

**Economic Impact
of
RAF Kinloss and RAF Lossiemouth**

**Final Report
to
Highlands & Islands Enterprise**



August 2010

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EXECUTIVE SUMMARY

INTRODUCTION

Reference Economic Consultants were commissioned by Highlands & Islands Enterprise to undertake a study of the economic impacts within Moray of two military bases: RAF Kinloss and RAF Lossiemouth. The research was undertaken between April and August 2010. It updated the main elements of a 2005 study of the impacts of the two bases.

The study involved, first, a background review of the Moray economy. Second, data were collected from a range of organisations. Where required we also used, or extrapolated from, data contained in the previous (2005) report.

The main data collected during 2010 and the sources of these are shown at **Table E.1**.

TABLE E.1: MAIN DATA COLLECTED AND SOURCES	
Data	Source
RAF personnel-numbers and ranks	RAF
RAF personnel-age structure	RAF
RAF personnel-wages	RAF/MOD
Spend by the bases within Moray	RAF/MOD
Military exercises-frequency, numbers of personnel and length of stay	RAF
RAF mess/single quarters-numbers and occupancy levels	RAF
MOD civilian employment-numbers and types/grades	RAF/MOD
MOD civilian staff-wages	RAF/MOD
Civilian contractors-employment levels, wages and spend within Moray	Contractors
Defence Estates (DE) staff-numbers	DE
DE staff-wages	DE
DE spend on maintenance and projects	DE
DE off-base housing stock and occupancy levels	DE
RAF children at state schools-numbers, location, % of rolls	Moray Council
RAF spouses working in state schools-numbers, teaching/support, location	Moray Council
RAF spouses employment in health services	Moray Community Health & Social Care Partnership
Spouses of bases' civilian staff employment in health services	Moray Community Health & Social Care Partnership
Numbers of RAF and MOD civilian personnel, spouses and dependents studying or working at Moray College	Moray College
Number of RAF personnel receiving assistance from RAF to study locally	RAF

THE MORAY ECONOMY

The economic review showed a number of positive features of the Moray economy. In terms of population these include:

- Growth in recent years.
- A slightly younger age profile than that of the Highlands & Islands.
- Projected growth in both the medium and longer term.

Moray also has relatively high rates of economic activity and self-employment. These are accompanied by relatively low rates of unemployment.

The findings are, however, less positive in a number of respects. With regard to population, the review indicated:

- A lower proportion of the 16-29 age group than in Scotland as a whole.
- Decline in the number of those aged 0-15 years, and to a greater extent than in the benchmark areas.
- Forecast growth rates below those for the Highlands & Islands and Scotland, and relatively large declines projected for the number of residents aged 0-64.

The main economic issue appears to be relatively low wages among civilian employees (i.e. all those working in Moray apart from RAF personnel). This appears to reflect a limited amount of higher value added activities. This is evident in a relatively:

- Low proportion of the workforce holding a degree.
- High proportion of employees in part-time work.

CONTRIBUTION OF RAF KINLOSS

RAF Kinloss supports 2,341 Full-Time Equivalent (FTE) jobs within Moray. These include military personnel and civilian employees who work at the base, and those who are employed in the wider economy. This employment generates a total of £68.0 million gross income to Moray households.

These jobs represent 6.6% of total FTE employment in Moray. In addition, the average wage level is above those in other parts of the Moray economy.

Some 1,065 FTE jobs are in the civilian economy, with an associated gross income of £21.7 million. These civilian jobs represent 3% of Moray's total FTE employment.

Other significant impacts of the Kinloss base include, first, contribution to local population levels. Some 2,729 residents live in RAF households associated with the base. They represent slightly over 3% of the area's total population.

The adults in these households account for 3.4% of Moray's working age population. Their children (of up to 16 years of age) represent around 5% of those aged 16 or under in Moray.

Second, contribution to school rolls. An estimated 410 pupils who are RAF dependents attend a state school within the Forres Academy catchment. They represent 20% of the total number of pupils attending state schools within that area.

Third, contribution to housing. RAF Kinloss has a related off-base MOD housing stock of 243 units. A further 570 RAF households are in either private rented or owner-occupied accommodation.

CONTRIBUTION OF RAF LOSSIEMOUTH

The impacts of RAF Lossiemouth are generally of a greater scale than those of RAF Kinloss. This reflects its currently higher number of military personnel.

The Lossiemouth base supports 3,370 FTE jobs within Moray. This employment generates a total of £90.3 million gross income to Moray households. These jobs represent 9.5% of total FTE employment in Moray. In addition, the average wage level is above those in other parts of the Moray economy.

Some 1,450 FTE jobs are in the civilian economy, with an associated gross income of £29.4 million. The civilian jobs generated by the base represent over 4% of total FTE employment in Moray.

Other significant impacts of the Lossiemouth base include, first, some 3,813 residents living in RAF households in Moray. They represent over 4% of the area's total population. The adults in these households account for 4.8% of Moray's working age population. Children in the RAF households account for around 7% of those aged sixteen or under.

