



Highland Local Authority Skills Demand

January 2026



The Opportunity

Investment



£100.4bn investment in
the Highlands and Islands
2025-2040



£29.5bn in Highland
Local Authority



Investment Timeline

2025-2030



Most investment
impacts are scheduled to
occur during the **first
five years**

Beyond 2030, **offshore wind and
pumped storage hydro projects** are
likely to account for the majority of
investment



Employment Impacts

Estimated direct operational employment impacts 2025-2035

Highlands & Islands	      	12,230
Highland LA	   	8,080

Overall Replacement Demand

	2025-2028	2028-2035
Highlands & Islands:	30,100	67,500
Highland LA:	15,200	34,400



Jobs and Sectors in Growth

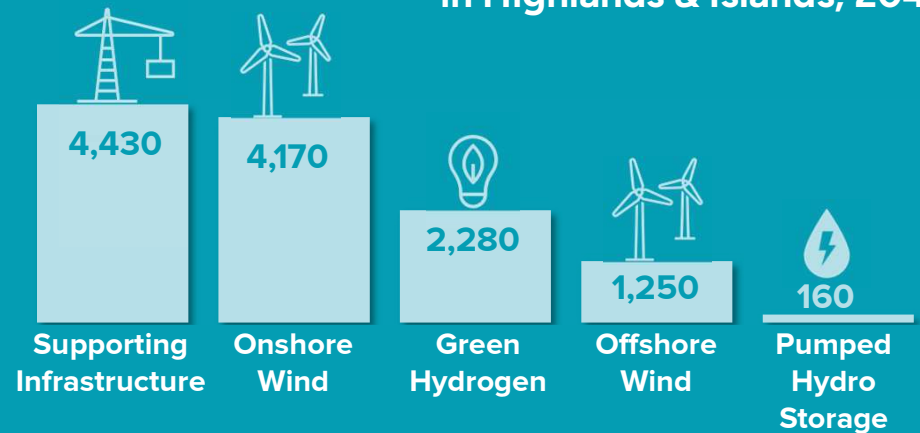
Growth Sectors

Several industries are anticipated to grow due to this significant investment in **Highlands and Islands**:

Supporting Infrastructure
Onshore Wind
Green Hydrogen
Offshore Wind
Pumped Hydro



Direct Operational Employment Impacts in Highlands & Islands, 2040



Job Postings in Growth Sectors



Job postings in the renewables sectors in Highland (including Onshore and **Offshore Wind, Hydrogen Grid and Transmission**) have increased significantly over the last 5 years.

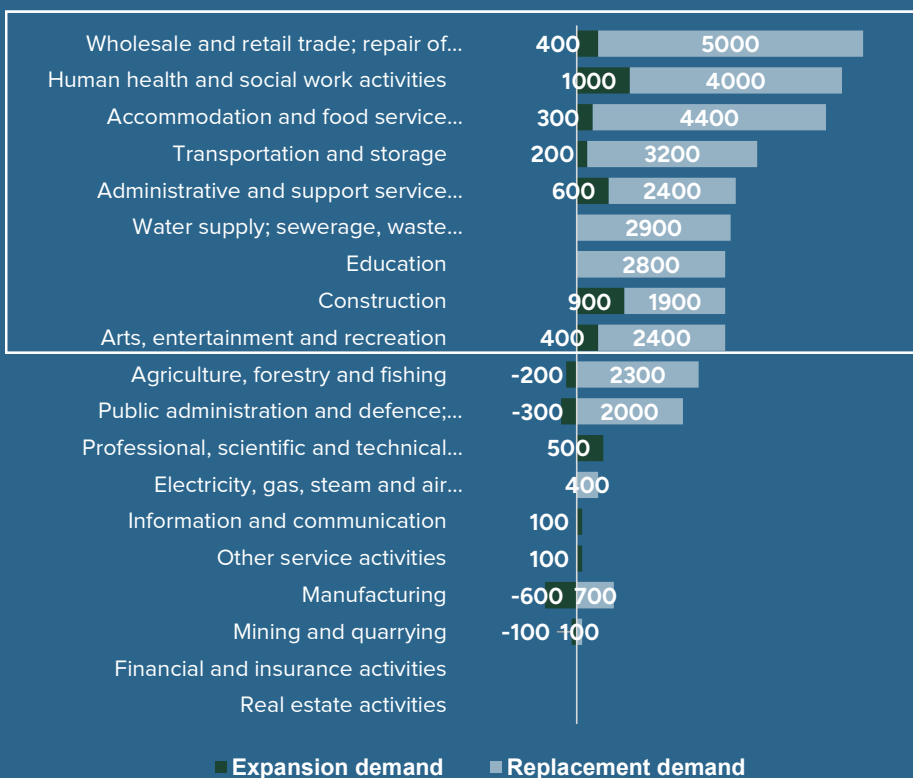


Offshore Wind investment requires, **1,870 Welders, 1,520 Operations and 572 Plant Machine Operators** by 2030 in Highlands and Islands

