The Highland Council

Agenda Item	**15**
Report No	**ECI/21/25**

Committee: **Economy and Infrastructure**

Date: **29 May 2025**

Report Title: **Highland Social Value Charter Update**

Report By: **Assistant Chief Executive – Place**

1 Purpose/Executive Summary

1.1 On the 27 June 2024, the Council agreed to adopt the immediate use of the Highland Social Value Charter in all engagement with renewable energy investors in Highland. At the Economy and Infrastructure Committee meeting in February 2024, it was agreed that as part of the Community Wealth Building (CWB) item, that a stand-alone Highland Social Value Charter update report be brought to the next meeting of the Committee.

1.2 Since that time, Officers have been engaging with developers on signing up to the Social Value Charter as explained in the report. There have been varying levels of engagement, and this report highlights three significant Agreements that are now close to being finalised. The Committee are asked to agree to continue this engagement, and to move forward to signing the first Partnership Agreements using the draft template set out in the Appendix 1.

1.3 It is however also clear that in the context of the recently published Regional Transformation Opportunities report by the Highlands and Islands Regional Economic Partnership within Appendix 3, the pipeline of projects that can contribute to a substantial community wealth building legacy for the Highland area is significant, and that further engagement by the development industry must be a pre-requisite to further development. Members are asked to agree to continue making representations to both the Scottish and UK Governments on the need for mandatory community benefit. Members are also asked to note that the Chair of the E&I Committee has written formally to the representative body Scottish Renewables to seek immediate and full engagement with the Social Value Charter.

2 Recommendations

2.1 Members are asked to:-

i. **Consider and note** updates on progress against the Highland Social Value Charter;
ii. **Agree** that the Council continues to engage with Scottish and Southern Energy Transmission to sign up to the Charter and **Agree** the areas of initial commitment;
iii. **Agree** that the Council continues to finalise the commitment from other renewables developers to sign up to the Charter in the coming weeks;
iv. **Note** the draft Partnership Agreement template detailed in Appendix 1 which, once finalised, will be trialled over the next 6 months;
v. **Agree** that the Council will continue making representations to both the Scottish and UK Governments on the need for mandatory community benefit;
vi. **Note** that the Chair of the Committee has written formally to Scottish Renewables seeking their immediate engagement with the Social Value Charter; and
vii. **Note** that Scottish Renewables Draft Maximising Net Socio-Economic Benefit Guidance will be trialled alongside the Charter over the next 6 months to support developers in progressing their Partnership Agreements.

3 Implications

3.1 **Resource** – The Highland Council is lead partner for implementing the Highland Social Value Charter (HSVC) on behalf of the Highland Community Planning partnership and is doing so within existing budgets. The HSVC is a tenet of the Council's approach to CWB and seeks to maximise the opportunities for Highland communities and the local economy. As such, Implementation of the Charter will require to be embedded in business-as-usual activity.

3.1.1 Where commitments are proposed that involve development of funding or financial management models, these will all be subject to a financial impact assessment prior to implementation.

3.2 **Legal** – The proposed Strategic Fund and the Shared Investment from Renewables elements will both require legal agreements to enable delivery

3.3 **Risk** – At the present time, and within the current legislative framework, the Charter is voluntary and there is no compulsion for developers or investors to comply. Work will continue to engage with UK and Scottish Governments to encourage a more statutory approach. However, the creation of the Charter enables a framework through which to engage developers, and the Council will utilise the tools in place e.g. the major pre-planning advice service and other discretionary planning services offered to ensure early engagement in partnership agreements with developers.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No implications.

3.5 **Gaelic** – No implications.

4 Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 An Integrated Impact Assessment screening was undertaken as part of the development of the CWB Strategy. This concluded that no negative impacts were identified, and positive impact anticipated, particularly in relation to socio-economic impact.

5 Background

5.1 There are significant opportunities presented to the Highland area by green energy developments, and a real move to maximise the power of renewable energies to transform energy infrastructure and encourage decarbonisation. As Members are fully aware, the negotiation and delivery of wider community benefits from renewables development is entirely separate from the planning process and forms no part of the formal consideration of applications by the relevant Committees of the Council.

5.2 The pipeline of development for the region from renewables is significant and a number of the original developments are in the process of being repowered (i.e. recommissioned). The landscape is however changing rapidly, and UK Government has recently announced a new community benefit programme related to electricity transmission infrastructure and guidance from Scottish Government is expected shortly. However, both UK and Scottish Government guidance on any benefit from renewables is discretionary and it is essential that a legacy of development is left for the benefit of the wider Highland area.

5.3 The recently published Regional Transformation Opportunities report clearly sets out the pipeline of development expected in the Highland area over the coming years. The Executive Summary is attached in **Appendix 3**. Once again that size of the opportunity for lasting legacy benefits is clear, and it is vital that this is realised for Highland.

5.4 This approach aligns with the commitments and direction agreed as part of the Partnership Highland Outcome Improvement Plan and provides an opportunity to tackle inequalities through appropriate use of resource. The strategic priority of prosperity aims to:-

> *Creating opportunities for all people and places to prosper and to thrive economically.*

A core outcome to support this priority is around embedding community wealth building approaches i.e. taking a people centred approach to economic development and ensuring that as a partnership we adopt this approach into our practices and activity. Developing a more consistent approach to levering social benefit from renewables investment will assist in delivering greater benefit for Highland communities.

5.5 The Highland Social Value Charter (HSVC) was agreed by the Council and Community Planning Partnership Board in June 2024. The Charter sets out a 9-point plan articulating the expectations of the Highland area for any renewables and green energy developments but also setting out the offer from Highland. Included within this are fundamental principles that all communities across Highland should benefit from renewables investment and that in addition to direct benefit to local areas, support to wider infrastructure should form part of the ask on developers. The aims of the Charter are to:-

- embed an approach to community wealth building into Highland;
- maximise the economic benefits arising from our geography and unique appeal to energy companies;
- engage and involve relevant stakeholders to understand how we can continually improve our impact; and
- unlock economic opportunities for area

5.6 This report provides an update on the progress of delivering the Charter, the developers who have engaged and are progressing signing up to the Charter and on the development of both the Strategic Investment Plan to direct the Charter's Strategic Fund and developing the Governance options for delivery of the Fund.

6 Industry Engagement

6.1 As reported to Committee in February 2025, initial engagement with industry has been with the developers responsible for 103 live energy applications in the planning system as of the end of July 2024. Forty-five companies were invited to meet with Council officers to discuss the charter and explore opportunities for collaborative working. The ultimate objective being to agree the terms of a 'Partnership Agreement' in accordance with the objectives of the nine-point charter.

6.2 Since the last report, only Field Energy and TNEI Group have agreed to meet with the Council to discuss the charter and join the following companies that have engaged positively to date:-

1. Eden Renewables;
2. EDF Energy Renewables Ltd;
3. E Power Ltd;
4. Gilkes Energy Ltd;
5. Glen Earrach Energy Ltd;
6. ILI Energy;
7. Koehler Renewable Energy UK Ltd;
8. Nadara Ltd;
9. Renewable Energy Systems Ltd;
10. SSE PLC;
11. Statera Energy Ltd; and
12. Vattenfall Wind Power Ltd

6.3 Further approaches have been made to the following companies:-

- Elgin Energy;
- Energiekontor;
- Boralex;
- RWE Renewables UK Onshore Wind Ltd;
- EDP Renewables;
- Statkraft UK Ltd;
- Coriolis Energy;
- Scottish Power; and
- Galileo

To date, no responses have been received. Officers will continue to engage with developers, and a system has been set up to direct all renewable energy developers applying for planning permission to engage separately with officers on the HSVC.

6.4 Amongst those developers who have engaged to date, feedback has been generally positive, with many acknowledging the progressive intent of what the charter is seeking to deliver. It is unfortunate that it appears to be a lack of clarity regarding the Charter that has been circulated around some providers, with a suggestion that all 9 points of the Charter require to be met. This is of course not the intent, and signing up to the Charter is proportionate based upon the scale of the development. The Council and Partners will continue to promote the scope and purpose of the Charter.

6.5 However, for many, the issue of affordability associated with the proposed strategic fund is proving to be the dominant feature of dialogue, with some onshore wind developers suggesting that they cannot afford greater community benefit. This appears to be a weak argument in many cases due to the scale of profit anticipated to be generated. This feature of the charter is detracting from the ambition of agreeing a transparent and comprehensive partnership agreement that delivers across the range of charter points. It is hoped that the publishing of a Partnership Agreement template, a draft of which is detailed in **Appendix 1**, along with the development of the Strategic Investment Plan and associated governance arrangements will enhance the perception and understanding of the charter. However, that will not resolve the fundamental issue of affordability. Therefore, it is suggested that developers will be requested to provide a viability statement in support of their partnership agreement to substantiate the position.

6.6 There have been suggestions circulating that some potential developers are being actively dissuaded from engaging with the Social Value Charter, and despite several attempts at seeking meetings to discuss this in recent times, no early meeting dates have been forthcoming. As a result, Members are asked to note that the Chair of the Economy and Infrastructure Committee has written formally to the representative body Scottish Renewables to seek immediate and full engagement with the Social Value Charter.

7 Partnership Agreements

7.1 The work that has been undertaken over the last 9 months is now starting to experience some traction, with partnership agreements actively being prepared and submitted for review.

7.2 **Scottish and Southern Energy Networks – Transmission**
SSEN Transmission (SSENT) will be the **first** company to sign up to the objectives within the HSVC. This reflects the commitment from SSENT to creating a lasting legacy from their Transmission line work to the Highland Area, should these receive the necessary consents through the Highland Council and Scottish Government:-

> *SSEN Transmission have agreed to be the first company to sign the Highland Council Social Value Charter illustrating our commitment to building a partnership which will deliver tangible socio-economic value to the Highlands. In addition, our commitment extends beyond these provisions, with an added emphasis on biodiversity net gain and our commitment to ensuring that our works leave a lasting and positive contribution to the environment.*

7.3 Under the terms of the HSVC, SSEN Transmission's initial commitment is as follows:-

- **Housing -** SSEN Transmission aim to contribute over 400 permanent homes in the Highland Council Area. A strong partnership has been established between SSENT, the Council, Registered Social Landlords (RSLs) and SSENT's contractors looking to develop sustainable and legacy housing for Highland. A range of accommodation solutions are being progressed which will deliver a combination of permanent housing, refurbishment of older housing stock and temporary worker accommodation villages. Where accommodation villages are required, the infrastructure associated with these (water, sewage, roads, paths) will be left after use to enable future house building.

- **Highland Investment Plan** – As part of the £22+ billion programme of investment, this will involve investment in public road and bridge improvements. Examples of investment include an upgrade of the Black Bridge at Kiltarlity and a £14 million package of works to repair and replace up to 8km of Kinlochourn Road in Invergarry. This builds on over £5m of investment in road and bridge infrastructure to date including a range of works around Kinlochourn and Moll and Kylerhea road and bridge upgrades.

  Support will also be required to deliver village centre improvements and investment in sports and leisure facilities including footpaths where required for our works – supporting existing as well as new as required.

- **Supporting Skills and Training -** SSEN Transmission will directly, and through contractors, support skills and training initiatives to the fullest extent possible. We also undertake extensive engagement through STEM events in schools, Developing the Young Workforce partnership working, science festivals, and a number of locally led initiatives supporting young people with skills and career information. In terms of commitment to actively engage with schools, SSENT are also:-

  - working with partners EDT Industrial Cadets to deliver engagements with P5-S3 pupils to inspire and engage in the world of STEM;
  - moving forward working with Powering Futures, engaging senior phase pupils in the next academic year;
  - working closely with Developing the Young Workforce and engaging with school initiatives through this partnership and looking into how they can support Mock Cop in Inverness this year for example;

- holding Discovery Days, such as those held at Ross County Football Club earlier in the year, giving S4-S6 students an insight into who they are, their people and opportunities; and
- in terms of work experience, SSENT are looking at a structured approach and will look to have Discovery Work Placements following Discovery Days.

7.4 These commitments are separate from and not aligned to the planning process. SSENT recognise that the Transmission work will progress over the next 10 years and therefore this is their initial HSVC commitment. The agreement will be an iterative one that is refined and develops as work moves forwards.

7.5 ***Other Partnership Agreements***

7.5.1 A draft agreement has been received from Statera Energy Ltd in respect to the proposed Kemp Pumped Storage Hydro (PSH) Scheme. Key commitments relate to skills and training, key infrastructure investment and community benefit funds. This is currently under consideration.