Second, an estimated 827 pupils who are RAF dependents attend state schools outwith the Forres Academy catchment. They represent 8% of the total number of pupils attending these schools.

Third, an off-base MOD housing stock of 661 units, with a further 500 RAF households in either private rented or owner-occupied accommodation.

COMBINED CONTRIBUTION OF THE TWO RAF BASES

The bases collectively support 5,711 FTE jobs in the local economy. This equates to around 16% of all FTE jobs within Moray. The associated gross income is slightly over £158 million. These are clearly very significant impacts.

Direct on-site employment, which has been measured via survey and is thus clearly identifiable, totals 4,037 FTE jobs. This is over 70% of the *total* estimated employment impact and constitutes 11% of total FTE employment in Moray.

Within the civilian economy, the bases' combined impacts are:

- Employment: 2,515 FTE jobs.
- Gross income: £51 million.

Civilian employment generated by the two bases is estimated to represent around 8% of all *civilian* FTE employment in Moray.

RAF households within Moray have an estimated total population of 6,542 people. These comprise:

- 3,166 RAF personnel.
- 1,457 spouses.
- 1,919 children.

The households contain 7% of the total population of Moray and 8% of its working age population.

In addition a significant number of RAF spouses work in key posts within local employers-notably in the health service.

Community impacts were covered in the previous (2005) research. However, it was not possible to update the analysis in the current study.

The 2005 study found that the two bases contribute significantly to activities in the wider community. This is through:

- Volunteering and community work. The range of activities undertaken includes household work for individuals (e.g. gardening and decorating) and participating in sports clubs and committees (e.g. school boards).
- Fundraising and charitable donations organised through the bases. This is for both local and non-local charities.
- Use of personnel and equipment to support local events-e.g. pipe band displays at local shows.

1 **INTRODUCTION**

This is the final report of an assessment of the economic impact of RAF Kinloss and RAF Lossiemouth within the Moray economy. It was undertaken on behalf of Highlands & Islands Enterprise (HIE) between April and August 2010.

This research updates the main elements of a previous HIE study of the impacts of the two bases: “Assessing the Impact of Rationalisation at RAF Kinloss and Lossiemouth” (Reference Economic Consultants, March 2005).

1.1 **METHOD**

The report includes a background review of the Moray economy. As agreed with HIE this updates the economic review contained in the 2005 impact assessment. It draws largely on data contained in an HIE-commissioned report: “Moray Economic Baseline Study” (February 2010).

The impact assessment collected data from a range of organisations. Where required we also used, or extrapolated from, data contained in the 2005 *Reference* report referred to earlier.

The main data collected during 2010 and the sources of these are shown at **Table 1.1**, over. We would like to acknowledge the assistance we have received from the organisations shown.

1.2 **REPORT STRUCTURE**

- Chapter 2** Places the study findings in context through a review of the Moray economy.
- Chapter 3** Presents information on the economic contribution of RAF Kinloss.
- Chapter 4** Presents information on the economic contribution of RAF Lossiemouth.
- Chapter 5** Sets out the combined contribution of the two bases.

TABLE 1.1: MAIN DATA COLLECTED AND SOURCES	
Data	Source
RAF personnel-numbers and ranks	RAF
RAF personnel-age structure	RAF
RAF personnel-wages	RAF/MOD
Spend by the bases within Moray	RAF/MOD
Military exercises-frequency, numbers of personnel and length of stay	RAF
RAF mess/single quarters-numbers and occupancy levels	RAF
MOD civilian employment-numbers and types/grades	RAF/MOD
MOD civilian staff-wages	RAF/MOD
Civilian contractors-employment levels, wages and spend within Moray	Contractors
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RAF spouses working in state schools-numbers, teaching/support, location	Moray Council
RAF spouses employment in health services	Moray Community Health & Social Care Partnership
Spouses of bases' civilian staff employment in health services	Moray Community Health & Social Care Partnership
Numbers of RAF and MOD civilian personnel, spouses and dependents studying or working at Moray College	Moray College
Number of RAF personnel receiving assistance from RAF to study locally	RAF

2 **THE MORAY ECONOMY**

2.1 **INTRODUCTION**

This Chapter reviews the demographic and economic structure of Moray. The analysis is used later in the report to place the economic impact findings in context. As far as available data allow, comparisons are drawn between Moray, the Highlands & Islands and Scotland.

As stated at **Chapter 1**, this Chapter updates the economic review contained in the 2005 study. It draws largely on data contained in an HIE-commissioned report: “Moray Economic Baseline Study” (February 2010). Some additional data have been sourced to complete the analysis. Unless otherwise stated the data are taken from the HIE report. Please also note that in some Tables column data do not sum to the total shown due to rounding.

The Chapter covers a number of aspects of each of the following:

- Population.
- Economic activity.
- Employment structure and levels.
- Unemployment.
- Wage levels.
- Labour market qualifications.