All Sectors

Excluding unconfirmed Investment Figures

Total Requirement 2028-35 by Industry

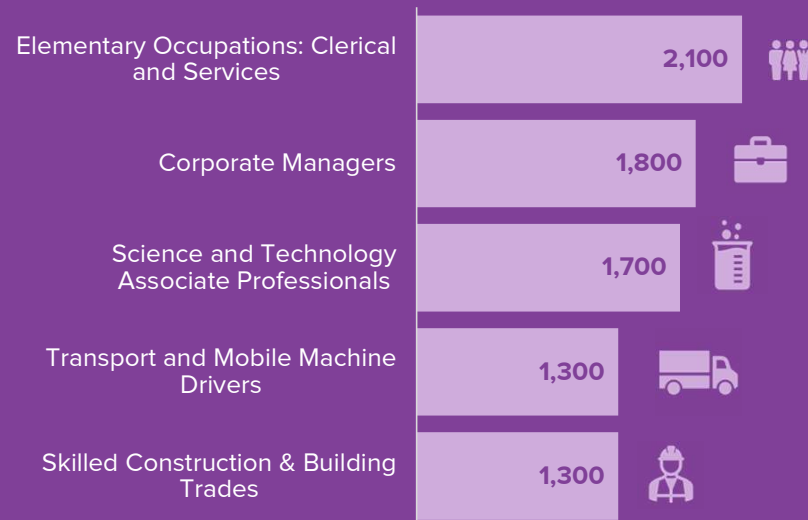


As well as investment sectors, underpinning sectors noted above will be critical for Highland LA



Occupations Underpinning Highland LA

Top Occupations (Total Requirement) 2028-35



Most of this requirement will be due to the need to replace workers in the occupations that underpin Highland's workforce



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Skills Requirements by Industry

Competition for skills due to demand across all industries contributing to net zero.

 Onshore/ Offshore Wind	 Construction / infrastructure	 Power & Transmission	 Pumped Hydro	 Solar	 CCUS	 Hydrogen	 Wave & Tidal
Welding roles Electricians Wind turbine technician Engineers Project managers Site managers Health, Safety & Environment Manager	Skilled & semi-skilled occupations Plumbing and HVAC Joiners HSE Managers Electrical trades & installation Project Managers	Project Managers Site Managers Production & control Engineers Land & consents Environmental advisors, Digital & IT Power system analysts	Civil engineering Tunnel engineering General labour Supervisory, management and administration Electricians Gas Technicians	Electricians Fitters Scaffolders Designers Electricians for maintenance	On/Offshore Construction Roles Drillers Engineers Project Management Procurement Transport & Storage	Civil Engineers Mechanical Engineers Chemical Engineers Electro-Chemical Engineers Welders Technicians Project Management	Subsea Engineers Engineering in: Supply Chain and Fabrication Design Electricians Installation and maintenance

Summary of Emerging Pressure Points

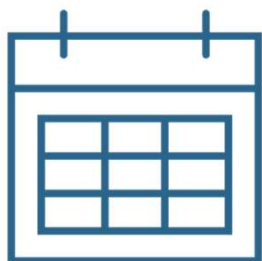
- There will be a **significant number of direct, additional operational jobs required by 2040** with largest areas of growth in Onshore Wind (HIE REP RTO research).
- Competition for skills/occupations due to demand across all industries contributing to net zero.



Job role (offshore wind)	Volume Required Across North to 2030
Welding/fabrication	1,870
Operations	1,520
Plant Machine Operators	572

Power Distribution Pinch points (EU Skills)	Volume required across Scotland to 2030
Process, Plant and Machine Operatives	2,200
Transport and Mobile Machine Drivers and Operatives	600
Elementary Trades and Related Occupations	200
Skilled Agricultural and Related Trades,	400
Skilled Metal, Electrical and Electronic Trades	8,600
Skilled Construction and Building Trades	2,200

Demand for skills is expected to **grow and evolve in the next five years:**



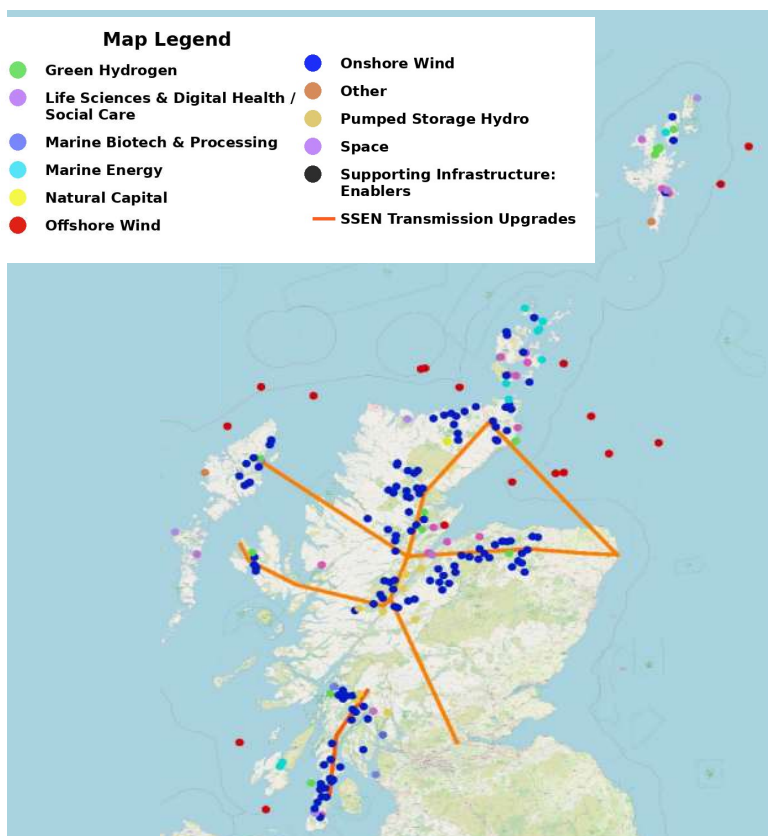
2025: Current demand is high in construction-related roles across multiple sectors. Transmission is a critical immediate focus.

