benefit generated by a proposed development can be assessed as a material consideration in the decision-making process.
- 12.2.4 The assessment considers the likely significance of effects of the Proposed Development on the economy in both quantitative and qualitative terms. In particular, it considers the effects of the Proposed Development on employment and economic output, as well as recreational and tourism assets and activities.
- 12.2.5 The assessment describes the methods used to assess impact, the socio-economic and tourism baseline conditions, and the potential impacts of the Proposed Development during the construction and operational phases. The wider, and less tangible and longer-term economic benefits of the Proposed Development are also assessed.
- 12.2.6 This Chapter has been compiled by MKA Economics, who specialise in appraising the economic viability, socio-economic value, and, advising on the delivery of, economic development projects. Based at the Innovation Park at the University of Stirling the company works across sectors and geographies and has been retained by Highland and Island Enterprise on their Economic Impact Assessment Framework since 2013. A table presenting relevant qualifications and experience is included in **Appendix 5.1: EIA Team**, contained within Volume 4 of this EIA Report.

## 12.3 Scope of Assessment and Methodology

- 12.3.1 In terms of economic effects, this assessment has employed appraisal techniques consistent with those outlined in the Scottish Government's guidance on 'Net Economic Benefit and Planning'<sup>1</sup>, and also Scottish Enterprise's Economic Appraisal Guidance Note for the appraisal of economic development initiatives<sup>2</sup>.
- 12.3.2 This assessment calculates both construction and operational employment associated with the Proposed Development, and the economic effects this would have on the economy, at both a country and local authority level.

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<sup>1</sup> Scottish Government (2016): Net Economic Benefit and Planning

<sup>2</sup> Scottish Enterprise (2008): Impact Appraisal and Evaluation Guide

12.3.3 This assessment outlines the role the Proposed Development can play in supporting national and regional economic development and tourism policies and strategies. It presents an overview of the local economic conditions to set the socio-economic and visitor context for the Proposed Development. Penultimately, it outlines the potential benefits of the Proposed Development on employment, investment, local spending, community development and the local business base, during construction and operation. This includes an assessment of the effects on the tourism and recreation asset base, and draws on findings from a review of secondary data sources and a mapping of these assets in relation to the Proposed Development. Finally, it provides an assessment of the residual effects of the Proposed Development at construction and operational phases on the economy and the tourism and recreation asset base.

## 12.4 Consultation

12.4.1 The scope of the assessment has been determined through a combination of professional judgement, reference to the relevant guidance documents and consultation with stakeholders through a formal EIA scoping process and pre-application advice, and is based on the formal Scoping Opinion issued by the Energy Consents Unit of the Scottish Government in March 2024.

12.4.2 **Table 12-1** summarises the relevant socio-economic, recreation and tourism responses provided as part of the Scoping Opinion.

**Table 12.1: Socio-Economic, Recreation and Tourism Stakeholder Responses**

Organisation & Date	Summary of Consultation Response	EIA/Design Response to Consultee
The Highland Council (THC) (29 <sup>th</sup> February 2024)	<p>A Socio-Economic, Tourism and Recreation EIAR chapter is required. The EIAR should estimate who may be affected by the development, in all or in part, which may require individual households to be identified, local communities or a wider socio economic groupings such as tourists and tourist related businesses, recreational groups, economically active, etc. The application should include relevant economic information connected with the project, including the potential number of jobs, and economic activity associated with the procurement, construction and operation of the development.</p> <p>The EIAR must also assess the potential impact on, and mitigation for, public access incorporating core paths, public rights of way, long distance routes, other paths and wider access rights across the site.</p>	<p>An overview of the socio-economic, recreation and tourism baseline position is presented and the stated impact in terms of economic (jobs, turnover and Gross Value Added (GVA) and social impacts, and the wider community impacts are provided in this Chapter of the EIA Report.</p> <p>An Outdoor Access Management Plan will be prepared for the Proposed Development, a draft of which is provided in <b>Appendix 12.1</b>.</p> <p><b>Chapter 7: Landscape and Visual</b> also assesses potential visibility of the Proposed Development from recreational interests.</p>
Laggan Community Council (12 <sup>th</sup> December 2023)	<p>We are particularly concerned that should more pylons be erected in the same general area as the Beauldy Denny line, the cumulative effects will be to further erode the visual attraction of the glen which is much loved by tourists &amp; local residents alike. The scoping document should therefore give consideration to the locally vital economic driver of tourism which will inevitably be negatively impacted by the proposal.</p>	<p>An overview of the recreational and tourism baseline is presented and aligned against the expected impact on tourism based on a review of the Proposed Development and secondary research on the tourism effects of renewable energy developments.</p>

## 12.5 Legislation, Policy and Guidance

### *National Policy*

- 12.5.1 The Scottish Government replaced the Scottish Economic Strategy in March 2022 with the National Strategy for Economic Transformation<sup>3</sup>. The strategy sets out on Page 1 '*Our vision for Scotland in 2032 is a wellbeing economy: thriving across economic, social and environmental dimensions, one that delivers economic prosperity for all Scotland's people and places.*'
- 12.5.2 The strategy framework is structured around eight broad priority areas, where Scottish Government actions will be targeted. These aim for Scotland to be recognised at home and throughout the world as:
- an international benchmark for how an economy can de-carbonise;
  - the best place to start and grow a business or social enterprise;
  - a magnet for inward investment;
  - a great place to live and work with high living standards;
  - a nation where people and businesses can continually upgrade their skills;
  - a leader in research and development;
  - a country where economic power and opportunity is distributed fairly; and
  - an outward looking nation exerting a meaningful influence.
- 12.5.3 Transforming Scotland's economy is a national endeavour and government, the enterprise and skills agencies, business, trade unions, third sector, social enterprises and the people of Scotland all have a part to play.
- 12.5.4 The Proposed Development, in combination with the wind farms developments which it facilitates, can play an important role across a number of the aims, notably around creating a development which can support the Scottish Government's objective of becoming an international benchmark for how an economy can de-carbonise.
- 12.5.5 The Scottish Government has a range of ambitious climate change policies in place to reduce greenhouse gas emissions and ensure a just transition to a net zero economy. The main piece of legislation in place is the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 ('the 2019 Act')<sup>4</sup> which amends the Climate Change (Scotland) Act 2009<sup>5</sup>. This policy aims to reduce Scotland's emissions of all greenhouse gases to net-zero by 2045 at the latest, with interim targets for reductions of at least 75 % by 2030 and 90 % by 2040.
- 12.5.6 The just transition is a key aspect of Scottish climate policy. The 2019 Act embeds the principles of a just transition, which involved reducing emissions in a way which tackles inequality and promotes fair work.
- 12.5.7 The overarching strategy for all policies involved in tackling climate change is the Climate Change Plan 2018-2032<sup>6</sup> which brings together more than 100 new policies and proposals to support Scotland's green recovery and ensure a just transition to net zero.