7.5.2 Similarly, good progress continues to be made with Glen Earrach PSH. Since the HSVC was approved, Council officers have enjoyed a positive working relationship with Glen Earrach Energy (GEE). In April 2025 GEE submitted a Section 36 application for energy consent (which if granted will carry deemed planning permission) to the Scottish Government. The application includes a Letter of Intent which sets out GEE's commitment to ensuring the delivery of a multi-million-pound community benefit fund. If consented, the project has the potential to deliver over £20m annually over its 120-year lifecycle to Highland communities through what would become Scotland's largest-ever community benefit fund.

The Socio-Economic Statement included as part of the application states that "the Proposed Development has been developed in line with the ethos and principles of the HSVC for Renewables Investment. This section outlines that across all nine action areas, in our assessment GEE has a 'Strong' fit, and can play a major role in unlocking socio-economic opportunity, not only locally but at the Highland level."

Table 3.1 within **Appendix 2** of the statement sets out GEE's assessment of the way the proposed development will support and is aligned with the key actions of the Highland Social Value Charter.

8 HSVC Strategic Investment Plan

8.1 Point 2 of the 9-point Charter, asks renewable energy developers to contribute £7,500 per MW installed to a central fund, which will support and enable economic development, increase prosperity and achieve equity for communities across Highland. This is about realising the opportunities and achieving economic transformation for Highland on the back of the renewable's developments being progressed. This would be a **Partnership** fund, with decisions on spend being made by a Strategic Partnership Group.

8.2 To ensure that the impact of financial contributions to the central fund are maximised, and furthermore, address the deep-rooted socio-economic challenges that the Highland area faces, the creation of a Strategic Investment Plan has been agreed. The Plan will identify strategic projects and programmes that could potentially be funded via the central fund. Such interventions normally span 3 to 5 years or more and will show a clear path towards meeting the CPPs long term strategic objectives**.** The Plan will focus on strategic investment projects.

8.3 The Highland Council is leading this process on behalf of the CPP. To support this work, the Council has engaged the Centre for Local Economic Strategies (CLES) to help identify potential strategic projects that align with the CPP's cross-cutting themes, the Highland Regional Economic Partnership's (HIREP) priorities and the locally identified priorities across Community Partnerships, including all partners plans and outcomes.

8.4 CLES will facilitate a series of workshops during May 2025, allowing core partners and key stakeholders within Community Partnerships to contribute to the identification of **strategic** projects to be included in the Strategic Investment Plan. Community Partnerships have been grouped together for these sessions to encourage joint discussions and alignment, focusing on regional needs and avoiding overlap and duplication where possible.

Workshop Schedule:-

Engagement 1
21 May
Caithness Community Partnership
Sutherland Community Partnership

Engagement 2
22 May
Easter Ross Community Partnership
Mid Ross Community Partnership
Inverness Community Partnership
Nairn & Nairnshire Community Partnership

Engagement 3
28 May
Lochaber Community Partnership
Badenoch & Strathspey Community Partnership
Wester Ross & Skye Community Partnership

8.5 Following the conclusion of this round of consultation, it is expected that a developer roundtable event will be facilitated by CLES, along with a strategic partner workshop.

Following collation of the feedback, a Members workshop will be held and a draft Plan subsequently presented to Economy and Infrastructure Committee and the CPP Board in August/September 2025. Following this, it is proposed that whilst the draft Plan can be utilised for engagement with developers. This will go out for a period of public consultation to gather wider public views.

9 Strategic Fund Governance - Developing the Model

9.1 As detailed in section 8, point 2 of the Charter seeks developers to commit to investing in a Strategic Fund, to be utilised to deliver strategic transformational projects across the Highland area and therefore realising a long-lasting legacy as a result of the renewables developments being pursued. As agreed at Council and the CPP Board back in June 2024, the Strategic Fund would be a partnership fund, overseen by a body that would comprise of key CPP partners along with community representatives and representatives from industry/developers. It was important that it was seen as a Fund for Highland and not controlled by any one body. It was acknowledged that one partner would require to take accountable body status to hold the funds – similar to the role the Council takes on behalf of the Inverness and Cromarty Firth Green Freeport.

9.2 Alongside this commitment, guidance has recently been published by the Department for Energy Security and Net Zero to guide the use of community funds for the transmission infrastructure. This provides a guide for the recommended level of benefit but also sets out that Local Authorities are not the decision makers in terms of these funds and that the role of community is vital. It is therefore important that any Highland Strategic Fund has a strong governance model that is anchored with community voices to enable it to play a dual role and provide a vehicle for Transmission funds.

9.3 <u>Local Advisory Group (LAG) +</u>

Cognisant of the guidance associated with the role of local authorities and expectations regarding the governance of community funds. It is suggested that the successful LAG model that has operated in Highland for decades could be the most appropriate vehicle to govern and direct funding for maximum impact. In August 2022, Members considered a report on a Highland approach to Community Regeneration. The thrust of the paper was on the need to renew efforts to put in place a co-ordinated Highland approach to community regeneration which includes Local Plans (Area Place Plans and Local Place Plans); local decision-making structures and, as best as possible, aligned funding regimes. That aspiration remains as valid today as it did three years ago. Over the past number of years, a wider range of funding sources have become available to support locally based community regeneration.

Some of these funds have very tight eligibility criteria, others are more flexible and while some are competitive national funds, others are local and are linked to confirmed local fund allocations. Notwithstanding the source or nature of the funding, cumulatively and, if taken over multiple years, significant funding now exists for community regeneration.

9.4 Of relevance to the HSVC Strategic Fund, is the potential to build upon the existing Highland LAG. The LAGs previously managed the EU LEADER programme within their respective areas to support economic and community development within rural areas. The Highland Council performing the accountable body role.

LAGs typically have between 12-20 members representing Community Organisations (including Charities and Social Enterprises), Private Sector Businesses and Public Sector organisations.

9.5 Rather than incorporating the management of the proposed HSVC Strategic Investment Plan into the existing LAG, it is proposed that a complimentary LAG + body is formed. This will respect the scale and nature of funding that the existing LAG currently handles without making it unwieldy. It will also provide the synergy between strategic and local investments. In addition, it provides scope for the LAG+ vehicle to cascade funding for local investment if circumstances arose.

9.6 Engaging with developers and partners, work is required to refine the LAG+ model to ensure it meets the needs of the varying partners and national guidance. Working on the principles outlined above, work will be progressed over the coming months with a view to a governance model to govern the HSVC Strategic Fund being considered by the Economy and Infrastructure Committee and CPP Board in August and September 2025.

10 Shared Investment Opportunities

10.1 Point 5 in the Charter is to develop shared ownership models of investment. Work has been progressing to deliver on this commitment and two Heads of Terms have now been agreed covering six potential investment sites across the Highland region. These opportunities range from investment in existing operational renewable energy assets to future development projects with potential deployment timelines extending out to 2030. This approach demonstrates growing interest in models that enable long-term community and public benefit from Highland's natural energy resources.

10.2 To ensure that the Council is well placed to evaluate these opportunities, and to maximise the financial and strategic return from such investments, a tender is currently live to appoint a specialist financial advisor. The appointed advisor will support the Council in undertaking detailed investment appraisals as opportunities are brought forward and will provide expert recommendations on optimal investment structures. This will include guidance on balancing risk, ensuring appropriate governance, and achieving sustained returns from any equity participation in renewable energy assets. This work will be instrumental in ensuring that Highland communities benefit not just from one-off financial contributions, but from long-term, revenue-generating investments aligned with the Council's Community Wealth Building and Net Zero strategies.

11 Maximising socio-economic prosperity through the planning system

11.1 The HSVC proposes that investors:-

- set out how they intend to maximise the socio-economic benefits of their development proposals taking into account the Highland Outcome Improvement Plan, the key investment priorities of the Community Planning Partnerships and the Council's Community Wealth Building Strategy;
- collaborate with other investors and public sector partners to ensure that opportunities are maximised; and
- set out their approach to community benefit.

11.2 Scottish Renewables has usefully created guidance for developers to comply with NPF4 Policy 11c as within **Appendix 2**. The document states that the 'guidance has been designed to support a different kind of approach in which developers are not simply expected to comply with regulation but are recognised as partners with a long-term interest in generating a legacy of benefits for the communities they operate in.

11.3 For this approach to be effective it will be important that developers are held accountable not for the short-term outputs they deliver but for the longer-term outcomes they enable. Doing this well will require a collaborative and transparent approach between developers, public bodies and communities based on mutual trust and respect.

11.4 This approach is welcome and aligned to the objectives of the HSVC. Particularly the reference to 'engaging with regional partners in the public and third sectors to identify and develop opportunities to generate regional benefits.' It is imperative that a collaborative and strategic approach is adopted to address the deep-rooted socio-economic challenges that Highland faces and unlock the transformational opportunities that lie before us.

11.5 It is therefore recommended that the guidance is trialled with developers to determine its suitability of use longer term and how it can practically dovetail with Partnership Agreements. The guidance is helpful as it has assisted in clarifying and supporting our approach to the HSVC. The guidance is intended to inform the submissions of renewables developers in order to address Policy 11c, as part of any planning submission of the National Planning Framework 4, which requires any proposal to maximise socio-economic benefit. As a result, our expectation is that draft commitments can be identified at the Scoping stage of a planning proposal and that this can help inform the level of engagement with a developer as part of the HSVC.

12 Next Steps

12.1 The following outlines the key next steps in progressing the HSVC work:-

- Sign off outline Partnership Agreements with key developer partners as outlined at section 6;
- Complete the engagement programme to develop the draft Strategic Investment Plan;
- Members workshop on draft Plan – August 2025; and
- Engage with partners and developers to refine the outline governance model in line with the principles set out in section 9 with the aim of a proposed structure to be presented to the August Economy and Infrastructure Committee and the September CPP Board.

Designation:	Assistant Chief Executive – Place
Date:	12 May 2025
Author:	Alison Clark, Chief Officer Housing and Communities Alan Webster, Economy and Regeneration Manager
Background Papers:	None
Appendices:	Appendix 1 – Draft Partnership Agreement Template Appendix 2 - Glen Earrach Pumped Storage Hydro – Socio Economic Statement (HSVC extract) Appendix 3 – Regional Transformational Opportunities in the Highlands and Islands Executive Summary May 2025 Appendix 4 – Open Letter to Scottish Renewables

Add SVC Branding

Social Value Charter

Renewables

The Highland Council

(On behalf of the Highland Community Planning Partnership)

and

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Relating to: Project Details / or other as required

Date:

[Insert Company Name] entered an agreement with the Highland Council, as the lead partner on behalf of the Community Planning Partnership (HCPP) in relation to [insert name of development & description] commencing [insert date].

1. Background

The Social Value Charter, introduced in June 2024, sets out the community benefit expectations Highland has for investors and developers wishing to invest in renewables in the area.

It is important that all local communities benefit from the use of these resources in addition to the direct benefit to locally impacted communities. This Charter provides an opportunity to secure inclusive growth and lasting benefits for all Highland communities.

This supports and delivers on both national and local expectations for maximising benefits to our communities:

- Scottish Government's Draft Energy Strategy and Just Transition Plan envisages an energy system that will deliver maximum benefits for Scotland and drive a wellbeing economy and deliver a just transition

- National Planning Framework 4, which identifies that the socio-economic benefits from net zero developments should be maximised

- Highlands and Islands Regional Economic Partnership aims:

    1. To ensure all communities across the region can benefit from the funds allocated in line with the principles of community wealth building.
    2. To create strong governance, efficiency, transparency and accountability for the funds including the value collected, how they are distributed and what they support.
    3. To ensure that communities are engaged in the funding decisions and empowered through the management of the funds.
    4. To enable collaborative and high value projects which lead to long-term socio-economic impacts

The Charter sets out what the area expects from renewables investment alongside what we, as public/private/community sector partners, will do to support and enable this contribution. It aims to:

- Embed an approach to community wealth building into Highland
- Maximise economic benefits from our natural environment and resources
- Engage and involve relevant stakeholders to understand how we can continually improve our impact
- Unlock economic opportunities for the area

Our Partnership wants to work with companies wishing to do business in Highland to the benefit of all concerned and most importantly, the communities of the Highlands.

2. Purpose

The purpose of this partnership agreement is to demonstrate genuine commitment to the Highland Social Value Charter for Renewables and serves as a consolidated reference document to both the Highland Community Planning Partnership and [insert company name] detailing the commitments agreed by both parties in relation to:

[Insert Development Name]
[Development Location]

This Partnership Agreement is more than a statement of intent — it provides a trusted and practical framework for long-term collaboration between developers, communities and the public sector.