2.2 **POPULATION**

2.2.1 Total Population Levels

Table 2.1 shows total population figures for Moray and compares these to the Highlands & Islands and Scotland. Please note that the data include military and civilian personnel at the two Moray RAF bases.

TABLE 2.1: POPULATION LEVELS: 2001-2008			
Area	2001	2008	Change 2001-2008
Moray	86,940	87,770	1.0%
Highlands & Islands	433,448	446,207	2.9%
Scotland	5,062,011	5,168,500	2.1%

It shows that the population of Moray in 2008 was 87,770 residents. The population grew between 2001 and 2008, by around 1%. This level of increase was lower than those in the Highlands & Islands and Scotland.

2.2.2 Age Structure**2008**

Table 2.2 describes the population structures of the three areas.

TABLE 2.2: POPULATION STRUCTURE: 2008				
Age Band	Moray		Highlands & Islands	Scotland
	Number	Share	Share	Share
0-15	15,654	17.8%	17.6%	17.7%
16-29	13,594	15.5%	14.5%	18.4%
30-49	24,796	28.3%	27.3%	28.2%
50-64	17,795	20.3%	21.7%	19.1%
65-74	8,835	10.1%	10.5%	9.0%
75+	7,096	8.1%	8.5%	7.6%
Total	87,770	100%	100%	100%

The population structure of Moray is similar to those of the Highlands & Islands and Scotland. The main difference compared to the *Highlands & Islands* is that Moray has slightly higher proportions in the age bands spanning 0-49 with a correspondingly lower proportion of those aged 50-64. Moray also has a slightly lower proportion of those aged 65 and above.

The main difference between Moray and Scotland is a lower proportion of 16-29 year olds: the difference is almost three percentage points in Scotland's favour. The other noticeable variation is that Moray has a higher proportion of residents aged 65 and over.

Changing Composition 2001-2008

Table 2.3 describes the composition of the population change in Moray between 2001 and 2008.

TABLE 2.3: CHANGING COMPOSITION OF MORAY POPULATION: 2001-2008				
Age Band	2001	2008	Change	% Change
0-15	17,475	15,654	-1,821	-10%
16-29	13,650	13,594	-56	0%
30-49	26,081	24,796	-1,285	-5%
50-64	15,562	17,795	2,233	14%
65-74	7,912	8,835	923	12%
75+	6,260	7,096	836	13%
Total	86,940	87,770	830	1%

This shows that, while the overall population of Moray grew, this masks varying trends in different age groups. In particular there were decreases in the number of people aged up to 49 years. This was mostly in the 0-15 age bracket, while the numbers of 16-29 year olds remained essentially unchanged.

In contrast there was growth in the number of older residents. This was across all three age bands, with the largest increases among those aged 50-64 years.

Overall, the slight population growth between 2001 and 2008 was due to an increase in older residents, offsetting a decline in the number of people less than 50 years of age.

Table 2.4 compares the change in composition of the Moray population between 2001 and 2008 to the trends for the Highlands & Islands and Scotland.

TABLE 2.4: CHANGING COMPOSITION OF POPULATION: 2001-2008: MORAY, HIGHLANDS & ISLANDS AND SCOTLAND			
Age Band	Moray	Highlands & Islands	Scotland
0-15	-10%	-8%	-6%
16-29	0%	4%	8%
30-49	-5%	-3%	-3%
50-64	14%	13%	10%
65-74	12%	14%	4%
75+	13%	12%	9%
Total	1%	3%	2%

In comparative terms, Moray's trends among those aged 49 and under are not positive. The extent of decrease in the proportions of those aged 0-15 and 30-49 are greater than those elsewhere. Further, the Highlands & Islands and Scotland both saw an increase in the proportion of 16-29 year olds while that in Moray was essentially unchanged.

All three areas saw an increase in the proportion of those aged 50 years and over. The increase in Moray was at a very similar level to that for the Highlands & Islands. However, it was markedly above the growth for Scotland as a whole.

2.2.3 Population Projections

All Residents

Table 2.5 presents population projections for Moray for the period 2008-2033 and compares the projected trend to those for the Highlands & Islands and Scotland. It should be noted that the projections do not allow for changes in personnel associated with Moray's two RAF bases.

TABLE 2.5: POPULATION PROJECTIONS: 2008-2033				
Year	Moray		Highlands & Islands	Scotland
	Number	Change on 2008	Change on 2008	Change on 2008
2008	87,770	-	-	-
2013	88,971	1.4%	2.0%	2.0%
2018	89,580	2.1%	3.8%	3.7%
2023	90,245	2.8%	5.5%	5.3%
2028	90,610	3.2%	6.9%	6.5%
2033	90,324	2.9%	7.7%	7.3%

Source: GRO (S). Note: "Highlands & Islands" data are based on the local authority areas of: Argyll & Bute, Eilean Siar, Highland, Moray, Orkney and Shetland

The population of Moray is forecast to increase in the period to 2033. The total projected increase is around 2,500 people, representing growth of around 3% compared to 2008 levels. The trend is one of growth between 2008 and 2027, followed by a slight decline to 2033. The rate of growth is strongest in the medium term; that is, between 2008 and 2013.