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<sup>3</sup> Scottish Government (2022): National Strategy for Economic Transformation

<sup>4</sup> Scottish Government (2019): Climate Change (Emissions Reduction Targets) (Scotland) Act

<sup>5</sup> Scottish Government (2009): Climate Change (Scotland) Act

<sup>6</sup> Scottish Government (2018): Climate Change Plan 2018-2032

- 12.5.8 In 2021, the Scottish Government provided an initial response to the final report of the Just Transition Commission. It sets out their long-term vision for just transition and provides details on their National Just Transition Planning Framework<sup>7</sup>.
- 12.5.9 The Scottish Government is currently consulting on a Draft Energy Strategy and Just Transition Plan<sup>8</sup>. This sets out how the Scottish Government seeks to realise climate change ambitions, and address the need to transform the way Scotland generates, transports and uses energy.
- 12.5.10 Specifically related to renewable energy, the vision for a fairer, greener Scotland includes all energy needs being met by renewable sources by 2045.
- 12.5.11 The Scottish Government has adopted new national planning policy in the form of National Planning Framework 4 (NPF4)<sup>9</sup> on 13<sup>th</sup> February 2023. It sets out the Government's national spatial strategy for Scotland, identifying regional priorities, national developments, and national planning policy.
- 12.5.12 NPF4 forms part of the statutory development plan since its adoption in February 2023. Relevant policies are presented in more detail in **Chapter 6: Planning and Energy Policy Context** of this EIA Report. The current planning policy is founded on sustainable economic growth principles and is governed by the National Strategy for Economic Transformation which confirms that the planning system should proactively support development that contributes to sustainable economic growth.
- 12.5.13 NPF4 has a regional focus and has three key themes which are '*sustainable places*', '*liveable places*' and '*productive places*'. For the north these themes have the following priorities (Page 26):
- Protect environmental assets and stimulate investment in natural and engineered solutions to climate change and nature restoration, whilst decarbonising transport and building resilient connections;*
- Maintain and help to grow the population by taking a positive approach to rural development that strengthens networks of communities; and*
- Support local economic development by making sustainable use of the areas' world class environmental assets to innovate and lead greener growth.*
- 12.5.14 .It sets out the Government's national spatial strategy for Scotland, identifying regional priorities, national developments, and national planning policy. Policy 11c at Page 53 states:
- 'Development proposals will only be supported where they maximise net economic impact, including local and community socio-economic benefits such as employment, associated business and supply chain opportunities.'*
- 12.5.15 NPF4 is founded on sustainable economic growth principles and is governed by the National Strategy for Economic Transformation which confirms that the planning system should proactively support development that contributes to sustainable economic growth and creates sustainable places.
- 12.5.16 Scottish Ministers are committed to developing further advice to assist in assessing and giving due weight to the net economic benefit of proposed development<sup>1</sup>. The Draft Advice on Net Economic Benefit and Planning states the importance of demonstrating the net economic benefit of a proposed scheme, highlighting the importance of taking economic benefits into account when determining a planning decision.

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<sup>7</sup> Scottish Government (2021): Just Transition - A Fairer, Greener Scotland

<sup>8</sup> Scottish Government (2023): Draft Energy Strategy and Just Transition Plan

<sup>9</sup> Scottish Government (2023): National Planning Framework 4

12.5.17 The meaning as outlined at Paragraph 11 the guidance of 'net economic benefit' is described as the difference between the estimated economic position where the development proceeds and the position if the proposal does not go ahead.

12.5.18 Advice is provided on the methodology to be used when modelling economic benefits and it acknowledges on Paragraph 5 of the guidance that;

*'...assessing the additional benefit from a proposal will usually involve making some assumptions, and is therefore not an exact science. It is important that the level of detail of any assessment is kept proportionate to the likely scale of the net economic benefit, and that assumptions made are completely transparent, evidence-based and as accurate as possible.'*

12.5.19 In terms of relevant tourism policy, the Scottish Tourism Alliance developed The Scotland Tourism Outlook 2030<sup>10</sup> which confirms the importance of tourism to Scotland's economy and emphasises the resilience of the tourism industry since the start of the previous economic downturn in 2008. It recognises that the role of tourism has changed as a result of the climate crisis, advances in technology, EU exit and changes in consumer behaviour which is reflected in the demands of today's traveller.

12.5.20 Perhaps most importantly it sets out a framework for how the tourism sector can recover from the effects of the Covid-19 pandemic. It sets the vision of Scotland becoming the world leader of tourism in the 21st century, and that all development and investments will play a role in achieving this ambitious vision.

#### *Regional Policy*

12.5.21 The Highland Economic Forum has created an Action Plan for Economic Development in Highland<sup>11</sup>. The main thrust of the Action Plan is to generate new employment in the private sector and social economy to compensate for employment and earnings reductions through national public sector cuts, the impacts of which are particularly severe in Highland, where there is a relatively high dependence on public sector employment and spending. The principal themes of the Action Plan (Page 1) are:

- to stimulate and support indigenous business growth (including new business formation, diversification, internationalisation and collaborations);
- to help maximise the impacts of the University of the Highlands and Islands (UHI) and attract national and international research funding into the area;
- to ensure that the workforce, sector by sector, has the skills to enable the region and its businesses to capitalise on opportunities;
- to address the growing problem, shared with other parts of the UK, of youth unemployment, and to attract back those with family connections with the region to help fill new job opportunities in renewables, tourism, life sciences and Information Technology;
- to focus on job creation that will help raise the region's relatively low average earnings in the private sector; and
- whilst creating jobs in the short-term to compensate for public sector cuts and maintain the region's growth momentum, to take a long-term strategic approach to growing the business base and creating career opportunities.

12.5.22 THC, along with the UK Government and Scottish Government, has developed a new City-Region Deal, vision for Highlands, with the aim of 'Transforming the Highland Economy'<sup>12</sup>. This vision was turned into reality in 2017 when the Inverness and Highland City Region Deal was approved.

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<sup>10</sup> Scottish Tourism Alliance (2020): Scotland Tourism Outlook 2030

<sup>11</sup> The Highland Council (2012): An Action Plan for Economic Development in Highland

<sup>12</sup> The Highland Council, UK Government, Scottish Government (2016): Inverness and Highland City Deal

12.5.23 This formalised the commitment of £315 million worth of funding: £135 million from the Scottish Government, supported by £127 million from THC and its partners, and another £53m from the UK Government. The City-Region Deal is designed to deliver the following outcomes:

- over 1,000 direct jobs as a result of City-Region Deal projects with a further 2,200 additional jobs in the construction sector;
- a skilled labour market moving towards a high skilled high wage economy;
- a centre of excellence in rural and digital healthcare with sufficient mass to attract research and investment and fully exploit the commercial opportunities;
- business growth through effective digital connectivity and promotion of innovation;
- improved productivity and real wages, which are estimated to increase by almost 1.3 % and bring £100 million per annum to the regional economy;
- a rebalanced population with the aim of retaining and/or attracting 1,500 young people in the 18-29 age group over the initial 10-year deal period;
- 6,000 new houses over 20 years of which 1,800 will be affordable homes; and
- private sector leverage from housing building and, through opening up land for commercial development, would see a return over a 20-year period of around £800 million being invested in the economy of the city and region.