2026: Demand expected to rise steadily, particularly in: Hydrogen, Solar Transmission Sectors

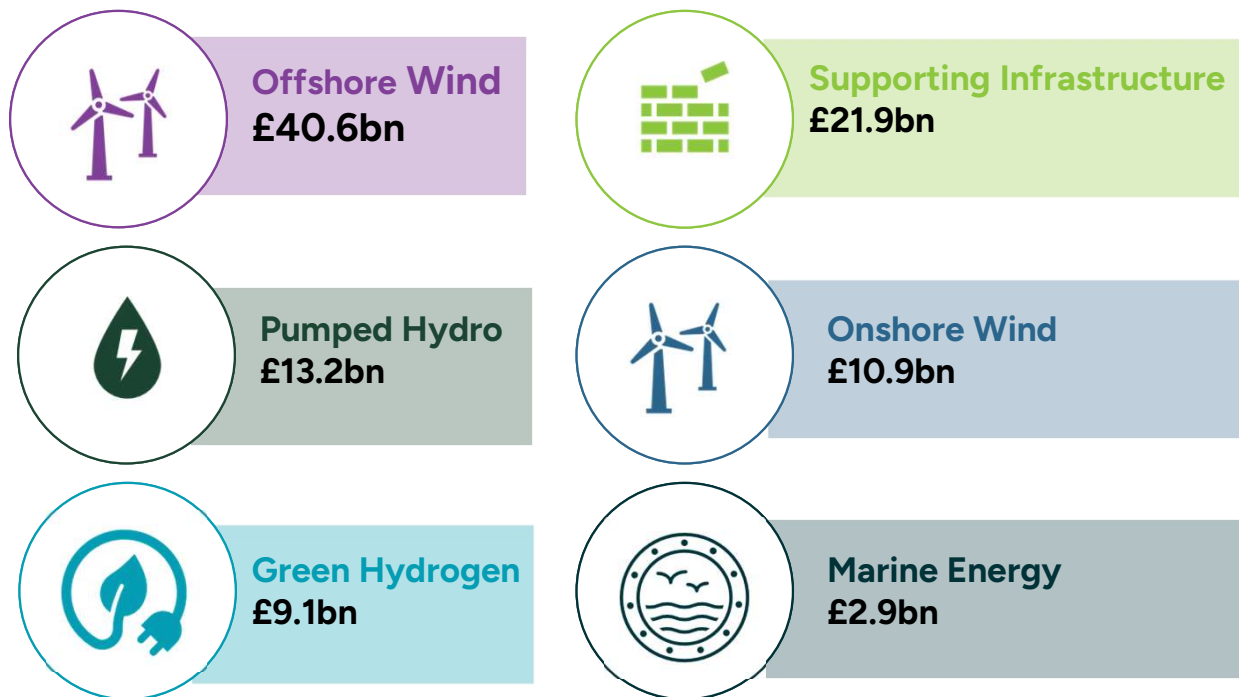
2030: Significant surge in demand is projected across all sectors, especially offshore wind, tidal energy, and hydrogen export.

Huge opportunity with estimated £100.4 billion investment in the area

This includes significant investments in regional transformation related projects between 2025 and 2040.



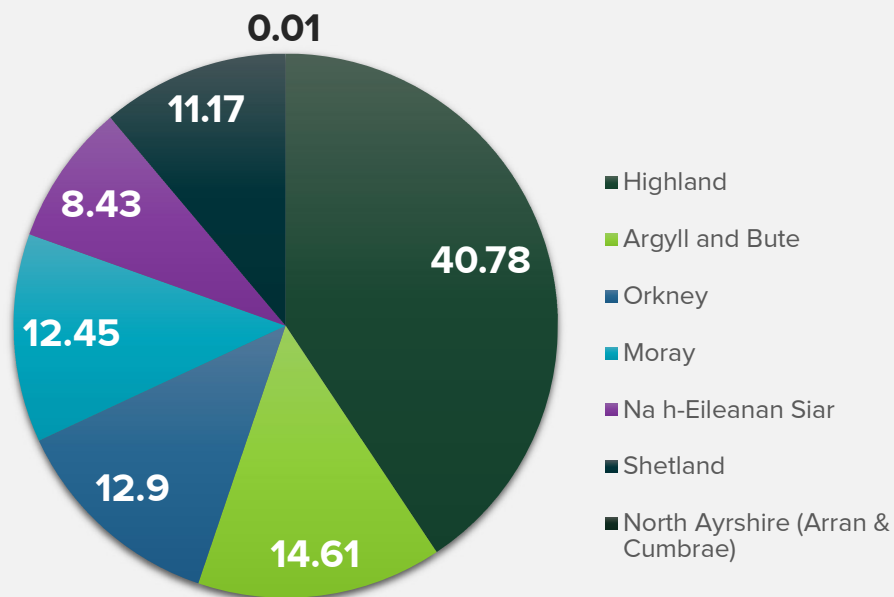
Potential Investment Value by Regional Transformational Opportunity (RTO) Area (estimated):



Investment by Highland LA 2025-2040 (status-adjusted*)

Highland is projected to receive the largest share of regional investment, with most impacts expected in the early years, particularly in offshore wind and pumped hydro projects.