Table 2.5 also shows that the projected growth rate for Moray is less than that for both the Highlands & Islands and Scotland. In addition, and unlike Moray, both these geographies are forecast to see continuous growth between 2008 and 2033.

Projections By Age Band

Table 2.6 breaks down the projected population change between broad age band.

TABLE 2.6: PROJECTED POPULATION CHANGE ON 2008: BY AGE BAND					
Age Band	2013	2018	2023	2028	2033
Moray					
0-15	-7%	-8%	-6%	-6%	-6%
16-64	0%	-2%	-5%	-9%	-13%
65+	14%	27%	41%	56%	69%
Highlands & Islands					
0-15	-4%	-4%	-2%	-2%	-3%
16-64	0%	-2%	-4%	-6%	-9%
65+	15%	30%	44%	60%	74%
Scotland					
0-15	-1%	1%	2%	0%	-2%
16-64	1%	0%	-1%	-3%	-5%
65+	11%	22%	35%	50%	64%

Source: GRO (S). Note: "Highlands & Islands" data are based on the local authority areas of: Argyll & Bute, Eilean Siar, Highland, Moray, Orkney and Shetland

The overall direction is the same for each of the three areas. Decline in the number of those aged 0-15 and, in particular, those aged 16-64 (broadly equivalent to those of working age); with a significant increase in the numbers aged 65 and above.

The difference between Moray and the other two geographies is the magnitude of the changes. The extent of decline in 0-15 and 16-64 year olds is greater in Moray than in the Highlands & Islands and Scotland. In contrast, the proportionate increase in those aged 65+ is forecast to be lower in Moray than in the Highlands & Islands, albeit still above that for Scotland as a whole.

2.3 ECONOMIC ACTIVITY

2.3.1 Economic Activity

Economic activity rates are a good measure of the economic health of an area, through demonstrating the extent of labour market participation. Data for the period April 2008-March 2009 show that the rate of economy activity was higher in Moray than in the Highlands & Islands and Scotland. In Moray the rate was 86%. This compares to 84% at the regional level and 80% at the national level.

2.3.2 Self-Employment

Self-employment rates can, to some extent, be taken as a measure of entrepreneurialism-although in some areas high rates can represent a lack of alternative employment opportunities. The self-employed rate is defined as the number of self-employed as a proportion of the total economically active.

Data for the period April 2008-March 2009 show the self-employment rate in Moray as 10.3%. This is similar to the rate for the Highlands & Islands (10.5%) but above that for Scotland as a whole (7.6%).

2.3.3 Business Start-Ups

Data for 2008 show that the rate of business start-ups per 1,000 of the population was lower in Moray than at the regional and national levels. In Moray the rate was 3.5. This compares to 4.0 for the Highlands & Islands and 3.9 for Scotland.

2.4 **EMPLOYMENT STRUCTURE AND LEVELS**

2.4.1 Employment Structure: Excluding Military Personnel

Moray

Table 2.7 presents data from the ABI (Annual Business Inquiry) on the sectoral composition of employees in employment in the Moray economy. Please note these data exclude:

- Military personnel, although MOD employed civilians working at the bases are included.
- The self-employed. The main effect of this will be to understate the level of primary sector employment.

TABLE 2.7: COMPOSITION OF MORAY EMPLOYEES IN EMPLOYMENT: 2008		
Sector	Jobs	FTE
Agriculture & fishing and Energy & Water	2%	3%
Manufacturing	17%	18%
Construction	7%	8%
Distribution, hotels and restaurants	25%	23%
Transport and communications	4%	4%
Banking, finance and insurance, etc.	8%	9%
Public administration, education & health	33%	30%
Other services	5%	5%
Total	100%	100%

Source: ABI 2008. Note: FTE estimates assume that 1 part-time job = 0.5 FTEs (Full Time Equivalent jobs)

In terms of jobs, the main sector is Public administration, education & health. It accounts for around one in three jobs. The other main sectors are Distribution, hotels and restaurants (one in four jobs) and Manufacturing (around one in six jobs).