12.5.24 The Proposed Development is consistent with THC's Highland Renewable Energy Strategy (HRES) and Planning Guidance<sup>13</sup> which sets out as a vision (Page2) *“to harness both the energy and economic potential, presented by renewable technologies in the Highland area to provide benefit for both the global environment and local communities.”* The strategy recognises the economic opportunity from moving towards a low carbon economy and the role the renewables sector will play in advancing from depleting oil and gas reserves. As well as highlighting the important environmental role of clean energy, it seeks to maximise the local economic opportunities, and balancing these with social and environmental interests.

12.5.25 More recently THC approved the Draft Community Wealth Building Strategy<sup>14</sup>. The draft strategy sets out a three year vision for taking forward and embedding the THC's approach to Community Wealth Building. The proposed vision for the strategy is that the THC will (Page 4): *‘Retain greater wealth and maximise spending within and for the communities of the Highlands.’*

12.5.26 It is proposed this is delivered through five key objectives that align with the five pillars of community wealth building. These are:

- Objective 1: Spending – using public spend to deliver community benefit, fair work and build local supply chains.
- Objective 2: Fair Employment – ensuring the workforce are in well paid jobs that benefit from an effective voice, security, and flexibility.
- Objective 3: Land and Property – ensuring that communities maximise benefit and generate wealth from local land and property.
- Objective 4: Financial Power – ensuring that the flows of wealth generated within the local economy works for the wellbeing of communities and businesses.
- Objective 5: Inclusive Ownership – stimulating the development and growth of locally owned enterprises that generate community wealth.

12.5.27 Under each objective, the draft strategy outlines areas of work that already support Community Wealth Building across Highland and proposed areas for development.

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<sup>13</sup> The Highland Council (2006): Highland Renewable Energy Strategy and Planning Guidelines

<sup>14</sup> The Highland Council (2024): Draft Community Wealth Building Strategy



12.5.28 In terms of regional tourism policy, The Highland Area Tourism Partnership (ATP) comprises representatives from the tourist industry and key public bodies involved in delivering tourism in the Highlands, including Visit Scotland, THC, HIE, NatureScot, Scottish Forestry, Cairngorms National Park Authority (CNPA) and Hi-Trans.

12.5.29 The Highland ATP developed a Highland Area Tourism Action Plan<sup>15</sup> to replace the previous Area Tourism Strategy. The Action Plan describes some of the key issues that need to be addressed in order to grow tourism in the Highlands, and to contribute to the national vision and aspiration. The overarching vision of growing the visitor economy across the Highlands is in these terms: *“The Highlands will be a destination of first choice for a high quality, value for money and memorable customer experience, delivered by skilled and passionate people.”*

12.5.30 The Highlands is recognised as one of Scotland's strongest tourism products and as such can reasonably be expected to equal or exceed the national growth rate if the actions in the strategy and this plan are delivered. To unlock this level of growth will require a range of strategic actions to be delivered, and these are structured around the key target markets of:

- Nature, Heritage & Activities;
- Destinations, Towns & Cities;
- Events & Festivals; and
- Business Tourism.

12.5.31 To achieve this growth the Action Plan recognises both the effort and investment by individual businesses across the tourism sector and investment by public sector partners in areas such as infrastructure and services.

## 12.6 Methodology

12.6.1 There are no published standards or technical guidelines that set out a preferred methodology for assessing the likely socio-economic, or tourism, impacts of energy or electricity transmission proposals. However, there are a series of commonly used methodologies and recognised approaches to quantifying economic impacts both during the construction of a development and following its completion, notably Renewables UK's economic impact guidance and the VisitScotland's Position Statement on wind farms and related developments<sup>16</sup>.

12.6.2 In terms of economic impacts, this assessment has employed appraisal techniques consistent with those outlined in the Scottish Enterprise Economic Impact Guidance<sup>17</sup> for the appraisal of economic development and regeneration initiatives. The assessment is also consistent with the latest Scottish Government's Draft Advice Note on Economic Benefit and Planning<sup>18</sup>. This socio-economic assessment has been undertaken in line with the advice note, presenting the baseline position in socio-economic terms and the predicted outcomes in both employment and GVA terms.

12.6.3 The relevant policy context and methods used to assess the impacts are described together with the baseline conditions that would exist in the area in the absence of the Proposed Development.

12.6.4 The assessment has contextualised the Proposed Development both in terms of Scottish and regional renewable and energy policy and identified where it fits within policy as well as its facilitating towards renewable targets.

12.6.5 Additional information was also obtained by reviewing information regarding local tourism assets, including those assessed in other technical assessments, notably **Chapter 7: Landscape and Visual** and **Chapter 13 Cultural Heritage**. This includes reference to core paths and other recreational routes.

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<sup>15</sup> Highland Tourism Partnership (2020): Highland Area Tourism Action Plan 2020

<sup>16</sup> VisitScotland (2014): VisitScotland Position Statement - Wind Farms

<sup>17</sup> Scottish Enterprise (2008): Impact Appraisal and Evaluation Guide

<sup>18</sup> Scottish Government (2016): Net Economic Benefit and Planning

12.6.6 The assessment considers potential impacts across the various phases of the Proposed Development's lifecycle, which includes:

- construction; and
- operation.

12.6.7 These are described in **Table 12-2** below.

**Table 12-2: The Proposed Development Components**

Phase	Potential Economic Impacts
<b>Construction</b>	Overhead Line and underground cable manufacture; including the steelworks, cabling and components; and  Balance of plant; including activity and supplies and the construction of access tracks (temporary and permanent).
<b>Operation</b>	Maintenance; such as tower and cabling that are operated and maintained by contract or by technicians working for SSEN; and  Site maintenance; including routine tasks such as maintaining site access tracks and associated drainage ditches.

12.6.8 The construction along with operation impacts should be presented in the context of the wider socio-economic impacts of the Proposed Development and its 'enabling' role in allowing more renewable projects to be developed, specifically Cloiche and Dell 2 wind farms.

12.6.9 Economic impacts can be expected during the development, construction and operational phases of the Proposed Development. These impacts will differ in their scale, duration and geographic coverage. The long-term impacts associated with the decommissioning phase of the Proposed Development are not assessed, as planning permission will be applied for in perpetuity. As the Proposed Development is at the pre-development stage and these costs and impacts have been incurred, these pre-development impacts are not assessed either.

12.6.10 The assessment further describes the commitments made by the Applicant to both minimise the impacts to local residents who may potentially be directly impacted by the Proposed Development as well as identifying the steps taken by the Applicant to bring benefit to the local community.