By signing up, development partners benefit from:

- Clarity of Local Expectation
  A single point of reference outlining Highland's social value priorities and a clear, structured approach to delivering lasting benefit for local communities.

- Stronger Social Licence to Operate
  Demonstrating proactive engagement and tangible legacy commitments supports community trust, accelerates relationships with stakeholders, and reduces reputational risk.

- Alignment with Public Investment and Planning Frameworks
  The agreement helps position projects in line with the Highland Outcome Improvement Plan, Net Zero Strategy, and Community Wealth Building objectives, improving policy fit and access to collaborative opportunities.

- Support for Shared Ownership and Strategic Investment
  Opportunities to engage with the Council and regional partners on shared investment models that retain value locally and build long-term economic resilience.

- Maximising socio-economic benefits
  The agreement demonstrates

3. Statement from The Highland Community Planning Partnership

The partners of the HCPP aims to act as a role model within the public sector by carrying out its activities in a responsible and sustainable manner, considering how it can improve the economic, social, and environmental wellbeing of the area, and working with all stakeholders to achieve increased prosperity.

The Highland Social Value Charter for Renewables Investment provides a framework to ensure that renewable energy investments deliver significant socio-economic benefits to Highland communities. It aligns with the Scottish Government's goals for community benefits from net zero developments by promoting community wealth building, equitable distribution of benefits, and sustainable economic growth.

These commitments and aspirations help the Council to achieve our strategic objectives as detailed in the Programme of The Highland Council 2022-27, the Highland Outcome Improvement Plan, our Net Zero Strategy and Scotland's National Performance Framework.

To support the delivery of these objectives — and in direct alignment with the Highland Outcome Improvement Plan 2024–2027 — the HCPP may work with specialist advisors to assess individual investment opportunities presented by wind farm developers. This includes financial due diligence, risk assessment, and supporting negotiations on shared ownership terms. In parallel, the HCPP is actively exploring the development of a strategic regional investment model to enable long-term participation in renewable energy projects. This may involve the creation of fund structures, governance models, and investment pathways that retain and reinvest value within Highland communities. This work will be approached in confidence and in line with national expectations for public value, transparency, and economic inclusion.

This Partnership Agreement also supports the objectives of the Highland Council's emerging Net Zero Energy Investment and Innovation Portfolio, and the strategic ambition to attract, retain, and deploy renewable energy value in-region to support inclusive economic growth and energy security.

The Highland Outcome Improvement Plan 2024-2027 focuses on three strategic outcomes.

1. People – Enable people to live independently, safe and well within their community
2. Place – Work in partnership to develop sustainable and resilient local communities
3. Prosperity – Creating opportunities for all people and places to prosper and to thrive economically

This Partnership Agreement aims to support the strategic priorities and the associated outcomes within the HOIP.

3. A Partnership-Based Approach to Delivery

The HCPP provides support in aligning benefit delivery with existing local priorities, facilitating engagement, and ensuring that commitments are impactful, transparent, and mutually agreed.

[Insert Name of Company] and the HCPP acknowledge that this Partnership Agreement may be shared with any third party that [Company] or the Council choose to collaborate with. However, any confidential information shared between Company name and the HCPP as a consequence of the agreement (contained within monitoring reports or otherwise) shall be treated as such handled in accordance with the Contract between Company name and the HCPP.

HCPP Commitment: The HCPP will provide guidance on investment pathways, facilitate early engagement between developers and potential public/community co-investors.

4. 9 Point Highland Social Value Charter

The Highland's 9-point Social Value Charter for Renewables Investment is an ambitious and exciting roadmap which seeks to maximise socio-economic benefits for the area. It provides a suite of options for renewable energy providers to consider providing as a legacy as result of development. The new approach will add value to the existing community benefit arrangements by targeting resources where they are most needed, irrespective of where developments are located.

1.	Community Fund	Retention of the existing community benefit commitment to locally impacted communities in line with Scottish Government guidance.
2.	Strategic Fund	A central fund which will support and enable economic development, increase prosperity and achieve equity across Highland communities by supporting key strategic and infrastructure projects.
3.	Housing	Supporting the housing challenges across Highland through the provision of legacy housing or a financial contribution to the Strategic Fund to enable wider housing developments.
4.	Supporting Development of the Highland Investment Plan	Direct and indirect support, financial or in kind for council and community led projects impacted by local development.

5.	Shared Investment into Renewables	Providing opportunities to participate in shared ownership models.
6.	Skills & Training – Workforce for the future	Supporting and implementing a wide range of education, skills and training opportunities and initiatives to help develop employment prospects for current and future Highland generations.
7.	Match Funding for Local Projects	Provision of financial or in-kind support for community projects and initiatives identified through a Highland Project Bank.
8.	Fast-track for Grid Connections	Supporting a Local Area Energy Planning (LAEP) in the Highlands ensuring enhanced economic opportunities, job creation, and a supportive regulatory environment.
9.	Maximising socio-economic prosperity through the planning system	Maximise the socio-economic benefits of development proposals considering the Highland Outcome Improvement Plan, the key investment priorities of the Community Planning Partnerships and the Council's Community Wealth Building Strategy and the National Planning Framework 4, particularly in relation to biodiversity and green skills.

3. Provider Statement in support of the Partnership Agreement

Developer/Company statement to be added.

4. [Insert Company name] General Undertakings

[Insert Company name] agrees to achieve, as a minimum, the Social Value Charter commitments as detailed within the Partnership Agreement. [Insert Company name] commit to:

a. Delivering its commitments in accordance with the time frames set out in table X.

b. Work in close, meaningful collaboration with partner organisations and stakeholders (as detailed at appendix X) in the delivery of this agreement.

c. Recognising all community benefits as contractually binding over the life of the Partnership Agreement. To assist in the monitoring and management of this, the

community benefit delivery and monitoring matrix will be reviewed and agreed by both parties on an annual basis with the outcome reported to the Highland Council Economic and Infrastructure Committee and the Highland Community Planning Partnership.

d. Commit to annual monitoring of the Agreement .

e. Review clause - *content dependent upon the agreement*

5. Summary of Social Value Charter Commitments
(delete / include below as applicable)

[Insert Company name] and the HCPP agree to the undernoted benefits.

1.	**Community Fund**	**Retention of the existing community benefit commitment to locally impacted communities in line with Scottish Government guidance.**	**Timeframe for Delivery**
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
2.	**Strategic Fund**	A central fund which will support and enable economic development, increase prosperity, and achieve equity across Highland communities by supporting key strategic and infrastructure projects.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
3.	**Housing**	Supporting the housing challenges across Highland through the provision of legacy housing or financial	

		contribution to wider housing developments.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
4.	**Supporting Development of the Highland Investment Plan**	Direct and indirect support, financial or in kind for council and community led projects impacted by local development.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
5.	**Shared Investment into Renewables**	Providing opportunities to participate in shared ownership models.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	
6.	**Skills & Training – Workforce for the future**	Supporting and implementing a wide range of education, skills and training opportunities and Agreement, to help develop employment prospects for current and future Highland generations.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
7.	**Match Funding for Local Projects**		

	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
8.	**Fast-track for Grid Connections**	Supporting a Local Area Energy Planning (LAEP) in the Highlands ensuring enhanced economic opportunities, job creation, and a supportive regulatory environment.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•
9.	Maximising socio-economic prosperity through the planning system	Maximise the socio-economic benefits of development proposals taking into account the Highland Outcome Improvement Plan, the key investment priorities of the Community Planning Partnerships and the Council's Community Wealth Building Strategy and the National Planning Framework 4, particularly in relation to biodiversity and green skills.	
	Investor / Developer Commitment	•	•
	HCPP Commitment	•	•

6. Monitoring and Reporting

[Insert company name] shall:

a. complete and return a template delivery and monitoring matrix and annually thereafter throughout the duration of the Minute of Agreement;

b. comply with any ad hoc requests for information on [Insert company name] delivery of community benefits within 14 days of the receipt of such a request; and

c. attend meetings with the Council to discuss the delivery of community benefits and/ or the community benefit delivery and monitoring matrix at a time and place that is mutually convenient to both the Council and [insert company name.

This Charter and its Annex is received and acknowledged by and on behalf of [insert company name]

xxxxxxxxxxx at.....

By

Signed
(Director)

Date

Name

Appendix 2

Glen Earrach Pumped Storage Hydro – Socio-Economic Statement (HSVC extract)

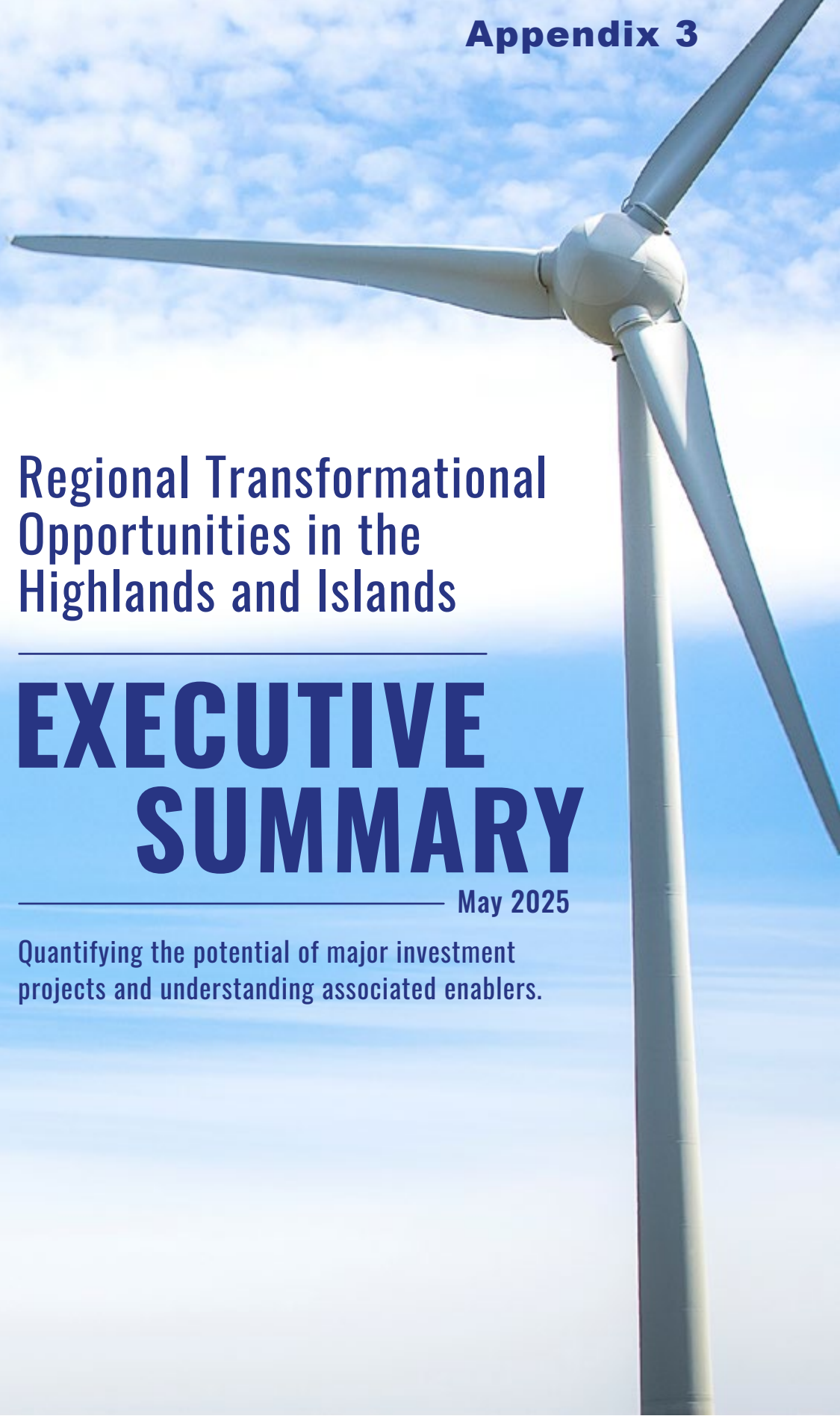
Table 3.1: Social Values Charter and GEE Contribution