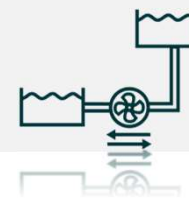
Status-adjusted investment (£bn) by LA:



The **largest area for investment is Highland (£29.54bn, 41% of total investment)**. This is followed by Argyll and Bute (£10.48bn, 15%) and Orkney (£9.45bn, 13%).

Available project information indicates that **most investment impacts are scheduled to occur during the first five years** of the time period.

Beyond 2030, the majority of anticipated project investment is accounted for by **offshore wind and pumped storage hydro projects**.



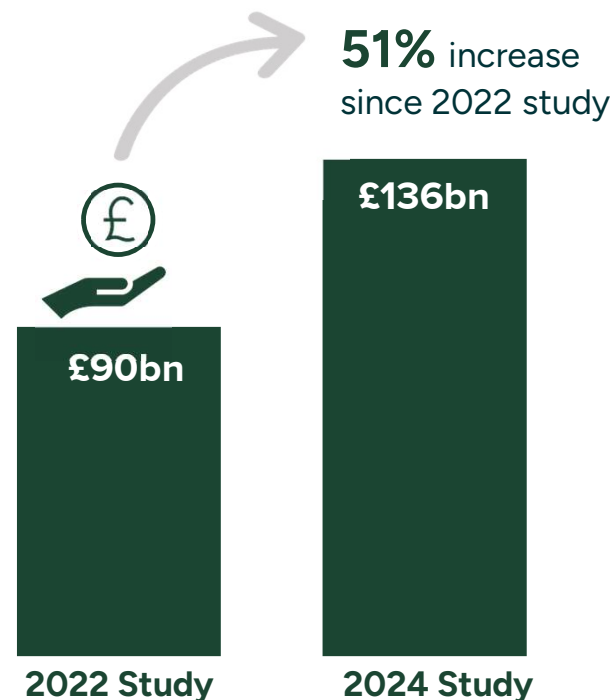
Green Investment in Scotland

From internal SDS research, there is further evidence that green investment in Scotland is accelerating, with a notable rise in planned and ongoing investment. The data below highlights a strong upward trend, reflecting growing momentum across the country.

Key findings from across Scotland:

£136bn

identified as being underway, or planned to commence, within the next 2-3 years in Scotland



Green Investment in Highland LA

Highland Local Authority has a notably high concentration of green investment putting Highland among the top local authorities in Scotland for green investment.

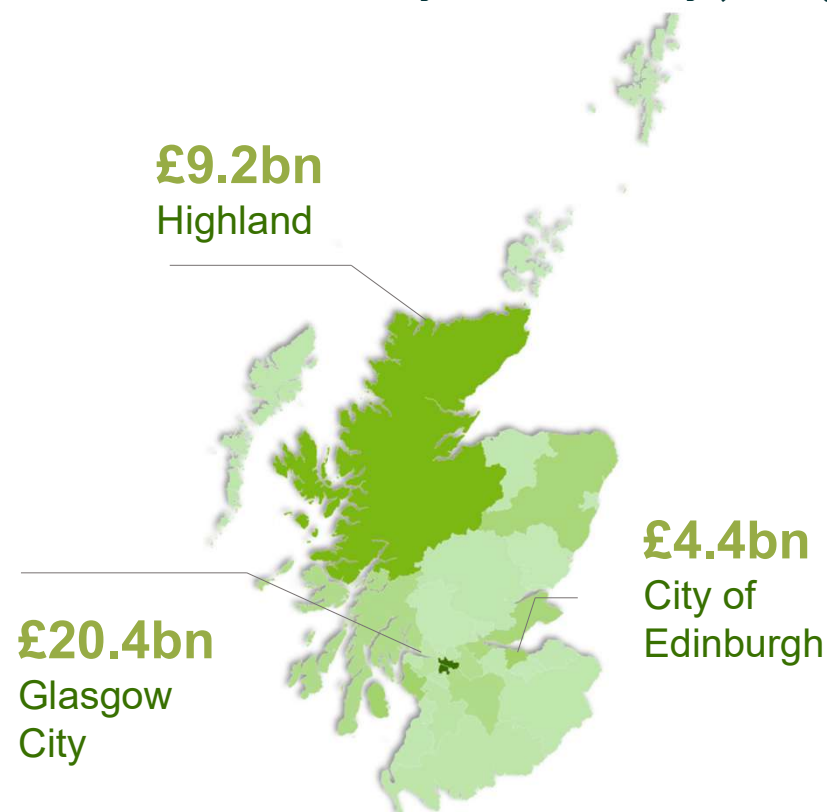
Scale of Investment (2024):

-  Glasgow City Local Authority
£20,366m (15%)
-  Highland Local Authority
£9,177m (6.8%)
-  Edinburgh City Local Authority
£4,368m (3.2%)

The Inverness and Cromarty Green Freeport and the Coire Glas pumped storage hydro project, combined account for just under 70% of the total green investment value in Highland.