12.6.11 The predicted socio-economic, tourism and recreational effects of the Proposed Development on the recreational and tourism asset base are assessed, using the significance criteria outlined in **Table 12.3**. As there are no published standards or technical guidelines that set out a preferred methodology for assessing the likely socio-economic, recreation or tourism impacts of a project of this nature, professional judgement, with reference to commonly used methodologies, and recognised approaches to quantifying economic impacts, is used to determine the significance criteria. Major or moderate effects are defined as significant in EIA terms.

**Table 12.3: Significance Criteria**

Significance	Description
<b>Major</b>	Major loss / improvement to key elements / features of the baseline conditions such that post development character / composition of baseline condition will be fundamentally changed. For example, a major long-term alteration of socio-economic conditions, a major reduction / improvement of recreational assets, or a substantial change to tourism spend.
<b>Moderate</b>	Loss / improvement to one or more key elements / features of the baseline conditions such that post development character / composition of the baseline condition will be materially changed. For example, a moderate long-term alteration of socio-economic conditions, a moderate reduction / improvement in the recreational asset, or a moderate change to tourism spend.
<b>Minor</b>	Changes arising from the alteration will be detectable but not material; the underlying composition of the baseline condition will be similar to the pre-development situation. For example, a small alteration of the socio-economic conditions, a small reduction / improvement in the recreational asset, or a small change in tourism spend.
<b>Negligible</b>	Very little change from baseline conditions. Change is barely distinguishable, approximating to a 'no change' situation.

## 12.7 Baseline

### *Regional Economic and Tourism Baseline Profile*

- 12.7.1 An overview of the regional socio-economic conditions demonstrates that although economic activity levels are high in the Highlands, and the area has low unemployment rates, the region continues to face a number of economic challenges. The economic successes of low unemployment and high economic activity rates mask that the area has a low level of working age residents as a result of an ageing population and population migration amongst young people.
- 12.7.2 The economy is characterised by lower value economic sectors, such as tourism; although it generates a high volume of employment and has grown in recent years, it is generally lower value and seasonal in nature. Wages and salaries are depressed and the recent Highland City-Region Deal has been developed to create higher value jobs and increase real wages. The energy sector is characterised as a high value sector and one which has a heritage and track record in the Highlands, notably around renewable energy.
- 12.7.3 In terms of tourism, the economy within the region varies, though it is dominated by the tourism sector, with tourism related jobs representing up to 43% of regional employment<sup>19</sup>.
- 12.7.4 In 2019, when the last tourism statistics for Highland are available, the volume and value of overnight travel to the region exceeded any other year back to 2013. The Highlands attracted 17% of all overnight trips and 13% of the total overnight tourism expenditure in Scotland.
- 12.7.5 With an average pre-pandemic visitor spend of £1.5bn in the region, 3,200 registered tourism businesses locally, and with tourism jobs representing up to 43% of the workforce in some areas of the Highlands and Islands, tourism is a vital economic sector to Highland life and livelihoods. It sustains many local, regional and island economies and communities.
- 12.7.6 The tourism and hospitality sector has been one of the worst hit from the COVID-19 pandemic. A report published by HIE in September 2020<sup>20</sup>, estimated that visitor spend here is likely to have declined by between £370m–£584m in the financial year 2020-21.

<sup>19</sup> Highlands and Islands Enterprise (2023): Tourism Growth Sector Overview

<sup>20</sup> HIE (2020): The Impacts of Covid-19 on the Highlands Economy

12.7.7 The onset of the global pandemic made it difficult for the tourism industry, and there have been no annual surveys released to quantify the effects on the sector. However, the recovery has been adversely impacted by the onset of the cost of living crisis in 2022 and 2023. The most recent Tourism Consumer Tracker for Scotland<sup>21</sup> has indicated that the public has been 'hit hard' and remains 'cautious and careful' and although the findings state that 'the worst is still to come' continues to drop, this is driven by increasing proportions believing 'things are going to stay the same' as opposed to any sense that 'the worst has passed'. The key findings from the latest (February 2024) report highlights:

- One in three anticipate reducing the extent of their domestic trip, within which 'accommodation' is the main cost barrier, with a further third planning to take the same number of trips but cutting back on their spending
- Domestic trips in 2024 are set to be significantly shorter than the same period in 2023, amongst all life stages and all destination types
- The public's appetite to take a trip remains strong, and Scotland is set to benefit, it being the third most popular destination in the UK, marginally behind London and the South West of England.

12.7.8 According to the Scottish Tourism Index<sup>22</sup>, whilst more Scots rediscovered foreign holiday destinations in 2023, this was often at the expense of home holidays as smaller family budgets constrained domestic spending on hospitality. At the start of 2024 there is some initial evidence that this spending squeeze may have 'bottomed out' and although still likely to constrain what we do in the immediate term, our disposable incomes are beginning to show some signs of recovery - and the home holiday market may start a journey back to recovery.

12.7.9 Tourism is the second largest of the 'Growth Sectors' in employment terms in the Highlands; however, when compared to the other growth sectors the tourism sector generates the lowest level of GVA per employee of the growth sectors.

#### *Local Economic and Tourism Baseline*

12.7.10A headline overview of the local economy, which is defined by Highlands and Islands Enterprise (HIE) as Inner Moray Firth, is provided. A review of HIE's Area Profile for Inner Moray Firth has been completed and the following summary of the local area is presented below:

- Total population was 157,934 in 2018, an increase of 2.7% from 2011;
- Population density (20 people per sq. km) is higher than that for the Highlands and Islands;
- (12 people per sq. km) but lower than the Scottish average (70 people per sq. km);
- The Inner Moray Firth has a younger age profile than the Highlands and Islands but older than Scotland;
- An Economic Activity rate (80.8%) in line with the Highlands and Islands (80.9%) but higher than Scotland (77.9%);
- A percentage of self-employed (8.5%) in line with Scotland (8.7%) but lower than the Highlands and Islands (11.0%); and
- An employment rate (78.5%) in line with the Highlands and Islands (78.6%) and higher than Scotland (74.7%).

12.7.11 The Inner Moray Firth experienced population growth between 2011 and 2019. While the population is projected to decline by 2043, there is variation across the area. It has a younger age profile than the average regionally, although still a higher dependency ratio than nationally at 62.6%.

12.7.12 The Inner Moray Firth area will need to respond to the requirements of young people who have been disproportionately affected economically given its younger age profile than the rest of the region.

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<sup>21</sup> VisitScotland (February 2024): UK and Scotland Consumer Sentiment Tracker

<sup>22</sup> 56 Degree Insight (February 2024), Scottish Tourism Index

12.7.13 The Inner Moray Firth is likely to be harder hit than the Scotland and regional averages, as a result of:

- Expected GVA decrease of -£756m across Highland in 2020, a decline of 11.7%, in line with the regional average (11.7%) but higher than the national level (10.7%);
- While the area has a higher share of employment in the five sectors most exposed to COVID-19 overall compared to regionally and nationally (43% compared to 41% and 38% respectively), Inner Moray Firth has a more diverse sector employment base than other parts of the region increasing its relative resilience; and
- Its existing vulnerability to Brexit (Highland is ranked 5 of 32 Scotland local authorities), although Inner Moray Firth is likely to be more resilient than more rural parts of Highland.