SVC Action	GEE Contribution	Fit
Retain community benefit, and enable a collaborative approach with local communities to create a mechanism for them to transfer their residual community benefit sums to a strategic fund to bring added value to their community.	GEE has been working with all community bodies and Community Councils including Bunloit Estate Steering Group, Fort Augustus and Glenmoriston CC, Glen Urquhart CC. Round Table discussions have been completed. GEE has issued a "letter of intent" to the community bodies confirming its commitment to further community engagement on the delivery of community benefit. See Appendix A.	Strong
Create a Strategic Fund and a Fund Partnership which will set out investment priorities for Highland communities	An element of community funding package will be for wider regional projects, and possible contribution to a Strategic Fund for the Highlands as a whole.	Strong
Create legacy housing to support sustainable communities	A workers village will be developed for the construction process. Although temporary, by using high quality modular accommodation, the structures and infrastructure can be re-used beyond the construction period in appropriate locations. GEE is also seeking to develop key worker homes for permanent staff, as part of an appropriately scaled development in the Balnain/A831 area. Discussions have begun with THC Community Wealth Building team on the steps to achieve this, which would have mutual benefits for both GEE and the local community. Furthermore, as part of the consultation process for community benefit funding, the potential for the development of affordable housing solutions is being actively explored.	Strong

Support the development of the Highland Investment Plan projects	The Highland Investment Plan seeks to deliver projects according to the Local Place Plans (LPP). Both the Glen Urquhart LPP and the Fort Augustus and Glenmoriston LPP are in the process of being developed, and GEE has been working with each Community Council to identify a mechanism for enabling the community benefit funding to deliver on the LPPs.	Strong
Develop shared ownership models of investment in renewables	While the community shared ownership model is not being progressed on the Proposed Development: it is a complex project with a number of funding contingencies (e.g. Cap & Floor) which do not lend themselves to a community shared ownership approach, the significant investment in community benefit terms is comparable to a material shared ownership stake, which also takes the risk burden away from the community. In addition the community may decide to invest part of the community benefit funding into community owned renewable projects. In this case GEE would be glad to lend its specialised knowledge to assist communities in this process. In this way the Proposed Development will assist communities in deploying the community ownership model, both in terms of funding and expertise.	Strong
Support skills and training initiatives	This is explicitly addressed in the employment and skills development opportunities afforded by the construction and operation phases of the Proposed Development. GEE will work with the local community and skills development agencies (UHI, SDS and local colleges) to ensure they are aware of the skills requirements. There is scope for the community benefit funds to be used to develop training and skills development projects for local people entering and re-entering the workforce.	Strong
Provide a Highland Project Bank, identifying community projects and initiatives to secure additional investment	GEE is willing to discuss how the community benefit funds could contribute to non-local projects, in the form of a Strategic Fund to benefit other Highland communities and projects, notably those experiencing the issue of multiple deprivation.	Strong
Fast-track for grid connections essential to growth	This is a critical component of the Proposed Development. Although GEE is working with the National Energy System Operator (NESO), SSEN and OFGEM to seek a grid connection as part of the Clean Power 2030 Action Plan, support from the Highland Council and other developers is critical in enabling the Proposed Development to move forward and meet the targets of the Clean Energy 2030 Action Plan.	Strong

Support the development of the Highland Investment Plan projects	The Highland Investment Plan seeks to deliver projects according to the Local Place Plans (LPP). Both the Glen Urquhart LPP and the Fort Augustus and Glenmoriston LPP are in the process of being developed, and GEE has been working with each Community Council to identify a mechanism for enabling the community benefit funding to deliver on the LPPs.	Strong
Develop shared ownership models of investment in renewables	While the community shared ownership model is not being progressed on the Proposed Development: it is a complex project with a number of funding contingencies (e.g. Cap & Floor) which do not lend themselves to a community shared ownership approach, the significant investment in community benefit terms is comparable to a material shared ownership stake, which also takes the risk burden away from the community. In addition the community may decide to invest part of the community benefit funding into community owned renewable projects. In this case GEE would be glad to lend its specialised knowledge to assist communities in this process. In this way the Proposed Development will assist communities in deploying the community ownership model, both in terms of funding and expertise.	Strong
Support skills and training initiatives	This is explicitly addressed in the employment and skills development opportunities afforded by the construction and operation phases of the Proposed Development. GEE will work with the local community and skills development agencies (UHI, SDS and local colleges) to ensure they are aware of the skills requirements. There is scope for the community benefit funds to be used to develop training and skills development projects for local people entering and re-entering the workforce.	Strong
Provide a Highland Project Bank, identifying community projects and initiatives to secure additional investment	GEE is willing to discuss how the community benefit funds could contribute to non-local projects, in the form of a Strategic Fund to benefit other Highland communities and projects, notably those experiencing the issue of multiple deprivation.	Strong
Fast-track for grid connections essential to growth	This is a critical component of the Proposed Development. Although GEE is working with the National Energy System Operator (NESO), SSEN and OFGEM to seek a grid connection as part of the Clean Power 2030 Action Plan, support from the Highland Council and other developers is critical in enabling the Proposed Development to move forward and meet the targets of the Clean Energy 2030 Action Plan.	Strong

Appendix 3



Regional Transformational Opportunities in the Highlands and Islands

EXECUTIVE SUMMARY

May 2025

Quantifying the potential of major investment projects and understanding associated enablers.

ekosgen
Part of Insight

HIREP

HIE
Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

Kishorn

Executive summary

Introduction

ekosgen, part of GC Insight, was commissioned by Highlands and Islands Enterprise (HIE) on behalf of the Highlands and Islands Regional Economic Partnership (HIREP) to undertake research to better understand the breadth of economic opportunities across the Highlands and Islands.[1] The study focused on the opportunities with the greatest potential to bring transformational change to the region, this being defined as opportunities which will bring clear and substantial shifts and major cross-cutting impacts at scale, rather than more localised and incremental changes.

Throughout this report they are referred to as Regional Transformational Opportunities (RTOs). The study sought to identify and quantify (where possible) strategic projects and investments planned or proposed for the region over the period 2025 to 2040. RTOs covered within the study included[2]:

- Offshore wind
- Onshore wind
- Hydro pumped storage
- Green hydrogen
- Marine energy
- Space
- Marine biotechnology and processing
- Life sciences, digital health and social care
- Natural capital
- Critical infrastructure developments

The study did not seek to capture all regional activity and nor did it include public sector capital investments such as schools, roads, hospitals, housing, etc. although it does recognise that such projects also provide competition for resources, exacerbating pressure points in terms of some enablers.

The work involved: a comprehensive review of literature and data of relevance to the RTOs in the region; an extensive data gathering exercise to collate intelligence on proposed projects; a consultation programme with key informants to explore challenges and opportunities around RTOs, and to verify project information. It also included locational and timeline mapping, economic assessment and modelling, and gap analysis.

Data for investment values, development timescales, construction phase and operational employment was sought, but not available for all projects. Data gaps were addressed using proxies or estimates based on a range of different data sources, including industry intelligence. Analysis is based on the projects identified and associated information available at the point in time of the research fieldwork (April to December 2024). Operational and maintenance jobs are additional to those that may already be in existence and relate directly to the project/investment and not to the wider supply chain.

1 The region is defined by the Highlands and Islands Regional Economic Partnership (HIREP) geography – the local authority areas of Highland, Moray, Argyll and Bute, Orkney, Shetland and Na h-Eileanan Siar, along with Arran and Cumbrae from North Ayrshire.

2 Sectors such as Aquaculture, Food and Drink, Tourism and the Creative Industries sat outwith the study parameters, save for exceptional investments which were perceived as transformational.

Sumitomo

The opportunity

Collectively, the RTOs present a once-in-a-generation opportunity. The scale of investment across the c.250 projects identified is potentially larger than previous waves of significant investment – between 1943 and 1965, £5.6bn (2023 prices) was invested in hydro-electric generation in the region, and between 1965 and 1980, capital expenditure on exploration and development of oil and gas resources on the UK continental shelf totalled around £78bn (2023 prices).

The potential investment pipeline – the overall economic opportunity – is over **£100bn**. It is expected that this will support over **114,000** FTE job years[3] in construction, around a further **18,000** direct FTE operational and maintenance jobs by 2040 and generate more than **£76.6bn** in GVA.

3 A job year is one job for one year. If that job lasts two years, that would equate to two job years.

Total potential investment impact:

Investment value:
£100.4bn

251
Projects

GVA
£76.6bn

Direct: **£41.73bn**
Indirect/induced: **£34.88bn**

Construction employment
114,040
FTE job years

Direct operational employment
17,930
FTEs

This regional opportunity is largely but not exclusively energy driven, with offshore wind accounting for the largest share of RTO investment (40%). Pumped storage hydro (13%), onshore wind (11%) and green hydrogen (9%) together account for a further third. Private sector investment in supporting infrastructure such as ports and harbours and SSEN's Pathway to 2030 Grid Upgrade is also marked, accounting for over a fifth of potential investments. However, the real value is in the aggregate impact of all the RTOs. This is not only in terms of the sheer scale of the economic potential, but also the spread of investments across a number of different sectors. This multi-sectoral project portfolio reflects a mixed-economy model which will help to diversify the regional economy, driving growth and building resilience.

Economic potential by RTO/Sector

Sector	Total Investment (£)	FTE Job Years (DCI)	Estimated Direct GVA (£)	Estimated Indirect/ Induced GVA	Direct, additional operational employment
Offshore Wind	£40.58bn	17,830	£19.40bn	£16.63bn	1,870
Supporting Infrastructure: Grid	£20.00bn	4,280	£6.79bn	£5.82bn	-
Pumped Storage Hydro	£13.15bn	18,000	£4.46bn	£3.83bn	220
Onshore Wind	£10.89bn	26,320	£3.70bn	£3.17bn	6,260
Green Hydrogen	£9.10bn	17,580	£4.67bn	£3.65bn	3,170
Marine Energy	£2.86bn	12,580	£1.35bn	£752.0mn	70
Supporting Infrastructure: Enablers	£1.91bn	7,490	£647.2mn	£554.8mn	5,760
Life Sciences and Digital Health and Social Care	£449.4mn	2,060	£212.2mn	£181.4mn	120
Natural Capital	£400.0mn	2,900	£53.7mn	£76.1mn	-
Space	£84.3mn	690	£40.3mn	£34.6mn	150
Marine Biotechnology and Processing	£39.3mn	160	£12.6mn	£10.8mn	120
Other	£892.8mn	4,160	£395.1mn	£165.9mn	210
Total Highlands and Islands	£100.35bn	114,040	£41.73bn	£34.88bn	17,930

Notes: Supporting infrastructure: Enablers typically includes harbour upgrade/expansion investment, research and innovation facilities and sectoral hubs/business premises. Other includes the Clyde Engineering and Innovation Cluster Development and significant, innovative aquaculture projects.

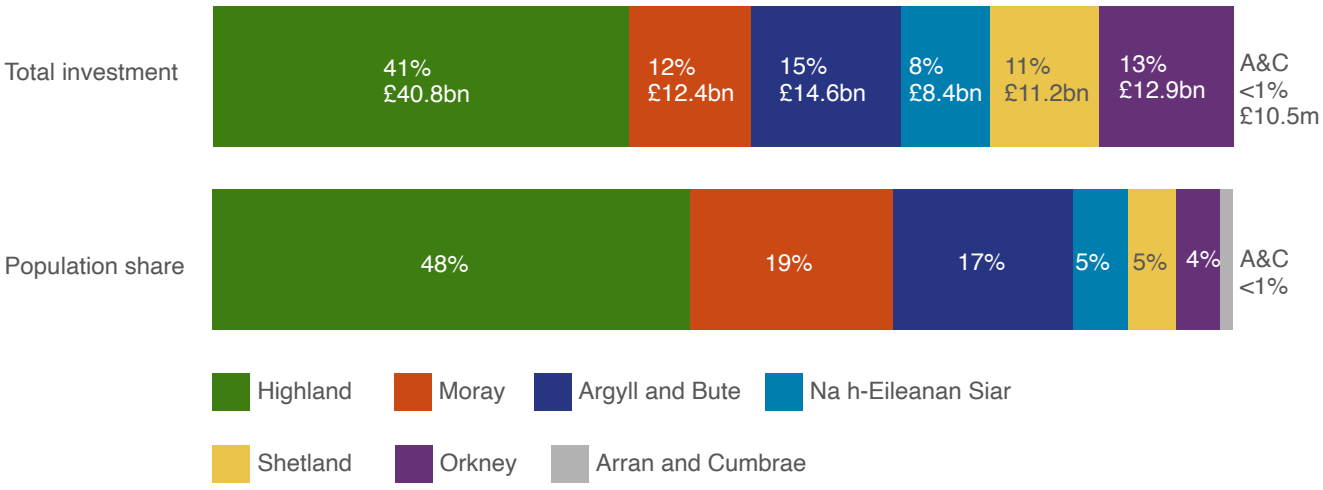
Job year and employment figures have been rounded to the nearest 10. Totals may not sum due to rounding.