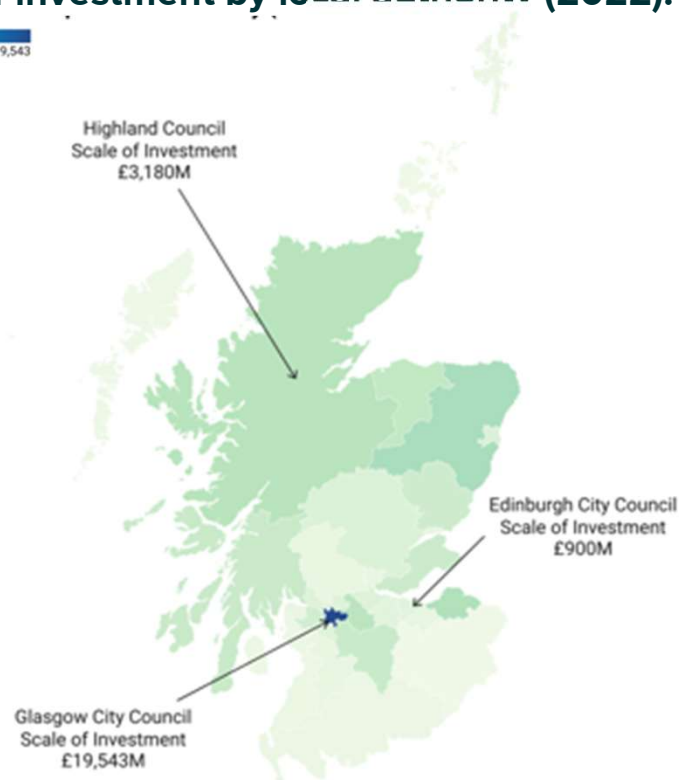
Scale of investment by local authority (2024):



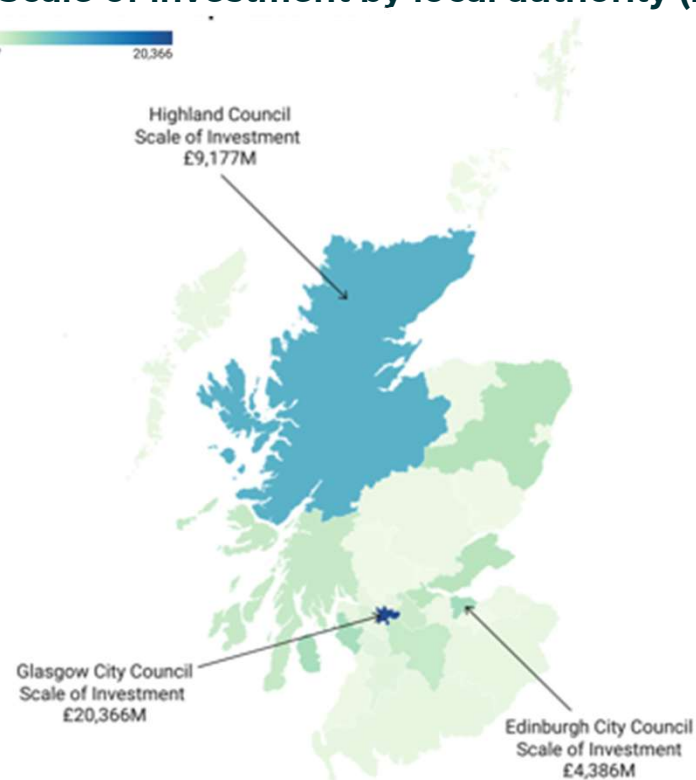
Green Investment in Highland LA 2022 and 2024

Comparing the scale of green investment in the local authority areas between 2024 and 2022, Green Freeports have made a significant contribution to the total green investment value.

Scale of investment by local authority (2022):



Scale of investment by local authority (2024):



Population in Highland LA

While Highland LA total population remains steady, a steeper decline in working-age population may affect the region's ability to meet future workforce demands.



In 2025, the population estimate in Highland for all ages in was 238,111 people.

Population change (all ages) between 2015-2025:

Highland LA: 1.7% **Scotland: 4.2%**

Population change (age 16-64) between 2015-2025:

Highland LA: -2.0% **Scotland: -0.03%**

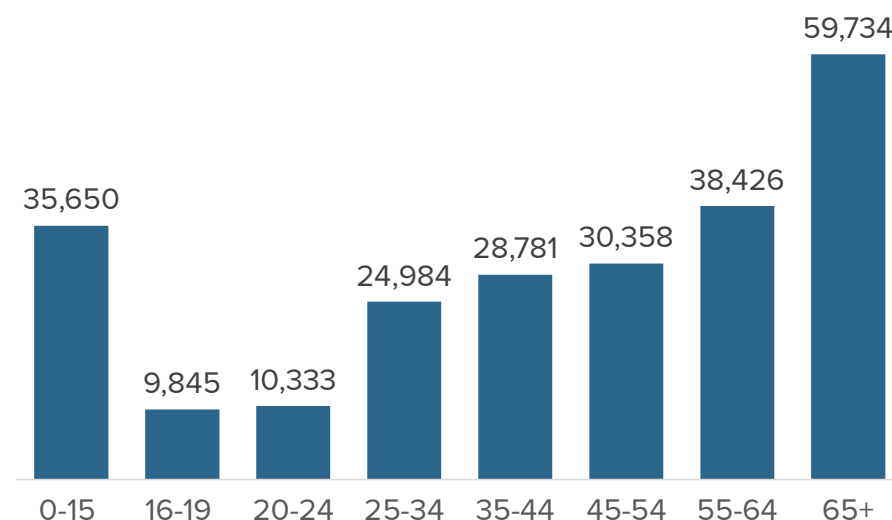
2043 population projection (all ages) for Highland LA:

242,472 people.