12.7.14 The onset of the Covid-19 pandemic has had a devastating effect on local unemployment levels (Badenoch and Strathspey), with the number of people out of work and claiming benefits in February 2024 still 47% higher than February 2020. This starkly compares with falls of 8% regionally and 5% nationally over the same period and using the same data sources.

*Local Tourism and Recreational Profile*

12.7.15 A tourism and recreation assessment is based on a review of Public Rights of Ways, core paths, hill tracks and visitor attractions and assets. This is supported by **Figure 12.1**.

12.7.16 The Estates within the vicinity of the Proposed Development are managed for sporting activities (mainly grouse shooting and deer stalking), as well as some trout fishing. In terms of Hill Walking, the closest Munro is Geal Charn, which is approximately east of the Proposed Development. Two Corbetts (a mountain over 2,500 feet, but under 3,000 feet) are within the vicinity of the Proposed Development. These are Meall na h'Aisre approximately to the east and Gairbeinn, to the west. In addition, the main spine road of the Stronelairg Wind Farm is promoted by the South Loch Ness Access Group as part of the Monadhliath Trail between Fort Augustus and Whitebridge.

12.7.17 There are also a number of walking and cycling routes throughout the surrounding area, many of which are noted as Core Paths by THC or identified as Rights of Way and Wider Path Network paths. These include:

- Scottish Hill Tracks:
  - Scottish Hill Track 236 (Laggan to Fort Augustus) which passes along the glen to the south of the Proposed Development at a distance of approximately 100 m at the point of connection into Melgarve substation;
  - Scottish Hill Track 235 (Laggan to Whitebridge) which passes approximately 3.2 km to the east of the Proposed Development;
  - Scottish Hill Track 231 (Tomatin to Whitebridge) which passes approximately 3.2 km to the north-east of the Proposed Development; and
  - Scottish Hill Track 237 (Laggan to Roybridge or Glenfintaig Lodge (Spean Bridge)), which passes along the glen approximately 3.8 km to the south of the Proposed Development.
- Core Paths:
  - Core Path LBS 1a: Spey Dam – Creagdubh Lodge which is approximately 7.8 km to the southeast of the Proposed Development;;
  - Core Path UBS 23: Achduchil – Spey Dam which is approximately 7.8 km to the southeast of the Proposed Development.
  - Core Path UBS 30: Spey Dam – Gorestean, via General Wade's Military Road which is approximately 8 km to the southeast of the Proposed Development;
  - Core Path UBS 22: Feagour – Dun-da-lamh (parallel to the A86) which is approximately 9 km to the southeast of the Proposed Development; and

- Core Path UBS 19: Achduchil – Gorstea (parallel to the A86) which is approximately 9 km to the southeast of the Proposed Development.

12.7.18 It indicates that there are four hill tracks in the vicinity of the Proposed Development. However, none of these are in close proximity to the Proposed Development, other than Scottish Hill Track 236 (Laggan to Whitebridge) which runs near the existing Melgarve Substation.

12.7.19 The Monadhliath Trail, which follows one of General Wades Military Roads and forms part of the popular Corrieyairack Pass route (part of Scottish Hill Tracks 236 and 237)., links Whitebridge and Fort Augustus does intersect the Proposed Development, however at this location the Proposed Development is an underground cable. This is the only formal recreational route that the Proposed Development would directly cross, this being the main spine road of the Stronelaig Wind Farm which is promoted by the South Loch Ness Access Group as part of the Monadhliath Trail.

12.7.20 As stated in the Cultural Heritage Chapter Chapter 13), the Corrieyairack Pass military road is a Scheduled Monument. The cultural heritage assessment considers that the monument would likely experience a very low level of visual impact, and that impact on the overall setting of the monument and on appreciation of the monument in its setting would also be considered very low.

12.7.21 There are three mountain summits in the area, these being:

- Geal Charm (a Munro, which has a rating of 2.71/5, making it 220<sup>th</sup> of 282 Muros in Scotland according to WalkHighlands<sup>23</sup>)
- Meal na h-Aisre (a Corbett, which is the 159<sup>th</sup> (of 222) most popular Corbett according to WalkHighlands)
- Gairbeinn (a Corbett, which is the 156<sup>th</sup> (of 222) most popular Corbett according to WalkHighlands)

12.7.22 The most visited attractions in Highland by visitor numbers include Urquhart Castle, Glenfinnan Monument, Glencoe Visitor Centre, Glenmore Forest Park and Loch Ness by Jacobite. None of these are near the Proposed Development and the Proposed Development is not visible from any of these attractions.

12.7.23 The other popular attractions in the region, identified by the Visitscotland, within 20 miles of the Proposed Development include Laggan Wolftrax Mountain Biking, Spey River Farm, Dalwhinnie Distillery and Whisky Shop, Creag Meagaidh National Nature Reserve, Wildcat Experience and Highland Folk Museum.

12.7.24 Facilities in the area closest to the Proposed Development are found in Dalwhinnie, Laggan, Fort Augustus and Newtonmore and include a selection of local shops and cafés, adventure activities such as walking and mountain biking and several B&Bs, hotels and self-catering accommodation providers.

12.7.25 The main tourism facilities within the area are located within the population centres around Loch Laggan. These include:

- Dalwhinnie - the village of Dalwhinnie is located south east of the Proposed Development and serves as a base for visitors as they enter the Cairngorms National Park. It is one of the highest, and coolest (temperature) villages in the UK, making it a popular location for winter walking and hiking. There is a popular walking destination along the River Truim and in Cairngorm and Monadhliath Mountains in the Cairngorm National Park. Dalwhinnie is on the Sustrans National Cycle Route 7, Glasgow to Inverness. There are several cycle routes in the area including one alongside Loch Erich. There are a range of self-catering and B&B accommodation providers in and around Dalwhinnie.
- Laggan – this is a small village in Badenoch to the south of the Proposed Development, it is beside the River Spey, about 10 km west of Newtonmore. The A86 road passes through the village and crosses

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<sup>23</sup> <https://www.walkhighlands.co.uk/>

the river on a nearby bridge. The village and surrounding area is a popular base for visitors. There are cycling trails (nearby is the Laggan Wolfrax mountain bike centre) and walking trails for all skill levels, including access to General Wade's road through the Corrieyairack Pass to the ancient Pictish Fort at Dùn dà Làmh. There are a range of places to eat and stay, including glamping, self catering and a acaravan site.