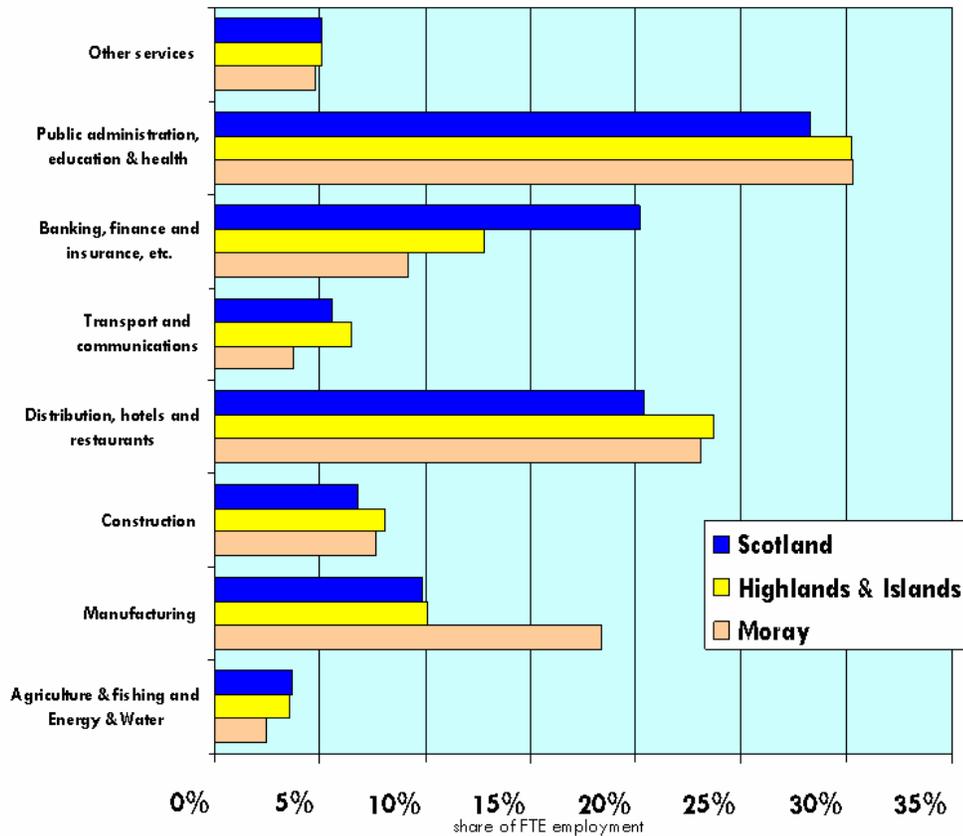
There is a high concentration of employment in these three sectors. Collectively they account for three quarters of employees in employment in Moray.

In terms of Full Time Equivalent (FTE) employment, the position is not significantly different from that for jobs. The data show that compared to the average for Moray, jobs in Public administration, education & health and Distribution, hotels and restaurants are more likely to be part-time, while those in Manufacturing are more likely to be full-time. In total, over one in three (37%) of Moray’s employees in employment work part-time.

Moray Compared to the Highlands & Islands and Scotland

Figure 2.1 compares the composition of employment in Moray, based on FTEs, with those of the regional and national economies.

Figure 2.1: FTE Employment: Moray, HIE and Scotland



Source: ABI 2008

Compared to the Highlands & Islands, Moray has a:

- Greater share of employment within Manufacturing-18% compared to 10% for the region as a whole.
- Lower share of employment in Banking, finance and insurance, etc. Moray’s share is 9% compared to 13% within the Highlands & Islands.

Compared to Scotland, the main differences are that Moray has 8 percentage points *greater* share of employment attributable to Manufacturing, while it has 11 percentage points *less* within Banking, finance and insurance, etc. In addition, employment in Distribution, hotels and restaurants and in Public administration, education & health are slightly more important to Moray than to Scotland in general.

As noted earlier, 37% of Moray's employees in employment work part-time. This is a higher share than in the Highlands & Islands (35%) and Scotland (32%). In part this reflects Moray's concentration of employment in sectors, such as Public administration, education & health, which have a relatively high ratio of part-time: full-time jobs.

However, it is also because in the three most important sectors for employment in Moray, the share of part-time jobs is greater than at the regional and national levels. In Manufacturing, for example, 18% of Moray's jobs are part-time, compared with 13% for the Highlands & Islands and 8% for Scotland.

2.4.2 Estimate of Total Employment in the Moray Economy

Table 2.8 presents an estimate of total (FTE) employment in Moray.

TABLE 2.8: ESTIMATE OF TOTAL FTE EMPLOYMENT IN MORAY	
Category	FTE
Employees in Employment-excluding RAF	27,691
Total RAF personnel employment	3,195
<i>Total Employees In Employment</i>	30,886
Self-Employed	4,445
Estimated Total	35,311

Source: Consultants' own calculations

It should be noted that the figure of:

- 27,691 FTE is taken from the 2008 ABI, as analysed at **Table 2.7**.
- 3,195 FTE is taken from the analysis shown at **Chapters 3** and **4**.
- 4,445 FTE for the self-employed is based on data from the "Moray Economy Baseline Study".

A key point from **Table 2.8** is that the RAF posts are estimated to account for 9% of total FTE employment in Moray.

2.5 UNEMPLOYMENT

2.5.1 Unemployment Rates

Total Unemployment

At June 2010 1,391 people in Moray were unemployed-that is, claimants of Jobseeker's Allowance. Moray's unemployment rate was 2.6%. This is lower than the rates for both the Highlands & Islands (2.7%) and Scotland (4.1%).