Population estimate (all ages) between 2022-2047:

Highland LA: 0.5% **Scotland: 0.5%**

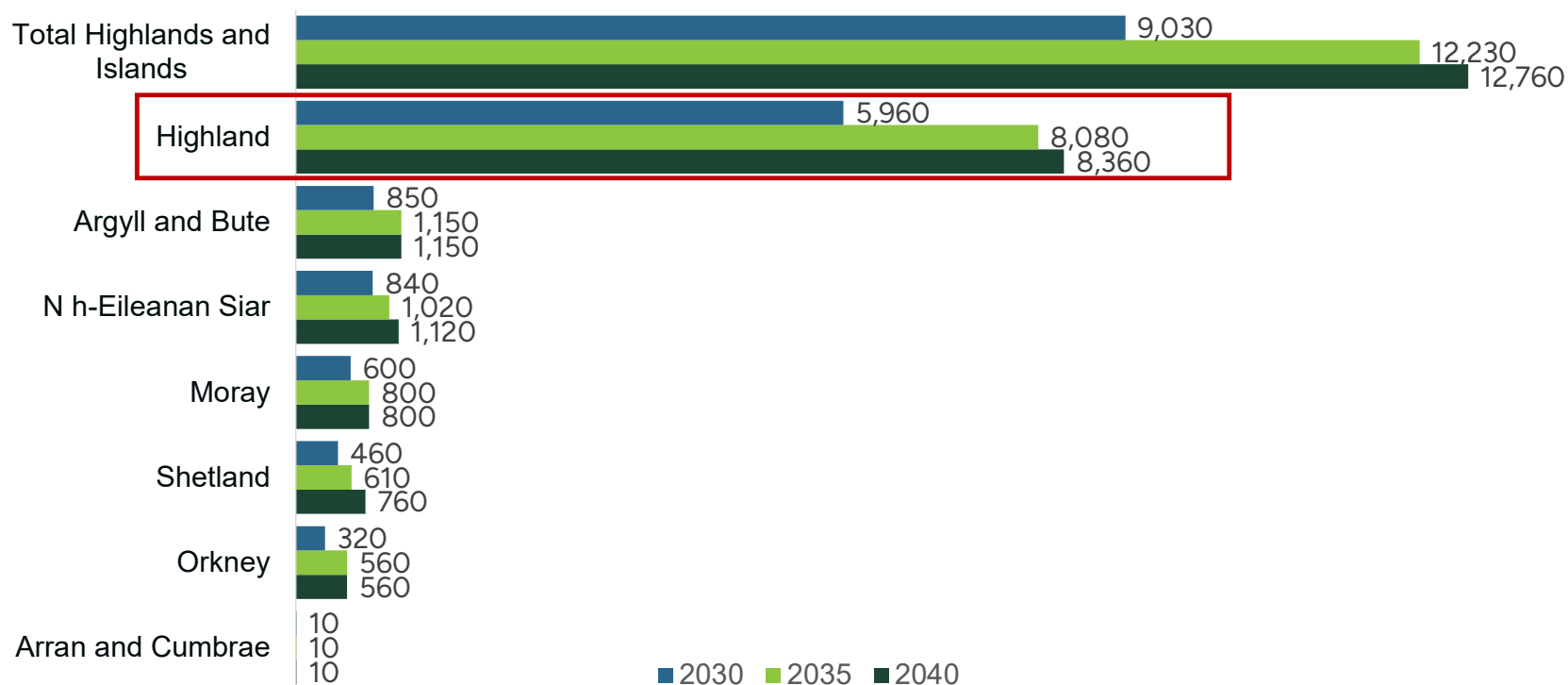
Population by Age Band Highland LA 2025



Future Workforce Demand 2025-2040

There will be a significant number of Direct, additional operational jobs required (by 2040) – with 65.5% in Highland LA.