- Fort Augustus – is situated on the most southern tip of Loch Ness on the Great Glen Way, and is a historic and a popular tourist destination. It is a point of access to the 60 mile long Caledonian Canal, halfway between Inverness and Fort William, and the town offers views down Loch Ness and is a popular for walkers and cyclists, one of the most popular being the Great Glen Way. The Caledonian Canal Heritage Centre which details the history of the canal and the Clansmen Centre provides further insight to the local history of the area. There are a wide range of places to eat and stay, ranging from holiday parks, hotels B&Bs and self-catering properties.
- Newtonmore - is east of the Proposed Development. It is a larger settlement than Dalwhinnie. Newtonmore calls itself the "Walking Centre of Scotland", referring both to its geographical location and to the great walking opportunities locally, like the Wildcat Trail. An extension to the Speyside Way in 2021 now includes Newtonmore and it has become the new end to this trail. The village is home to The Wildcat Experience - a visitor attraction specially aimed at families with children. The attraction is based on a community arts project - everyone in the village had the chance to be involved. Newtonmore is the site of the Highland Folk Museum. There are arrange of hotels, B&Bs, a campsite and self catering in the village and surrounding area.

12.7.26 In addition to the accommodation providers within these settlements, there are a range of self-catering accommodation providers in rural locations within the study area.

12.7.27 Sustrans' National Cycle Route (NCR) 78 forming The Caledonia Way and comprising a combination of traffic-free and on-road cycle route is approximately over 10 km to the west of the Proposed Development.

12.7.28 The Estates within the vicinity of the Proposed Development are managed for sporting activities (mainly grouse shooting and deer stalking), as well as some trout fishing has also been noted.

12.7.29 The tourism sector in the Loch Laggan and Highland area is an important employer and visitors come from across the UK and overseas to explore the Cairngorms National Park and many attractions and activities on offer. There are 2.4 million overnight visitors to Highland. The key attractions in the area are mainly outdoor activities and tourism activity is predominantly seasonal in character. The tourism sector near the Proposed Development is similarly seasonal with many of the hotels closed over the winter months. Outdoor pursuits are a major driver for tourism activities, as well as being used by local residents, and these are presented in more detail in **Chapter 7: Landscape and Visual Assessment**.

12.7.30 Although Badenoch and Strathspey and the Cairngorms National Park area is a known popular tourist destination, none of the popular attractions, or accommodation provision is in the vicinity of the Proposed Development. The local area is extremely remote and rural, and is not located near any visitor attractions, with the main recreational and tourism uses being hill walking and climbing.

## 12.8 Assessment of Likely Significant Effects

12.8.1 This part of the Chapter sets out the predicted socio-economic, recreation and tourism impacts arising from the construction and operation of the Proposed Development. The areas of focus are within the Highland local authority area and include:

- total levels of investment across the construction (CAPEX) and operations (OPEX);
- direct impacts arising from the investment, in terms of employment and GVA impact;

- wider economic impacts arising from the direct impacts, using economic multipliers in terms of employment and GVA; and
- recreational and tourism effects based on a review of secondary research.

#### *Socio-economic Effects*

#### Construction

- 12.8.2 The total construction employment was estimated by the Applicant and their technical advisers. In terms of construction, the amount of construction employment provided by the Proposed Development has been estimated using 'person years of employment' (PYE) as a result of the £100 million investment. It should be noted this figure is solely for activities related to the Proposed Development carried out by SSEN Transmission. This does not include any spend that is part of the Cloiche or Dell wind farm developers expenditure, and therefore the resultant economic impacts do not include those associated with these related developments.
- 12.8.3 The assessment does not seek to translate the capital investment into employment, as an element of the investment will be procured to businesses outside Scotland and outside the UK.
- 12.8.4 This is a method whereby the number of people on-site over the whole construction period (whether full-time/part-time, permanent, temporary or seasonal) can be estimated as PYEs. The Applicant has estimated that there will be up to 10 SSEN Transmission staff full time each year of the two year construction phase, up to 40 main contractor staff and up to 125 operatives each year. Therefore, there will be up to 175 people employed directly onsite each year, resulting in up to 350 PYEs over the two year construction phase.. These posts can be deemed to be additional as they are based on the suite of projects being developed by SSE and contractors, the jobs may be filled by existing staff, but they are project posts which are dependent on projects of this nature. Therefore, they can be claimed as additional and new to the area, noting they are short term, front loaded and temporary in nature. It should be noted that the exact number of jobs may vary, and this will be dependent on the contract management phase, and these have been presented as estimates at this stage.
- 12.8.5 Due to the nature and location of the Proposed Development the approach to contractor accommodation is unclear. It is expected that the contractor will develop a worker camp, but this is at the discretion of the contractor and the previous camp for Stronelairg/Glendoe may be assessed. Alternatively other workers are likely to reside in local accommodation in and around the site. At this stage of the development process it is difficult to predict the origin of the workers, it is anticipated that all will be based in Scotland, and half will reside in the Highlands. It is unknown what proportion of the workforce would be from the local area, however this would be encouraged through the contractual process with the Principal Contractor, by seeking the use of local sub-contractors and services where appropriate.
- 12.8.6 In order to calculate the GVA effect of new posts the GVA per employee in specialised construction activities is utilised, in this case £64,218. These figures are also drawn from the Scottish Annual Business Statistics<sup>24</sup>.
- 12.8.7 Adopting these proxies suggests at the national and Highlands level the Proposed Development is expected to generate up to 350 PYEs at the Scotland level over the duration of the project. At the Highland level, this equates to up to 175 PYEs. These PYEs can be converted to GVA, generating £22.4 million in GVA nationally including £11.2 million at the Highland level. It should be noted that this is direct PYEs and GVA, and this assessment has not built in the wider multiplier effects of these posts and GVA. This assessment should therefore be read as the direct effects, and therefore is conservative in predicted impacts. The wider multiplier impacts (indirect and induced) are harder to measure at the local level and therefore are not included in this assessment.

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<sup>24</sup> Scottish Government (2022): Scottish Annual Business Statistics



12.8.8 In addition, there would be potential beneficial effects through temporary increased local spending on the supply of goods and services during construction including worker accommodation. Based on other similar projects this is anticipated to be approximately £2.8 million throughout the construction period. It is anticipated that these effects would bring opportunity for the supply chain and the creation of local jobs. The construction activity will mainly benefit Highland based companies close to the site, as well as some wider Scottish companies and contribute to the economy. In the long term, the Proposed Development would facilitate the increase in renewable generation planned for the area, specifically by providing a grid connection for Cloiche and Dell wind farms.

12.8.9 Construction is predicted to result in a temporary **Negligible** and not significant effect on the economy of Scotland. Construction is predicted to result in a temporary **Minor Beneficial** and not significant effect on the economy of the Highlands.

#### Operation

12.8.10 In general, OHLs and UGCs require very little maintenance. Regular inspections are undertaken to identify any unacceptable deterioration of components, so that they can be replaced. From time to time, inclement weather, storms or lightning can cause damage to either the insulators or the conductors on OHLs. If conductors are damaged, short sections may have to be replaced. During the operation of the Proposed Development, it may be necessary to manage vegetation to maintain required safety clearance distances from infrastructure. This work is periodic, so it would be very hard to say any of this would be sufficient to fully support and/or sustain additional employment from these activities. Essentially, only ad hoc visits to local facilities and occasional accommodation nights. The Proposed Development is not expected to generate any full time employment onsite during its operation.