Moray TTWAs

Moray is divided into three Travel to Work Areas (TTWAs). At October 2009 (the latest month for which we have data available), Keith and Buckie TTWA had the highest unemployment rate. However, at 2.4% this was quite similar to that for Elgin and Forres (2.2%). The rate in the Dufftown TTWA was, at 1.2%, lower than in the other two Areas and much lower than the regional and national rates.

Duration

Based on data for June 2010, duration of unemployment is lower for those out of work in Moray compared to residents of the Highlands & Islands and Scotland as a whole. The proportion of Moray unemployed who had been out of work for more than six months was 29%. This compares to 32% at the regional level and 37% at the national level.

2.5.2 Trends in Unemployment Rates

Moray

Figure 2.2, over, shows the trend in unemployment rates in Moray over the eight years to October 2009. It also compares this to trends in the Highlands & Islands and Scotland.

There are three main points to note. First, the rate in Moray has not varied significantly throughout the period as a whole, although the increase between October 2008 and the first quarter of 2009 is notable. Since October 2009 the rate has varied between 2.5% (November 2009) and 3.2% (February 2010).

Second, Moray's unemployment exhibits a degree of seasonality. The rates peak in the first quarter of each year and have a trough around September. The degree of seasonality is similar to that for the Highlands & Islands. The data for the period from October 2009 onwards have continued to reflect these characteristics.

Third, the unemployment rate in Moray was below that for Scotland throughout the period. It was below that for the Highlands & Islands until 2006. Thereafter the rates have been very similar in the two areas. The data for the period since October 2009 continue to reflect these characteristics.

Moray TTWAs

Figure 2.3, over, shows the trend in unemployment rates within Moray over the eight years to October 2009. Throughout the period the highest rates have been in the Keith and Buckie TTWA. However, the gap between it and Elgin and Forres has narrowed in recent years. Dufftown has generally had the lowest unemployment rate of the three TTWAs.

Figure 2.2 : Unemployment Rates: October 2001-October 2009

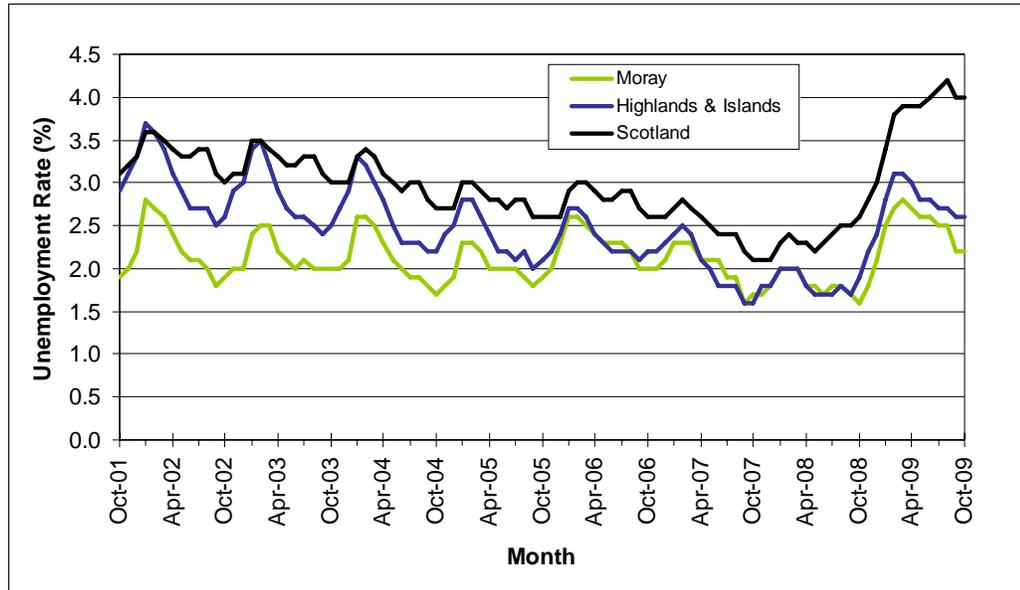
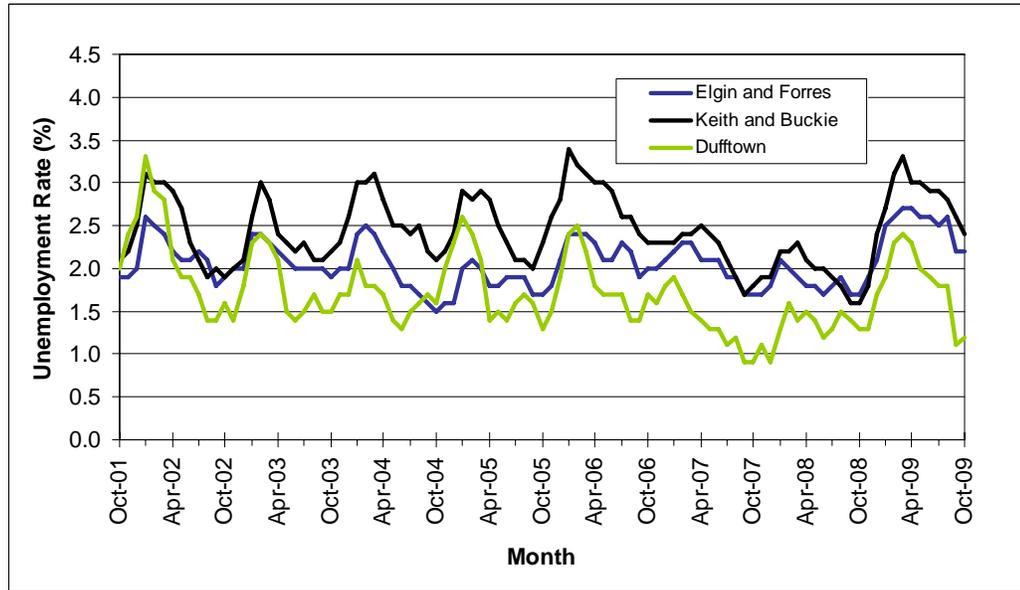