Operational employment represents additional, direct employment associated with the RTO projects/investments only. It does not include supply chain impacts. Proxies and modelling have been used where data on likely operational jobs was not available for projects.

It is assumed that new grid infrastructure delivered by projects in scope for this study is maintained by the incumbent workforce. For natural capital it assumed that jobs associated with the projects/investments identified are time-bound (not permanent).

Projects are generally well dispersed across the region's local authority areas. Highland accounts for over two-fifths (41%) of the total potential investment, whilst Argyll and Bute accounts for around 15%. The remainder is fairly well distributed across other local authority areas. The three island local authority areas have a disproportionately high level of potential investment relative to their population share, while the level of investment in Arran and Cumbrae is lower, reflecting the smaller geographic area covered and the dominance of more traditional sectors within these local economies.

ECONOMIC POTENTIAL BY LOCAL AUTHORITY



Taking into consideration the current status of projects and recognising the likelihood that not all projects will come to fruition – either as originally planned or in their entirety – an adjusted total investment pipeline of more than **£71bn**, and associated impacts, could be expected.

Status-adjusted impacts:

Investment value:
£71.28bn

71%
of potential

GVA
£54.14bn

Direct: **£29.48bn**
Indirect/induced: **£24.67bn**

Construction employment
79,360
FTE job years

Direct operational employment
12,760
FTEs

A range of scenarios (based on the status-adjusted estimates) provides a more measured picture of what may realistically be achieved in terms of investment, depending on policy context and implementation. The three scenarios are:

- **Scenario 1**: The status quo (no change to current policy, legislative or regulatory environment), plus grid upgrade constraints;
- **Scenario 2**: Policy-on (i.e. implementation of appropriate policy, legislation and regulation) – less-than-optimal policy environment, co-ordinated workforce planning, supporting infrastructure and enablers and short time frame for switch-on (e.g. 18-24 months);
- **Scenario 3**: Policy-on, with switch on over a delayed or longer time period (e.g. >5 years).

Proposed switches include legislation/regulation; evidence-based skills/ workforce planning; grid connection; infrastructure (ports and harbours; housing and transport); helix approach to collaboration; supply chain stimulation; and research and innovation. The 'switches' are drawn from the range of enablers identified through the consultation phase of the study and will be of no surprise to those living and working in the region.

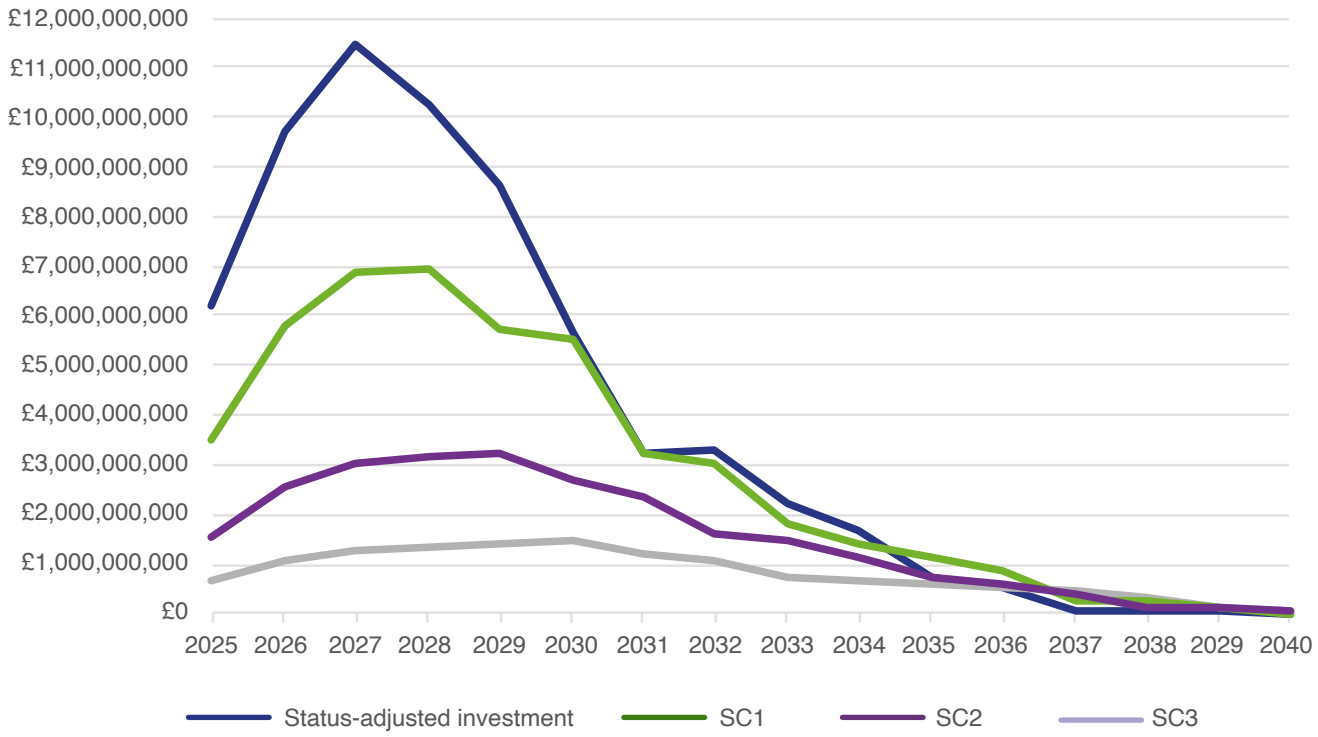
Under Scenario 1, the level of potential investment falls to around £13.9bn – around a fifth of the status-adjusted level. There is a similar decline in the associated jobs and GVA impacts. This illustrates how critical the planned grid infrastructure upgrades are for unlocking and enabling development in the region. Without this, many projects are simply not viable. Investment levels fall to around £50.7bn under Scenario 2 (around 71% of the status-adjusted estimate) and around £26.7bn under Scenario 3 (37% of the status-adjusted level). This illustrates the importance of the correct policy support.

Summary of scenarios

Scenario	Assumptions/basis	Investment Value (£bn)	FTE Job Years (DCI)	Total GVA (£bn)	Direct, additional operational jobs (by 2040)
Overall opportunity	All projects progress as planned and to the scale stated	100.35	114,040	76.6	17,930
Status-adjusted	Adjusted to reflect likelihood of project progression and completion, based on current status.	71.28	79,360	54.14	12,760
Scenario 1	No substantive change to current policy, legislative or regulatory frameworks, but barriers to delivery of planned electricity grid upgrades.	13.89	17,320	10.57	3,030
Scenario 2	'Policy-on' – short to medium timeframe (18-24 months) associated with policy 'switches' essential for catalysing or unlocking investment.	50.75	56,140	38.49	8,830
Scenario 3	'Policy-on' – as per Scenario 2 but switch on over a delayed or over a longer time period.	26.73	31,080	20.25	5,290

A flat spend profile was assumed for all projects indicating that the majority of investment impacts are scheduled to occur during the first five years of the time period, i.e. 2025-30. Beyond 2030, the majority of anticipated project investment is accounted for by offshore wind and pumped storage hydro projects. However, it is acknowledged that, in the absence of additional project information, there is an element of optimism bias being expressed by stakeholders. Consequently, as projects progress and come to fruition, the timeline investment profiles for projects and RTO sectors will likely be flatter and stretched over a longer time period.

RTO investment over time under each scenario



There are a number of co-dependencies across the RTO areas and projects. For example, opportunities in green hydrogen are reliant on renewable energy schemes, whilst the viability of renewable energy schemes is reliant on electricity grid infrastructure upgrades. The importance of grid infrastructure upgrades is clearly demonstrated by the limited impacts under Scenario 1.

There are also potential synergies across the RTOs in terms of skills supply and planning, supporting infrastructure and services, and supply chain services.

This investment timeline reflects the 251 projects identified in this study only. However, this is an evolving picture. New investment projects will continue to be announced and there will be further cycles of energy related investment – e.g. repowering of onshore wind farms, subsequent bidding rounds for ScotWind, further upgrading of conventional hydro-electric schemes to pumped storage hydro, decommissioning opportunities, etc. The investment presented may also stimulate longer-term investment in the region. Reducing uncertainties, and derisking where possible, will make future, longer-term investment seem a more attractive proposition for developers, assuming optimal policy conditions.

This opportunity does not reflect everything happening in the region. What is presented is largely private sector driven (save for some public sector contribution such as to Growth Deal activity and enabling infrastructure such as ports and harbours). Capital expenditure on public sector projects (e.g. schools, roads, hospitals etc) is additional to the impacts presented above. Supply chain jobs have also not been considered and these will create substantial additional opportunities across the RTO sectors.

Alongside this, catalytic impacts are likely for other regional and sectoral activity, with growth driving further growth and aspiration. This extends beyond the growth that is already evident and ongoing in traditional sectors of importance in the region, such as tourism, food and drink (including aquaculture) and creative industries.

Both public sector and additional sectoral activity will increase competition for people, skills, supply chains, etc. Reflecting this and given that the Highlands and Islands is not the only region chasing these opportunities, it is critical that a collaborative, holistic, and place-based approach is adopted in realising these RTOs. And this must happen at pace.

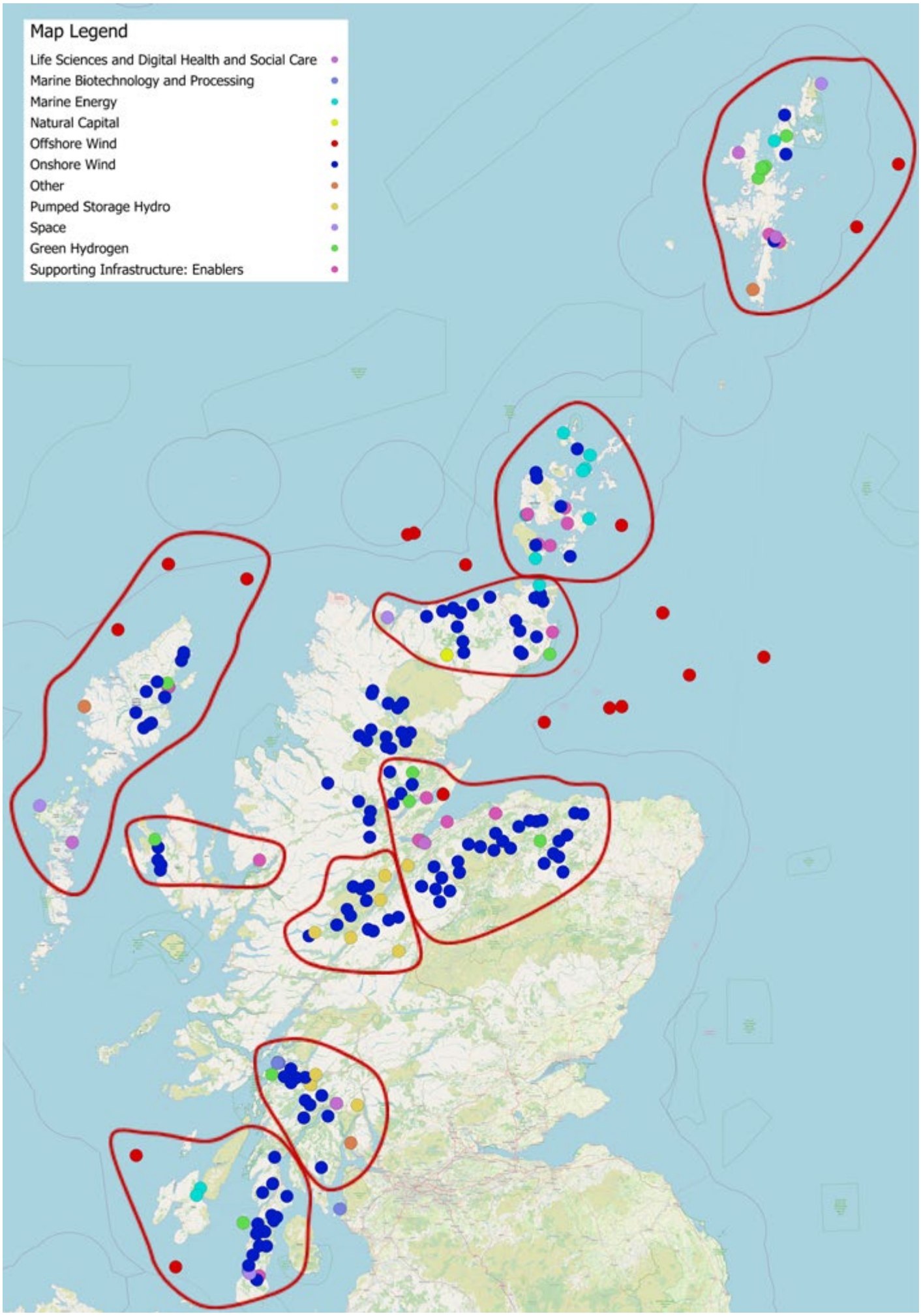
Lerwick port

The Important of place

There is clear clustering of potential investment activity:

- Orkney and Shetland –marine energy (Orkney), and onshore wind and offshore wind;
- Na h-Eileanan Siar – onshore and offshore wind – mainly focused on Lewis;
- The Great Glen – typically energy-focused around onshore wind and pumped storage hydro;
- Inner Moray Firth and Moray - energy-related investment, supporting infrastructure, and onshore wind;
- Caithness and North Sutherland - energy-related investment and onshore wind;
- Oban and Lorn – primarily onshore wind and pumped storage hydro;
- Kintyre and Islay –onshore wind and marine energy; and
- Skye and Wester Ross – onshore wind and supporting infrastructure.