12.8.11 The effect of operations expenditure on the Highland and Scottish economies is assessed as **Negligible** and therefore not significant.

#### *Recreation and Tourism Effects*

12.8.12 There have been a number of research exercises completed regarding the opinions of tourists towards wind farms and related renewable energy and transmission infrastructure. A summary of the most relevant and highly regarded research includes:

- report on the achievability of the Scottish Government's renewable energy targets<sup>25</sup>; and
- Public Attitudes Tracking Survey<sup>26</sup>.

12.8.13 Perhaps the most relevant research was carried out as part of the Scottish Parliament's Economy, Energy and Tourism Committee Inquiry<sup>27</sup> into renewable energy targets. Inquiry evidence was based on a review of surveys which appraised the tourist impact of renewable energy projects, including transmission infrastructure.

12.8.14 Overall, the study concluded "*no witness has provided the Committee with robust, empirical evidence, as opposed to anecdotal comment and opinion, that tourism is being negatively affected by the development of renewable projects.*"

12.8.15 The report also found: "*Whilst care always needs to be taken in terms of the planning process and decisions on the siting of individual projects in areas popular with tourists and in our rural and wild land areas, no one has provided the Committee with evidence, as opposed to opinion.*"

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<sup>25</sup> Scottish Parliament's Economy, Energy and Tourism Committee Inquiry (2012): Tourism Impacts of Renewable Development

<sup>26</sup> Department for Business, Energy and Industrial Strategy (2022): Public Attitudes Tracker

<sup>27</sup> Scottish Parliament's Economy, Energy and Tourism Committee Inquiry (2012): Tourism Impacts of Wind Farms

- 12.8.16 A more recent, and regular, piece of research is issued quarterly by the Department for Business, Energy and Industrial Strategy (BEIS), in their 'Public Attitudes Tracker'<sup>28</sup>. In September 2022, this reported that support for renewable energy remained steady at 85%. These levels remained stable from Spring 2022 but were slightly lower than those seen in Autumn 2021 (87% support). Opposition remained very low, with just 1% of people saying they opposed renewable energy, having previously fluctuated between 3 % and 5 % between March 2012 and June 2019.
- 12.8.17 A study of the tourism effects of renewable development in Wales was completed in 2014<sup>29</sup>. This backs up the evidence from Scottish research which concluded that wind farms and towers have a limited impact on tourism. It did state that the evidence base for tourism impacts of associated infrastructure is far less developed than that for wind farms. The research suggests that there may be a slightly higher negative view on associated grid infrastructure, in the form of towers, but research is limited in this area.
- 12.8.18 The few studies which have addressed the subject have focused on visitors' opinions of towers, which consistently find that reactions are more negative than toward wind turbines. However, there is no evidence that the existing National Grid infrastructure, which is concentrated in North and South Wales, often in popular scenic areas, discourages visitors.
- 12.8.19 Overall, the research completed to date confirms that the tourism sector is not adversely affected by renewable energy infrastructure investments. In fact, the tourism sector has continued to grow across Scotland as more wind farms and grid infrastructure enhancements have been developed. For example, in Scotland the installed capacity of renewable projects increased from 1.9 GW to 8.0 GW – while employment in tourism-related sectors in Scotland also grew during this decade, an increase of 20 %.
- 12.8.20 Furthermore, it is also known that over the period 2010 to 2019, the Highland's tourism sector expanded by 87 % in GVA terms and 51 % in turnover terms, compared to 42 % and 25 % increases respectively at the Scottish level. This is notable as there was an increasing number of renewable developments in this period, and notably the construction and operation of the Beaulay-Denny 400 kV OHL, which is predominantly in the Highlands.
- 12.8.21 The baseline assessment outlined an overview of the recreational and tourism asset base. This includes a review of all the notable visitor attractions within the general vicinity of the Proposed Development. It is clear that there are no popular tourist attraction or assets in the vicinity of the Proposed Development.
- 12.8.22 The review of the recreational and tourism asset base found that there are no notable visitor attractions or activities located close to the Proposed Development. There are country sport activities on the estate and neighbouring estates and these are not expected to be adversely affected by the Proposed Development. The area is remote with very little population, limited to a few scattered properties around Garvamore and Garvabeg around 2.5 km to the east of Melgarve substation. There are also a few recorded and publicised recreational routes within the area giving the potential for views of the Proposed Development. These include the General Wade's Military Road which passes to the south of Melgarve, and forms part of the popular Corrieyairack Pass route (part of Scottish Hill Tracks 236 and 237). In addition, the main spine road of the Stronelairg Wind Farm is promoted by the South Loch Ness Access Group as part of the Monadhliath Trail between Fort Augustus and Whitebridge. There are also some path routes leading from Glen Spean which provide access to local mountains, notably a route from Garva Bridge, ascending the Corbett Meall na h-Aisre which follows the ridgeline to the east of the Proposed Development. The mitigation proposed and the review of secondary research around visitor motivation confirms that visitors are not dissuaded from visiting or revisiting an area where there is renewable infrastructure. This confirms that there will be no adverse effects on these assets as a result of the Proposed Development.
- 12.8.1 The two routes identified in the Draft Outdoor Access Plan (**Appendix 12.1**) would both be used by construction traffic for access during the construction of the Proposed Development. The northern section would be

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<sup>28</sup> Department for Business, Energy and Industrial Strategy (2022): Public Attitudes Tracker

<sup>29</sup> Welsh Government (2014): Study into the Potential Economic Impact of Wind Farms and Associated Grid Infrastructure on the Welsh Tourism Sector

accessed from the operational Stronelaig Wind Farm access track by extending the existing access tracks to the OHL alignment. The Stronelaig track connects to the A82 trunk road at Fort Augustus via the B862. The southern section would be accessed from the existing Melgarve Substation access track. This connects to the A86 trunk road near the Wolftrax Centre.

- 12.8.2 Neither route would need to be diverted or upgraded to accommodate the Proposed Development. This is as, in relation to the northern route, the B862 has been extensively rebuilt between the A82 and the Stronelaig Wind Farm access junction to accommodate the Stronelaig Wind Farm and Glendoe Hydro project. In relation to the southern route, the access was previously used for the construction of Melgarve Substation, Stronelaig Grid Connection and Beauly to Denny construction works, so no upgrades are necessary.
- 12.8.3 While recreational access could be disrupted by construction activity, any restrictions would be short-term and temporary, taking account of the mitigation measures discussed in the Draft Outdoor Access Management Plan.
- 12.8.4 The tourism sector is important for Badenoch and Strathspey, and the review of secondary research has shown that visitors are not dissuaded from visiting or revisiting an area where renewable energy or transmission infrastructure are present.
- 12.8.5 In line with criteria set out in **Table 12.3**, research and review suggest there would be **Negligible** and not significant impact for recreation users and tourists as a result of the construction and operation of the Proposed Development, at both the Scottish and Highland levels.