Figure 2.3 : Unemployment Rates in Moray TTWAs: October 2001-October 2009



2.6 WAGE LEVELS

Data from the 2009 Annual Survey of Hours & Earnings (ASHE) show gross average (mean) annual pay for **all employee jobs** as:

- Moray: £20,135.
- Scotland £24,546.

The data do not include military jobs, although civilians working at military bases are included.

The level in Moray is 18% less than that for Scotland.

The gross average (mean) annual pay for **all full-time jobs** is:

- Moray: £25,096.
- Scotland £29,370.

On this measure wage levels in Moray are 15% below the Scottish average.

It should be appreciated that the ASHE data for Moray are based on a small sample. Therefore, some caution should be attached to the figures shown, although we understand that it is generally accepted that wages in Moray are below the average for Scotland as a whole.

2.7 LABOUR MARKET QUALIFICATIONS

Moray has a relatively low proportion of its workforce that holds a degree. Data from the 2007-2008 Labour Force Survey show the proportion in Moray as 13.5%. This compares to 20.1% for Scotland. Apart from the Outer Hebrides, Moray's figure is the lowest of the six local authority areas within the Highlands & Islands. By way of comparison the rate in Highland was 14.5%.

Moray performs better in terms of the proportion of adult resident population with no qualifications. In 2008 in Moray the figure was 8.9%. This is slightly below the figure for the Highlands & Islands (9.2%) and well below that for Scotland (12.5%).

2.8 CONCLUSIONS

The economic analysis has shown a number of *positive* features of the Moray economy. In terms of population these include:

- Growth in recent years.
- A slightly younger age profile than that of the Highlands & Islands.
- Projected growth in both the medium and longer term.

There are also relatively high rates of economic activity and self-employment. These are accompanied by relatively low rates of unemployment.

The findings are, however, *less positive* in a number of respects. With regard to population the review has indicated:

- A lower proportion of the 16-29 age group than in Scotland as a whole.
- Decline in the number of those aged 0-15 years, and to a greater extent than in the benchmark areas.
- Forecast growth rates below those for the Highlands & Islands and Scotland, and relatively large declines projected for the number of residents aged 0-64.

The main economic issue appears to be relatively low wages among civilian employees (i.e. all those working in Moray apart from RAF personnel). This appears to reflect a limited amount of higher value added activities. This is evident in a relatively:

- Low proportion of the workforce holding a degree.
- High proportion of employees in part-time work.

3 ECONOMIC CONTRIBUTION OF RAF KINLOSS

3.1 INTRODUCTION

This Chapter presents our findings for the economic contribution of RAF Kinloss to the Moray economy. It covers impacts in terms of:

- Employment and income within the Moray economy.
- Population impacts.
- Education: pupils and staff.
- Housing.

Unless otherwise stated financial data are expressed in 2010 prices. Please also note that in some Tables column data do not sum to the total shown due to rounding.

3.2 APPROACH TO THE ECONOMIC IMPACT ASSESSMENT

3.2.1 Range of Impacts Analysed

On-Site Impacts

On-site impacts relate to the operation of RAF Kinloss itself. They comprise three different elements, as follows:

- **Direct**-those employed on-site at the base, and related income.
- **Indirect**-those employed through the purchase of goods and services to operate the base, and related income.
- **Induced**-those who are employed in the wider economy through the expenditure of the wages of those who are directly and indirectly employed, and related income.

Off-Site Impacts

Off-site impacts have been calculated based on expenditures in the local economy by:

- Visiting friends and relatives of RAF personnel.
- Those who visit Moray to take part in military exercises.
- Business visitors to the base.

As with on-site impacts, off-site impacts comprise direct, indirect and induced effects. In this case, the direct impact is where the initial visitor spend is made-e.g. at a hotel being used for overnight accommodation.

The approach to the calculation of off-site impacts is explained at **3.4.1**.