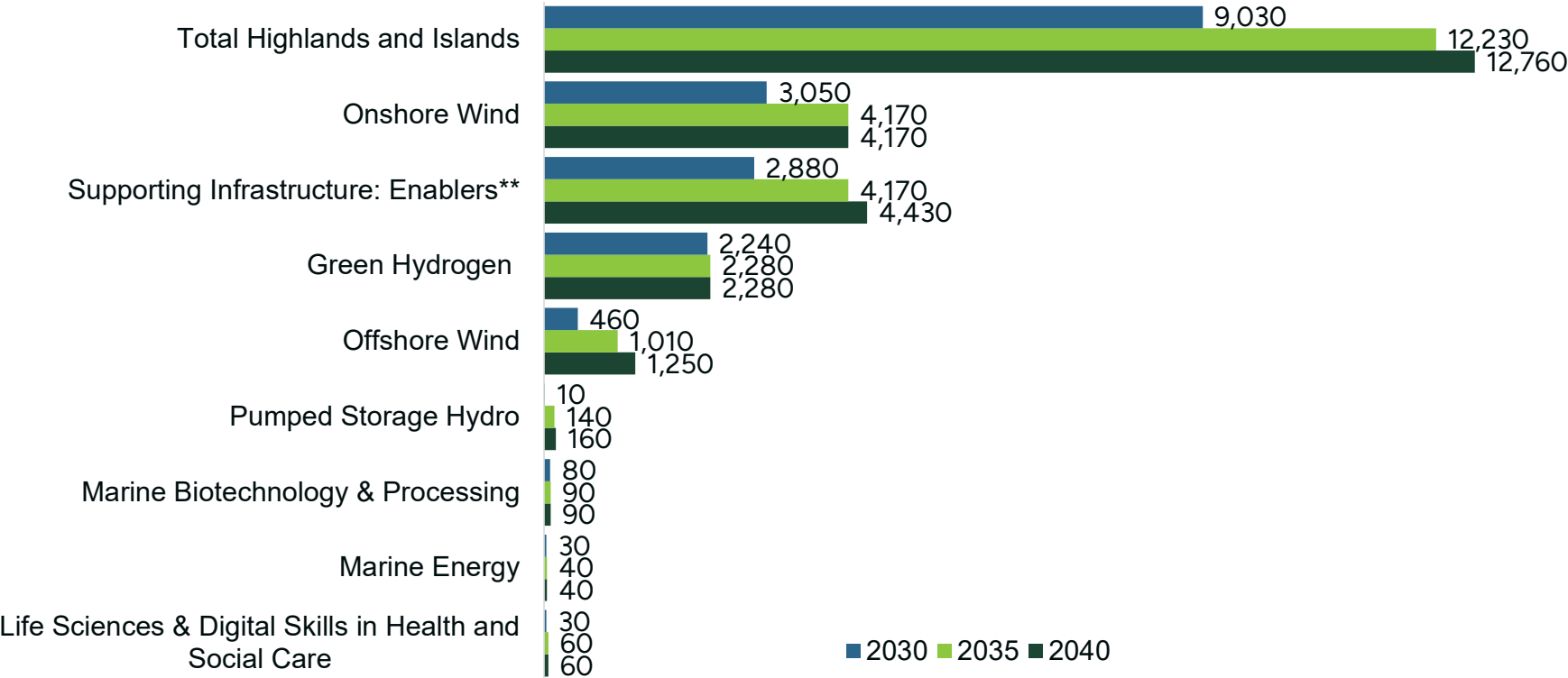
Estimated direct O&M/operational employment impacts by local authority*



Future Workforce Demand 2025-2040

There will be a significant number of Direct, additional operational jobs required (by 2040) with largest areas of growth in Onshore Wind.

Estimated direct O&M/operational employment impacts by RTO/sector*



Timeline for Skills Demand

Demand for skills is expected to grow and evolve in the next five years.



2025

Current demand is high in construction-related roles across multiple sectors in:

- Wind
- Hydro
- Hydrogen Infrastructure

Operational roles are beginning to emerge but are still limited in number.

2026

Demand expected to rise steadily, particularly in:

- Hydrogen
- Solar
- Transmission Sectors

Construction activity will continue to dominate, with new projects breaking ground and others moving into operational phases.

2030

Significant surge in demand is projected across all sectors, especially offshore wind, tidal energy, and hydrogen export.

Employment expected to more than double in many areas, with operational roles becoming more prominent as projects mature.

Region will see a peak in construction activity and growing need for long-term technical maintenance and operations staff.

Skills Gaps in Highland and Islands Region

Many employers report challenges with skills gaps and staff proficiency. Skilled Trades occupations and elementary occupations have the largest density of skills gaps.



Around 1 in 10 establishments in the Highlands and Islands report a **skills gap**, and about 1 in 20 have staff who are **not fully proficient**.

Density of skills gaps by occupation 2024



Evidence from EU Skills suggests a range of occupations there will be in **high demand in the Power sector** (North Region and across Scotland) due to new job creation and retirements, with **Skilled Metal, Electrical and Electronic Trades and Business and Public Service Associate Professionals amongst the highest demand**.

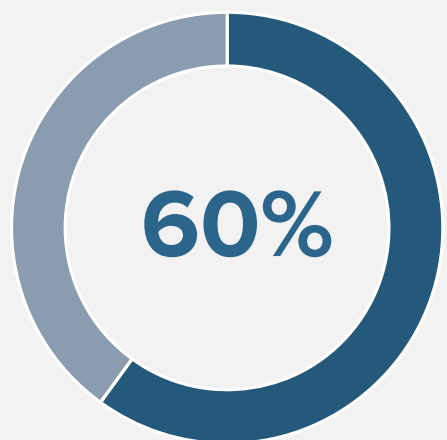


In the most recent HIE Business Panel survey businesses said they were more likely than average to say that access to labour and skills has affected progress towards their goals to at least some extent (66%).

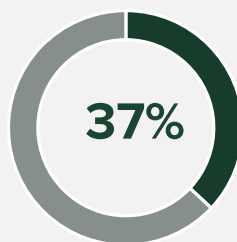
Skills Needs in Highlands and Islands Region

Employers in the Highlands and Islands expect new skill needs over the next year, driven mainly by regulatory changes, new technologies, and evolving products and practices. Upskilling remains a major priority.