RTO investment project clusters across the Highlands and Islands



These clusters, though loosely defined, help illustrate where opportunities will be focused and thus implications exist for employment and supply chain activities. Careful planning will be required around what needs to happen in and around these clusters to support the RTOs, for example in relation to skills, housing, and supporting infrastructure. However, it is equally important to note that the geographical boundaries of the clusters are fluid, and the reach of both upstream and downstream opportunities is far more extensive. This principle also extends to workforce and skills.

The demand for skills to support these projects will have a significant demographic impact. This is particularly important in light of current population projections that show that the population in the Highlands and Islands is projected to decrease by 5% between 2018 and 2043. In contrast, based on the status-adjusted estimates and assuming that all employment arising from the delivery of the project pipeline is additional, the temporary peak construction uplift anticipated is around 6% regionally (around 16,270 people) (ranging from c.5% in Argyll and Bute to almost 15% in Orkney), and around 5% regionally (c12,760 people) for operational employment (ranging from c.3% in Argyll and Bute to 9% in Na h-Eileanan Siar).

Estimated temporary and operational uplift in the Highlands and Islands (% based on working-age population) from RTO project pipeline, 2040[4]

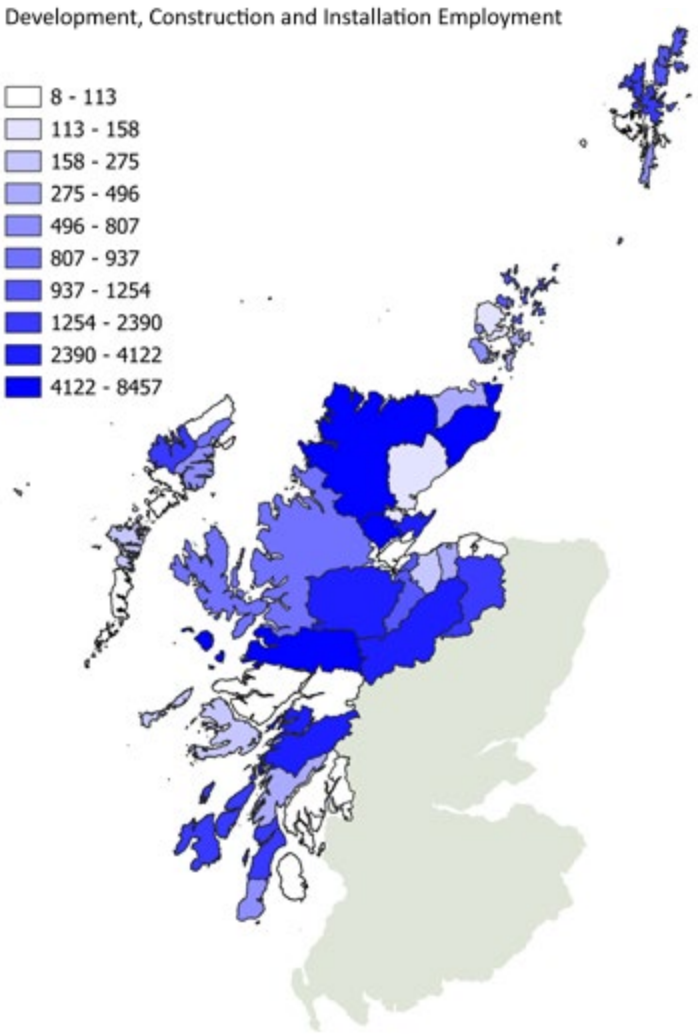
Area	Temporary increase in working age population during peak construction		Long-term increase in working age population based on operational employment requirement	
	N	%	N	%
Argyll and Bute	2,000	+4.8%	1,150	+2.8%
Highland	9,260	+6.8%	8,360	+6.1%
Moray	890	+1.7%	800	+1.5%
Na h-Eileanan Siar	940	+7.6%	1,120	+9.0%
Orkney Islands	1,800	+14.6%	560	+4.6%
Shetland Islands	1,370	+10.5%	760	+5.8%
Arran and Cumbrae	10	+0.3%	10	+0.4%
Highlands and Islands	16,270	+6.0%	12,760	+4.7%

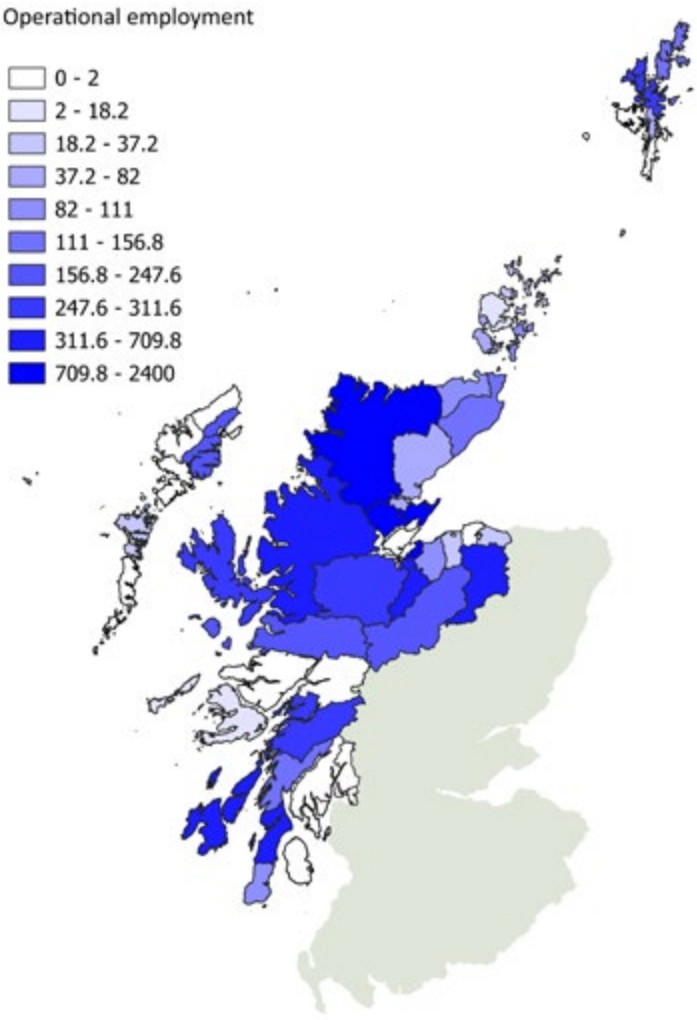
Source: ekosgen calculations based on: 2018-based sub-national population projections for Scotland (NRS, 2025), local authority data for North Ayrshire, and status-adjusted estimated employment impacts from identified project pipeline. Employment uplift figures rounded to the nearest 10. Totals may not sum due to rounding.

4 Based on the status-adjusted estimates and assumes that all employment arising from the delivery of the project pipeline is additional. Does not include any additional employment arising from supply chain impacts for the project pipeline or any other regional activity. It also does not take into consideration the anticipated replacement demand for skills. Population estimates do not include any family members who may accompany the new workers.

Analysis of employment by project location provides additional insight on where jobs may be located, based on ward level. It is important to note that they may not necessarily be dispersed across the ward but rather concentrated in small localities. This indicates that there will be concentration of temporary employment for development and construction phases in a number of areas in the region, including Shetland North, Sgìr Ùige agus Càrlabhagh in Na h-Eileanan Siar, the Cromarty Firth and North, West and Central Sutherland. Permanent operational employment is likely to be concentrated in areas including Culloden and Ardersier, Cromarty Firth and Tain and Easter Ross in Highland, as well as Speyside Glenlivet in Moray, and Kintyre and the Islands in Argyll and Bute.

Anticipated local-level location of development, construction and implementation (DCI) employment and of operational employment





The peak annual construction workforce of 16,270 and operational employment of 12,760 should be seen as significant shortfalls in required employment. The existing construction workforce in the region stands at approximately 12,250 (2023 data) and has grown by approximately 14% in the period from 2021. This suggests either rapid growth is required in the sector, or there will need to be some reliance on imported contractors from outside the region, and possibly even outside of Scotland, for construction and development phases.

The existing pipeline of skills supply is showing signs of growing – particularly in Modern Apprenticeship framework starts in construction and engineering and other RTO related subjects. However, it remains insufficient to meet the expected demand for skilled workers from RTO investment projects. The need for a skilled workforce is a cross-cutting requirement for all the RTOs and they share many skills needs. This is particularly so in construction phases (for both general and specialist construction and engineering skills) but also in operations and maintenance (e.g. service technicians, skilled machine operatives) and the supply chain (e.g. transport and logistics).

Starts and enrolments in RTO related subjects, 2023-24

1,015	9,439	3,030
Modern Apprenticeship starts	Further Education enrolments	Higher Education enrolments

Source: MA starts - SDS (2025). MA starts not available for Arran and Cumbrae; FE and HE enrolments at University of the Highlands and Islands - UHI (2024)

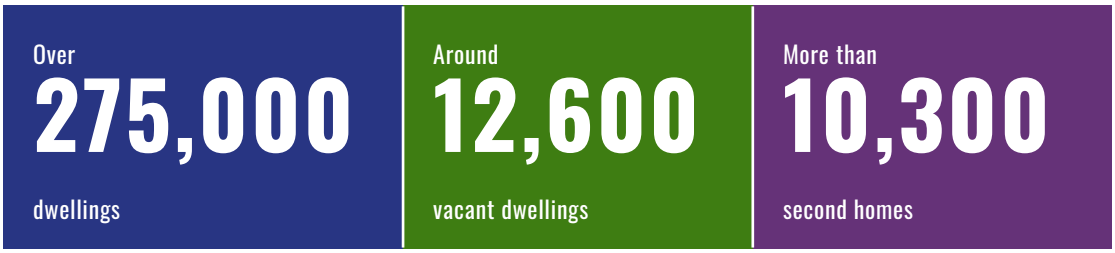
Skills shortages will be exacerbated by a tight labour market in the Highlands and Islands. There is competition for skills between the RTOs and with other sectors. As a result, there is an urgent need for a well-planned, strategic skills system response in terms of volume and specific types. However, uncertainty on specific future skills demand (in terms of nature, volume and timing) introduces an element of risk for education and training providers, and funders.

It is imperative that people are not only encouraged to stay or return to live and work in the Highlands and Islands, but pro-actively attracted to the region to meet skills needs. Reliance on contractors from outside the region, and possibly even outside of Scotland, should be minimised in order to ensure benefits can be realised and retained locally, or at least within the region. Innovative and potentially radical solutions may be required to connect the available workforce to RTO employment opportunities.

Seaboard villages

With a need for more workers, the region will need more housing to accommodate the workers and where relevant, their families. However, housing availability in the Highlands and Islands is already challenging and is heavily impacted by second homes and vacant properties. Meanwhile, private sector housing development tends to be concentrated in more urban or accessible rural parts of the region, due to factors such as higher construction costs, scarcity of appropriate land, and lack or required infrastructure.

Housing in the Highlands and Islands (2023)



Source: Dwellings – Energy Savings Trust Home Analytics Database (2023); Vacant dwellings and second homes – National Records of Scotland (NRS) Small Area Household and Dwelling Estimates 2023.

Some employers in the region have responded to housing challenges by investing in housing for staff to ensure they have the workforce they need. Innovative approaches to housebuilding will undoubtedly need to be part of a sustainable solution to the region's housing problems, and to support the realisation of the RTOs. Considering housing as a key enabler of the RTOs and economic growth presents an opportunity to increase the supply of social housing alongside other types of tenure and so deliver sustainable strategic benefits.