## 12.9 Mitigation

- 12.9.1 This assessment demonstrates that there are beneficial socio-economic effects across the construction and operational phases of the Proposed Development. For example, the local economy would be supported by the Proposed Development through direct and indirect employment and expenditure opportunities.
- 12.9.2 No long term significant socio-economic effects are anticipated from the Proposed Development and therefore no specific mitigation measures are required. However, there are merits in adopting certain measures to enhance the economic, tourism and recreation impacts of the Proposed Development. In economic development terms, there will be the opportunity for local and regional businesses and workers to benefit from the expected employment opportunities. The Applicant can assist through the exchange of information on the type of opportunities that are likely to arise, through initiatives such as 'Meet the Buyer' and publicising local opportunities.
- 12.9.3 Where there are short term and temporal effects as a result of the construction and operation of the Proposed Development on tourism and recreation receptors, measures are presented in the Draft Outdoor Access Management Plan (see **Appendix 12.1: Draft Outdoor Access Management Plan**) as to how existing public access would be managed during the construction and operation of the Proposed Development.
- 12.9.4 To manage construction traffic associated with the Proposed Development, a Traffic Management Plan would be prepared by the Principal Contractor, in consultation with the Applicant, THC and Transport Scotland. The Traffic Management Plan would describe all mitigation and signage measures that are proposed on the public road network. An outline Traffic Management Plan is provided in the **Transport Assessment (Appendix 11.1)**. This states that a series of mitigation measures and management plans have been proposed to help mitigate and offset the impacts of both the construction and operational phase traffic flows. Furthermore, no link capacity issues are expected on any of the roads assessed due to the additional movements associated with the Proposed Development. The effects of construction traffic are temporary in nature and are transitory.
- 12.9.5 SSEN Transmission has committed to a Community Benefit Fund and will follow UK government guidance on community benefit funding when it is finalised and published. It is noted that this is intended to operate

separately to the Planning system, and this approach is intended to be followed in this project. It is expected that there will be an element of local decision making and that projects local to the area will directly benefit from the community benefit fund.

## 12.10 Residual Effects

### *Socio-economics Residual Effects*

#### Construction

12.10.1 No specific mitigation measures are proposed in relation to socio-economics during the construction phase due to no significant adverse effects being assessed. The predicted residual socio-economic effect in relation to construction activities are deemed to be **Minor Beneficial** and not significant at the regional and national level.

#### Operation

12.10.2 No specific mitigation measures are proposed in relation to socio-economics during the operational phase of the Proposed Development due to no significant adverse effects being assessed. The predicted residual socio-economic effect in relation to operational activities are deemed to be **Negligible** and not significant at the regional and national level.

### *Recreation and Tourism Residual Effects*

#### Construction

12.10.3 No significant effects are predicted on the tourism and recreation receptors during construction of the Proposed Development. Nevertheless, details to safeguard and manage existing public access during construction have been identified. As such, the residual construction effects of the Proposed Development on recreation and tourism receptors in the study areas are deemed to be **Negligible** and not significant at the national and regional levels.

#### Operation

12.10.4 No significant effects are predicted on the tourism and recreation receptors during operation phase of the Proposed Development. Nevertheless, details to safeguard and manage existing public access during operation have been identified. As such, the residual operational effects of the Proposed Development on recreation and tourism receptors in the study areas are deemed to be **Negligible** and not significant at the regional and national levels.

## 12.11 Summary and Conclusions

12.11.1 This Chapter considers the predicted effects on socio-economic activity, and recreation and tourism activity during construction and operation of the Proposed Development.

12.11.2 As a significant investment (approximately £100 million) in a key economic sector, the Proposed Development supports both pillars of the national economic strategy and each of the broad priority areas set out in the strategy. It would provide contract and employment opportunities for the Highland economy throughout the construction and operational phases.

12.11.1 The Proposed Development is expected to generate up to 350 direct PYEs at the Scotland level over the duration of the project. At the Highland level, this equates up to 175 direct PYEs. These direct PYEs can be converted to direct GVA, generating £22.4 million in direct GVA nationally, including £11.2 million in direct GVA at the Highland level. The wider multiplier impact (indirect and induced) s are harder to measure at the local level and therefore are not included in this assessment.

12.11.2 In addition, there would be potential beneficial effects through temporary increased local spending on the supply of goods and services during construction including worker accommodation. Based on other similar projects this is anticipated to be approximately £2.8 million throughout the construction period. It is anticipated

that these effects, would bring additional opportunity for the supply chain and the creation of local jobs. The construction activity will benefit wider Highland and Scottish companies and contribute to the economy. In the long term, the Proposed Development would facilitate the increase in renewable generation planned for the area.

- 12.11.3 Construction is predicted to result in a temporary **Negligible** and not significant effect on the economy of the Scotland. Construction is predicted to result in a temporary **Minor Beneficial** and not significant effect on the economy of the Highlands. The predicted residual socio-economic effect in relation to operational activities are deemed to be of **Negligible** and not significant at the national level. The predicted residual socio-economic effect in relation to operational activities are deemed to be of **Minor Beneficial** and not significant at the regional level.
- 12.11.4 The Proposed Development is not expected to generate any direct full time employment onsite during its operation. There will be regular and ad hoc maintenance as required, however this work will be periodic, so it would be very hard to say any of this would be sufficient to fully support and/or sustain additional employment from these activities.
- 12.11.5 The predicted residual socio-economic effect in relation to operational activities are deemed to be **Negligible** and not significant at both the national and regional levels. The predicted residual socio-economic effect in relation to operational activities are deemed to be **Negligible** and not significant at both the regional and national levels.
- 12.11.6 The recreational and tourism asset base review found that there are no notable visitor attractions or activities located close to the Proposed Development. There are country sport activities on the estate and neighbouring estates and these are not expected to be adversely affected by the Proposed Development.
- 12.11.1 The area is remote with very little population, limited to a few scattered properties around Garvamore and Garvabeg around 2.5 km to the east of Melgarve substation. There are also a few recorded and publicised recreational routes within the area giving the potential for views of the Proposed Development. These include the General Wade's Military Road which passes to the south of Melgarve, and forms part of the popular Corrieyairack Pass route (part of Scottish Hill Tracks 236 and 237). In addition, the main spine road of the Stronelaig Wind Farm is promoted by the South Loch Ness Access Group as part of the Monadhliath Trail between Fort Augustus and Whitebridge. There are also some path routes leading from Glen Spean which provide access to local mountains, notably a route from Garva Bridge, ascending the Corbett Meall na h-Aisre which follows the ridgeline to the east of the Proposed Development.
- 12.11.2 The predicted residual recreational and tourism effect in relation to construction activities are deemed to be **Negligible** and not significant at the national and regional levels. The predicted residual recreational and tourism effect in relation to operational activities are deemed to be **Negligible** and not significant at the national and regional levels.