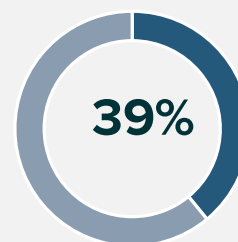
Reasons for expected need for new skills in the next 12 months:



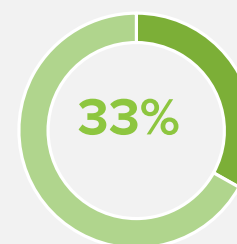
Need for upskilling



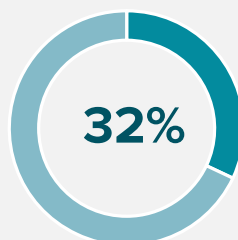
Introduction of new technologies/equipment



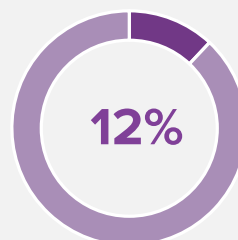
New legislative or regulatory requirements



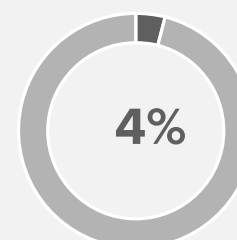
Introduction of new products and services



Introduction of new working practices



Increased competitive pressure

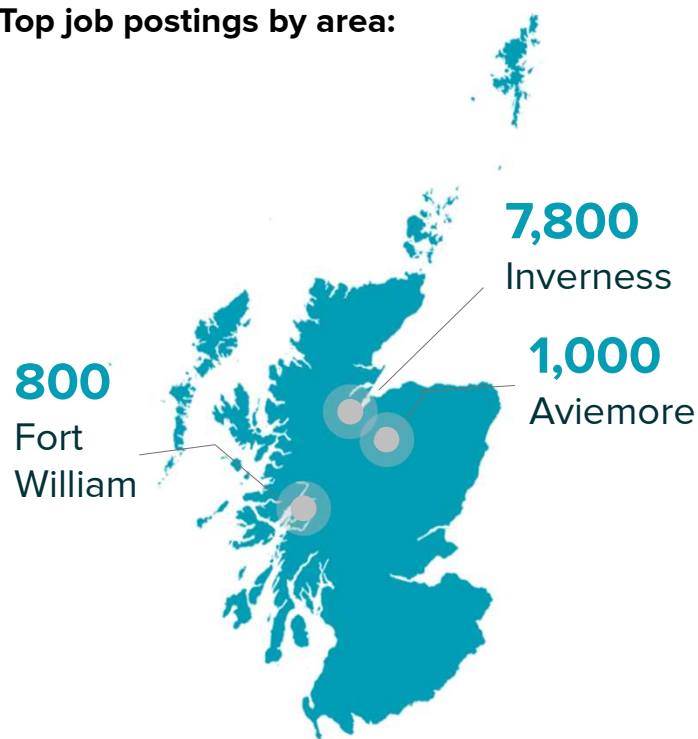


General Training/ CPD

Job Postings in Highland LA

Job posting insight January-June 2025 highlights the importance of occupations relevant to the foundation economy to Highland but renewable sector job postings have been increasing over the last 5 years.

Top job postings by area:



Between January and June 2025 there were **15,100 job postings** in Highland LA.

The top job postings were:

Job postings in the renewables sectors (including Onshore and **Offshore Wind, Hydrogen Grid and Transmission**) have significantly increased over the last 5 years.

Between June 2024 and July 2025 **Offshore Wind** had 171 job postings. The top posted occupations were Power Systems Engineer, Procurement/Sourcing Manager and Project Manager.

The most requested skills and knowledge were:



Communication



Detail Oriented



Management



Customer Service



Workforce Requirement in the Mid-Term cross all sectors (2025-2028)

Even without additional investment, job growth is expected, but most of the mid-term demand in Highland LA will come from replacing workers who leave existing roles. Top industries and occupations highlight the importance of the foundation economy as much as the opportunity sectors.



Total Requirement
Highland LA: **18,400**
Scotland: **398,300**



Replacement Demand
Highland LA: **15,200**
Scotland: **330,300**



Expansion Demand
Highland LA: **3,200**
Scotland: **68,000**

Top 3 Industries 2025-2028:



Wholesale and Retail Trade **2,600**



Accommodation and Food Service Activities **2,300**



Human health and Social Work **2,200**

Top 3 Occupations 2025-2028:



Elementary Occupations: Clerical and Services
Wholesale and Retail Trade **2,100**



Corporate Managers **1,800**



Science and Technology Associate
Professionals **1,700**

Total requirement by qualification for **Highland LA**:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No qualifications
1,400	8,100	2,800	4,100	800	1,200
8%	44%	15%	22%	4%	7%

Workforce Requirement across all sectors in the Long-Term (2028-2035)

The long-term forecast suggests a significant number of jobs in Highland LA will come from replacing workers who leave existing roles. Top industries and occupations highlight the importance of the foundation economy as much as the opportunity sectors.



Total Requirement

Highland LA: **37,800**

Scotland: **885,200**



Replacement Demand

Highland LA: **34,400**

Scotland: **772,800**



Expansion Demand

Highland LA: **3,400**

Scotland: **112,500**

Top 3 Industries 2028-2035:



Wholesale and Retail Trade **5,300**



Human Health and Social Work **5,000**



Accommodation and Food Services **4,700**

Top 3 Occupations 2028-2035:



Elementary Occupations: Clerical and Services **4,100**



Corporate Managers **4,100**



Science and Technology Associate Professionals **3,800**

Total requirement by qualification for **Highland LA**:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No qualifications
2,700	17,000	5,400	8,900	1,300	2,400
7%	45%	14%	24%	3%	6%