Analysis based on existing housing need and demand and the additional requirement related to the RTO opportunities identified in this research has been undertaken to provide an illustration of what might be required to support realisation of the region's economic potential. It estimates that there is a regional housing need and demand of around 32,300 to 36,100 housing units over the next ten years.[5] Should private and social sector completions continue at current levels (around 2,090 annually across the region between 2019-20 and 2023-24)[6], this would provide around 58%-65% of this total (approximately 20,930 units). This suggests a potential additional requirement of between 11,355 and 15,180 housing units across the region over the next ten years.[7]

Along with affordable housing provision from local authorities and other housing providers, a continued private sector response, beyond current levels, will be critical. Re-purposing existing stock, for example by bringing empty homes back into use, will also be important in helping to address supply challenges. It will also be important to ensure housing is prioritised in the areas most pivotal to the realisation of economic opportunity, and this will be picked up through the planning process as local authorities update their HNDAs, local housing strategies and local development plans to reflect the changing demand. There is also a need for a strategic approach to consider what housing is required in construction phases across the region.

While housing availability and affordability is one very important factor in supporting population growth, there are also others to consider. This includes access to services, which is a critical factor in supporting population growth aligned with the RTO opportunities.

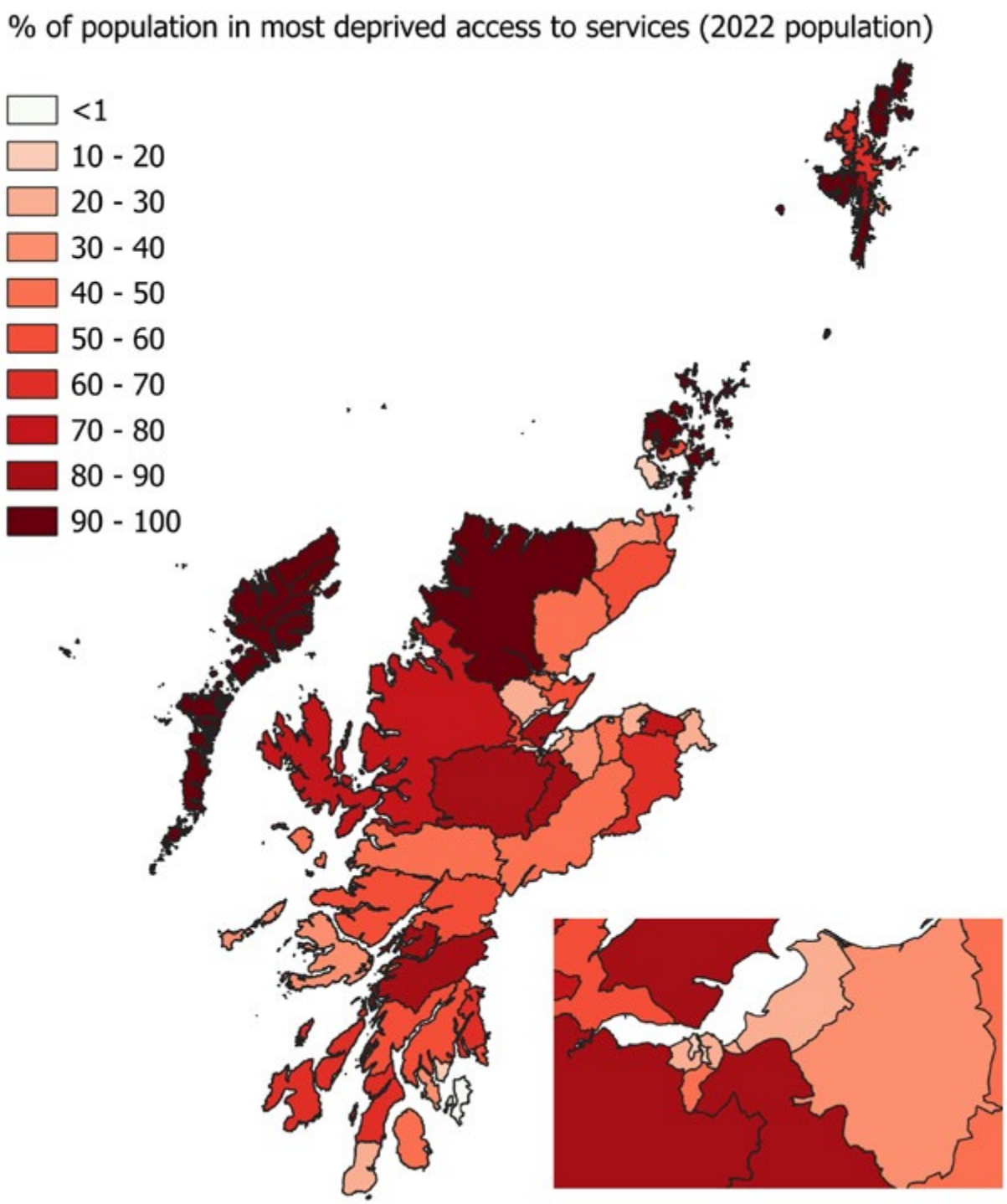
Some of the ward areas with the highest levels of expected operational employment are also those with relatively poor access to services. As demand increases in some areas, this may have positive implications in terms of the viability of services which have been eroded as populations have declined such as education, health, public transport, community facilities and retail. This in turn can enhance the attractiveness of an area.

5 Existing housing demand is based local authority Housing Need and Demand Assessments (HNDAs). The timeframes and assumptions used for HNDAs vary, however the cumulative picture has been used to provide an indicative estimate of demand over a 10-year period. The regional estimates exclude Arran and Cumbrae as it was not possible to estimate demand for the area.

6 Scottish Government Private and Social Sector Completions by Local Authority - financial year.

7 The range provided is based on the provision of 0.7 homes per worker and 1 home per worker and it is assumed that RTO need is not already captured in HNDAs.

Proportion of population (by ward) located in the lowest quintile of SIMD Access to Services Domain



Place-based planning will be critical to make a case to augment or resurrect services and thus ensure that provision of services is sufficient to address the needs of growing populations.

Enablers

Along with housing, skills and service provision, to support the realisation of the RTOs and ensure that the value is captured and fairly distributed, there are a number of supporting infrastructure requirements:

- Transport infrastructure: Transport is a critical enabler across all RTO sectors, and this extends across all major transportation modes. The scale of development means that across the road, rail and sea transport network there will be increasing demand. The upgrading of key arterial routes such as the A9, A96 and A82 and routes such as the A83 (from the Rest and Be Thankful down to Campbeltown), A85 into Oban and A890 to Kishorn are all critical to meeting the needs of proposed developments as well as those of existing businesses and communities. Also critical is investment in the region's rail infrastructure, ferries vessel replacement and enhanced resilience of ferry routes and air services (including inter-island air and sea links). Additional freight capacity, particularly on routes to Lewis, Harris, Orkney and Shetland is also a likely requirement to ensure that movement can be accommodated at key points in time, without detrimentally impacting on passenger capacity on ferries.
- Grid capacity and connection: Grid improvements such as through the National Energy System Operator (NESO)'s Pathway to 2030 and SSEN Transmission's Accelerated Strategic Transmission Investment (ASTI) programme are fundamental enablers for RTO projects. The scale of energy-related developments and those that depend on enabling grid infrastructure mean that grid upgrades to increase capacity are vital to the realisation of proposed developments. Without this increased capacity, then the negative impact of projects not coming forward is stark (as demonstrated by Scenario 1). Even with the required grid infrastructure, grid connection charges can be prohibitive and act as a disincentive to investment in renewable energy development. While green hydrogen systems and alternative offtake routes offer additional ways of transporting and using energy, there are constraints to their use including current ability to be used at scale.
- Ports: To enable growth in key sectors, there must be adequate port infrastructure in the Highlands and Islands. Recognising that ports are a critical enabler to unlocking growth, there has and continues to be investment in ports and harbours in the region, including Buckie, Stornoway Deepwater Terminal, and a number of sites within the Inverness and Cromarty Green Freeport (ICGFP) zone. In upgrading and developing ports it will be important to plan for future expansion and development of both offshore and onshore activities. This must not displace existing port activity and the requirements of other sectors for port capacity and handling services now and in the future.
- Planning: The research highlighted the critical role of planning in supporting the development of RTO projects. The planning process is generally considered to be lengthy and very often, complex. This can delay projects and also make it difficult to have a clear and confirmed timeline for construction. Addressing both the capacity and complexity of the various planning regimes within which RTO projects are being developed is vital to avoiding unnecessary delays that impact on the RTOs and increase the risk to investors and the supply chain. Changes are underway, and the Scottish Government Planning Hub has been established to support and speed up planning decisions and address planning constraints in local authorities. In addition, Masterplan Consent Areas will allow local authorities take a more strategic and localised approach to planning. However, given the importance of Grid Infrastructure upgrades to the realisation of opportunity across the region, reforms to Scottish electricity infrastructure consenting are needed as a matter of priority.
- Digital and mobile connectivity: It has long been recognised that improving the digital infrastructure of the Highlands and Islands is key to ensuring the long-term future of the region. High quality and reliable digital connectivity is absolutely critical for the RTOs to achieve their potential. It also impacts on regional attractiveness.

Inverness airport, train station

Key observations on specific RTOs

As discussed, the real value is in the strength and mix of the RTOs. However, each RTO has substantial potential in its own right.

Offshore Wind

Offshore wind is an important and growing sector for the region – it will be a catalyst for significantly increasing renewable energy production. Investment project activity in offshore wind is spread across the Highlands and Islands with a cluster of supporting infrastructure around the Inverness and Cromarty Firth Green Freeport, on the west coast and in the Northern Isles. Offshore wind in the Highlands and Islands should be developed as a cornerstone of an integrated energy system that draws on the range of marine and land-based renewable energy sources to deliver consistent, reliable, affordable, and secure energy.

Grid connections and charging, port infrastructure and energy storage will be key to maximising the potential of offshore wind in the Highlands and Islands. Smooth, efficient and timely planning and regulatory consents will also be critical. With a strong pipeline of new projects, it will be important that there is an adequately skilled workforce across the manufacturing, construction and operations and maintenance phases, supported by evidence-based skills planning. Supply chain development will also be important to maximise the local content and value in the region and in Scotland.

Green Hydrogen

While green hydrogen is a relatively nascent sector, Scotland has the potential to provide up to 10% of Europe's green hydrogen by the mid-2030s. The region's potential for renewable energy generation, and levels of constrained energy in particular, as well as existing pipeline infrastructure makes the region well placed to become an exporter of green hydrogen. There is a strong pipeline of green hydrogen projects across the region, but significant investment will be required to enable these opportunities.

There is a strong interdependency with renewable energy generation. Without renewable energy, there is no opportunity for green hydrogen. However, there is currently a lack of infrastructure for off takers to utilise green hydrogen at scale in Scotland as well as a lack of clarity on price and security of supply. As well as developing production, infrastructure to support green hydrogen uptake, transportation and export is critical for sector development.

Beatrice wind farm

Marine Energy

Scotland is a global leader in wave and tidal energy, particularly in the Highlands and Islands. As marine energy technologies advance and investment grows, marine energy has the potential to become a cornerstone of the UK's renewable energy mix. Innovation is being driven by the need to reduce costs and achieve efficiencies so that the technologies are commercially viable. This is being driven by globally significant assets such as the European Marine Energy Centre (EMEC), around which there is an opportunity to create a growth cluster in marine energy and offshore wind.

A wave and tidal energy sector that is underpinned by a strong local supply chain and maximises sustainable growth opportunities should be pursued. Key enablers to help achieve this include a skilled workforce, grid connection, port infrastructure and facilities, and digital connectivity. Industry and partners should examine what potential synergies can be achieved at various stages of construction and operations and maintenance to achieve efficiencies, reduce cost, and de-risk investment.

MeyGen project turbine being prepared for deployment at Nigg Energy Park

Space

Scotland has a strong base for the manufacture and innovation of space technology, with key assets and locations in the Highlands and Islands. The geography and economic conditions of the Highlands and Islands make it well suited to offer orbital, and sub-orbital launches. There is strong potential for collaboration with European and international companies for Scotland to offer launch options.

Accelerating the development and market readiness of launch sites in the region is a key priority to secure potential impacts and a segment of this growing market. The sector within the region is comprised of only a small number of companies, and the failure of one or more of these could have a significant impact on the sector overall. Thus there is a need to stimulate the development of the space sector to enable it to grow sufficiently by broadening and strengthening the regional space ecosystem and supporting supply chain development. Internal competition between spaceport developments must be managed, so that it does not negatively impact on the sector's development.

Marine Biotechnology and Processing

The Highlands and Islands is rich in biomass from marine and terrestrial sources. It has a vast and under-used natural resource in seaweed and microalgae, putting it in a strong competitive position. Marine biotechnology remains a relatively nascent sector, albeit with strong growth potential. The Highlands and Islands has a clear competitive advantage through the scale and quality of its available natural resources. There is a need to ensure that the regulatory framework for marine biotechnology is based on current research to enable business start-ups and growth.

Alongside this, there is a need to identify the balance between the sustainability of natural resources and the stocks required for marine biotechnology activity to capitalise on the value of the opportunity that exists. Provision of enabling and supporting infrastructure and wider investment to foster growth in the sector is necessary, as is public and private sector funding to mitigate risk and encourage innovation and entrepreneurship. As part of stimulating growth in the sector, a priority is facilitating the interface between science and industry to allow for a greater degree of technological and knowledge transfer between academia and business.

Horizon Seaweed, Wick

CorporateHealth International UK Ltd

Life Sciences, Digital Health and Social Care

Life sciences, digital health and social care is a large and complex sector, and the Highlands and Islands has some strong and valuable assets in this sector in terms of research, innovation, and commercial operations. Changes in demographics and the needs and expectations of consumers are driving change and creating opportunities for new technologies, treatments, and medicine. Thus there is substantial potential for growth and development. There is a significant opportunity for animal health, agritech and aquaculture (AAA) in particular with increased global demand for responsibly and sustainably produced animal protein and natural ingredients/products.

Clarity on the value proposition of the Highlands and Islands is needed to establish it as a focused, place-based, life sciences hub with high value and demonstrable specialisms. The region could also establish itself as a life sciences test hub offering trials and data collection in clinical settings. There is a need to better support and encourage commercialisation of research and innovation, so that high value activities and jobs are retained in the region.

Onshore wind and pumped storage hydro

As the backbone of the energy transition and to meet our energy security needs, a huge increase in variable power generation in the form of wind power, including onshore wind is required, in turn increasing the need for longer duration energy storage such as pumped hydro storage. There has been rapid growth of the onshore wind sector in the region and the associated supply chain, creating jobs and a wealth of knowledge and expertise. Continuing to support the supply chain is essential to build capacity and capability for the growing market. Maintaining the infrastructure investment and capacity for onshore wind is also critical. Innovative solutions to onshore wind component transport and onsite construction techniques need to be explored if many of the remote rural high-capacity wind sites are to be accessed by the industry.

The geography of the Highlands and Islands lends itself to the development of pumped storage hydro projects and a new surge in large-scale pumped storage hydro schemes demonstrates the scale of the opportunity that the region's hydrological resource offers. This includes the future potential to convert current hydropower projects into pumped storage hydro. However, access to a stable and consistent framework for investment, competition for resources including technology, supply chain and workforce and skills are constraints to development. There is also a need to explore solutions to remove transport related barriers arising during the construction of projects.

Other transformational natural assets

The wealth of natural resource assets in the region puts it at the vanguard of Scotland's response to the Climate Emergency, and for measures in pursuit of Net Zero targets. The region is well-placed to exploit opportunities offered to it through use of its natural resources. Peatland and forestry are key assets. The UNESCO World Heritage designation for the Flow Country is an additional opportunity for habitat restoration, peatland carbon sequestration and selling high-prestige carbon credits.

Opportunities to secure benefits from the region's natural capital resources should be pursued in as responsible and sustainable a manner as possible. There is a need for strategic actors to navigate between free market conditions and an interventionist approach, ensuring social license is achieved at all times. Whilst building a critical mass of activity is necessary to realise the opportunity, consideration must be given to how best to manage natural resources in light of the Climate Emergency, and the need to improve resilience in the face of climate change impacts.

Hydro Ness, Inverness

Inverness campus

Considerations for the future

For sustainable economic growth in the Highlands and Islands driven by these RTOs, there is a need to take a place-based approach to removing the barriers and support their development. Common barriers and constraints include the need for enabling and supporting infrastructure such as housing, transport, ports, and grid infrastructure. Other anticipated constraints relate to having the volume and types of skills needed for construction and operation and maintenance, accessing finance, and achieving social licence.

If these issues are addressed, it is not just the RTOs that will benefit, all sectors and industries stand to gain, along with communities, local areas and employers. The value that the RTOs could deliver individually and together is undoubtedly transformational and would have meaningful impacts for Scotland and the UK.

There must be a shared and agreed acceptance of the economic reality that there will be trade-offs. Decisions will need to be taken to drive growth, but some options may need to be sacrificed for another.

The combined potential of the RTOs is arguably unprecedented in the Highlands and Islands and it will be best achieved by taking a holistic approach, recognising the synergies between the RTOs and the intersection of constraints and enablers such as housing, ports and transport.

Stakeholders should plan and work towards a multi-model economy with a basket of diverse, strong and innovative sectors that are forward looking. This will ensure a healthy, strong, resilient and sustainable regional economy that will be a very attractive and competitive destination for people, industry, and investment.

The RTOs and enablers such as transport, housing and planning cut across a range of functions and areas. Rather than working in silos, there needs to be joined-up thinking, working and resourcing across governments and relevant agencies, to arrive at an integrated approach to solutions which make best use of resources.

There is considerable scope to proactively seek out and support the development and adoption of synergies across RTOs and their supply chains. This will include co-location to alleviate pressures on land and in the marine space, and the Orkney Research and Innovation Campus (ORIC) is a good example on this. Alongside this, a vital consideration is how to pursue growth and at the same time ensure the sustainable management of natural resources and biodiversity on land, and in seas and rivers. Many of the RTO sectors are highly dependent on the region's natural capital. This must be done responsibly and having secured the necessary social license.

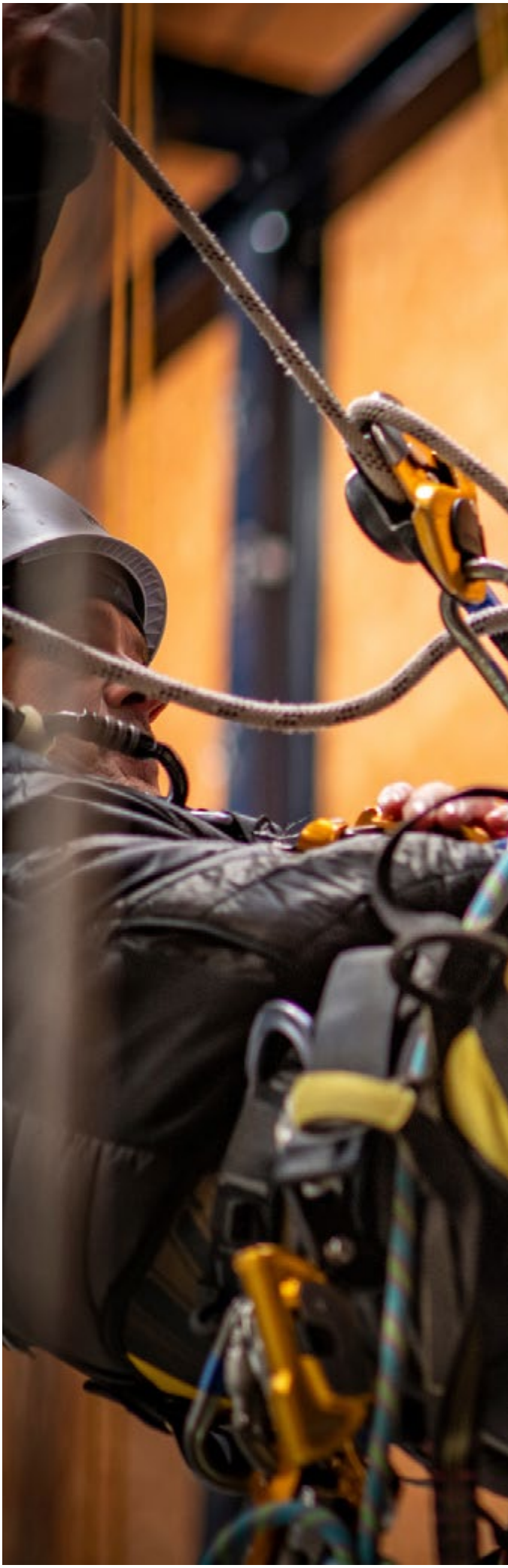
The skills system will play a central role in realising the ambitions of the RTOs. The employment and enterprise development opportunities that will flow from the RTOs and their supply chains have the potential to retain talent in the region, and also attract it.

There is already close working between education and industry to plan skills development in terms of new entrants and to reskill and upskill staff. However, there is a sense that this has not yet translated into increased provision at the scale that will be required. Taking a lateral view to skills and workforce development, including with regard to employability and targeting those currently outside the labour market, will help better meet the needs of industry and spread the benefits to a wider population.

There is significant opportunity in renewable energy in the RTOs not just economically but in terms of energy security, net zero and social value. A systems approach to renewable energy will ensure a clean, secure and resilient energy supply mix. Achieving this will require a shift in thinking and new ways of working at every stage.

There is currently a high degree of information asymmetry in the region and within the RTOs. There is a great deal of anticipation of what is to come, but also a degree of uncertainty. Organisations are reluctant to invest without certainty, yet conversely opportunities may be lost through a lack of readiness. A cross-sectoral effort is needed to provide a more detailed, aggregated timeline of when proposed projects will come on stream. It is acknowledged that there is always going to be some adjustments in project timescales, and this should therefore be monitored and reflected in any such timeline or roadmap.

Given this imperfect information, there should be a review of the attitude to risk in public, private and education sectors specifically for the RTOs. Partners then need to work together to explore how risk can be shared and alleviated so that exposure by any one organisation is minimised. This includes through intangible investments (e.g. R&D, Intellectual Property, brand equity), which can provide long term financial benefits and competitive advantage, but that are often excluded from quantified assessments of investment.



Auora Energy Services, Inverness

ekosgen
Part of Insight

HIREP

HIE
Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

Appendix 4

Ms Claire Mack
Chief Executive
Scottish Renewables
3rd Floor
24 St Vincent Place
Glasgow
G1 2EU

21 May 2025

Dear Ms Mack

Letter requesting engagement with Scottish Renewables

I am writing to you in my capacity as the Chair of the Economy and Infrastructure Committee of Highland Council.

As you will be aware, for too long Highland communities have not seen enough of a benefit from renewable investment. Not all companies comply with the voluntary guidance to provide a community benefit of £5,000 per megawatt of power produced. In addition, where communities have had investment, this has been very localised, causing disparity between communities in close proximity to one another.

Currently, once they have planning permission, developers are not obliged to follow through on providing community benefit, and there is no provision for the Council to enforce this. As a result, companies can make empty promises and let down our communities.

This has to change.

I am therefore calling for Scottish Renewables to engage seriously with Highland Council to ensure all renewable developers sign partnership agreements with us on the basis of our Social Value Charter for Renewables. We are seeking through this charter to establish a mechanism to ensure that there is a clear community benefit provided by every development that goes forward.

Councillor Ken Gowans
Chair Economy and Infrastructure Committee
The Highland Council, Glenurquhart Road, Inverness, IV3 5NX

This nine-point plan gives various options for developers in relation to how they might provide community benefit. Developers can choose, in discussion with Council officers, which points might be appropriate. This is in addition to the existing voluntary contribution of £5,000 per megawatt and seeks instead to allow major legacy investments in infrastructure, skills and housing to be the result of any investment.

The Social Value Charter is separate to any planning process, which remains entirely discrete. Its purpose is to ensure that if a particular development is approved either by Highland Council or by Scottish Government, there are tangible benefits for communities.

Given the scale of the onshore and offshore energy pipeline being anticipated in the Highlands and the concerns of communities about the potential impacts of these plans, it is incumbent on both public and private sector partners to work together to realise a meaningful legacy from this investment, so all our communities across Highland can benefit.

To this date, the Highland Council has been extremely frustrated by the lack of engagement from your organisation and disappointed by the apparent misinformation shared about the Charter. I am sure you agree that people in the Highlands deserve the consideration of the companies you represent.

We seek an urgent meeting with you to resolve these matters and to ensure that we work together more effectively in future and provide a coherent message to the sector.

Yours sincerely

Councillor Ken Gowans
Chair Economy and Infrastructure Committee

Councillor Ken Gowans
Chair Economy and Infrastructure Committee
The Highland Council, Glenurquhart Road, Inverness, IV3 5NX