3.2.2 Approach to Calculation of On-Site Impacts

Direct

Information on **direct** on-site employment and annual wage levels was collected via survey of relevant employers. Please note that for the purposes of this study *on-site* encompasses: military personnel; MOD civilian staff; and those contractors and parts of MOD located on or adjacent to the base.

“Wages” are gross payments to employees. They exclude employer contributions for National Insurance and other items, but are before deduction of employee income tax and National Insurance.

Indirect

Indirect impacts were calculated through, first, collection of information on on-site organisations’ purchases of goods and services within Moray. The purchase data were classified by economic sector. The values of purchases were, on a sectoral basis, converted into indirect employment and income. This was through using Type I “Employment Effects” and “Income Effects” multiplier data from the 2004 Scottish-Input Output Tables. These are the latest year for which these Tables are available. The 2010 purchases were deflated to 2004 prices to calculate the employment impacts.

The multipliers were adjusted to the Moray level by assuming that 40% of subsequent round (i.e. non-direct) effects at the national level accrued to the Moray economy. The figure of 40% is based on our previous experience in analysing purchases by companies in Moray and similar economies.

The “Income Effects” multipliers relate to *compensation of employees* rather than gross wages. That is, they include payments in kind and employers’ contributions to social security funds and privately funded insurance schemes. Therefore, the income impacts generated by the “Income Effects” multipliers were reduced by 15% to produce an estimate of gross wages. This allowed the income impacts to be expressed on the same basis as those for direct impacts.

Induced

Induced impacts were calculated by estimating the proportion of gross direct and indirect wages which is spent in Moray. This took account of, first, deductions of income tax and National Insurance. Second, an estimate was made of the proportion of take-home pay that would be spent within the Moray economy as opposed to elsewhere.

In the 2005 study we undertook a detailed analysis based on a combination of:

- Previous research.
- A survey of RAF personnel undertaken for the study.
- Our own knowledge of the economies of Moray and adjacent areas.
- A representative profile of the distribution of household spend by category, based on the ONS “Family Spending Report”.

This allowed us to produce an estimate of the proportion of take-home pay spent within the Moray economy; and also the goods and services (e.g. retail, property-related) on which it would be spent.

For the 2010 study, we were unable to replicate the 2005 analysis. This is primarily because we had no data on the distribution, as opposed to the total amount, of wages to allow us to choose a representative profile of household spend from ONS reports or similar. We have, therefore, simply applied the ratios of take-home pay spent in Moray/total gross wages from the 2005 research.

Based on the 2005 analysis, the 2010 levels of wages spend within Moray were broken down by category. These were then applied to the relevant Type II sectoral “Employment Effects” and “Income Effects” multipliers from the 2004 Scottish Input-Output Tables. This was on the same basis as for indirect impacts, as described above.

As with indirect impacts the national level multipliers were scaled down to the Moray level, based on our previous experience. It was assumed that:

- 40% of the national level *indirect* effects within the Type II multipliers would accrue to Moray.
- 70% of the national level *induced* effects within the Type II multipliers would accrue to Moray.

3.3 ON-SITE ECONOMIC IMPACTS

3.3.1 Direct Impacts

Military Personnel: Employment

Data provided by the RAF indicate a total of **1,276 FTE** (Full-Time Equivalent) employment. This comprises 1,229 staff currently working at the base, plus a further 47 who are temporarily away from the base at this time on out-of-area commitments. The ranks of the 1,229 staff presently at the base are broken down at **Table 3.1**.

TABLE 3.1: RAF KINLOSS: MILITARY PERSONNEL BY RANK	
Officers	
Rank	Number
Group Captain	2
Wing Commander	9
Squadron Leader	51
Flight Lieutenant	126
Flying Officer/Pilot Officer	10
Total Officers	198
Other Ranks	
Rank	Number
Warrant Officer	60
Flight Sergeant	164
Sergeant	232
Corporal	211
Lance Corporal	9
Senior Aircraftman/Leading Aircraftman/ Aircraftman	355
Total Other Ranks	1,031

Source: RAF Kinloss

The Table shows that around one in six personnel are Officers.

Some 89% of all personnel are male.

The number of posts shown earlier (1,276) represents that at June 2010. This is termed the base's "Strength". This is lower than the base's "Unit Establishment" of 1,567 posts, which is the number of posts nominally allocated to the base.

Military Personnel: Wages

Based on data provided by the RAF and MOD the total gross wages for the 1,276 personnel (all of whom are full-time) is **£46,302,356**. This equates to £36,287 per FTE.

MOD Civilian Staff: Employment

Data provided by MOD indicate a total of **254.0** FTE civilian employees. The vast majority (93%) of employees are full-time, with the balance of 7% being part-time.

At the time of the survey, 143 posts were in what are termed "Industrial" occupations. Within these, the main types of job were "Driver", "Mess Hand", "Storekeeper" and "Steward".

A further 116 posts were in "Non-Industrial" posts. Around 80% of these were of an administrative nature. The remainder were technical posts, and also other specialists including a physiotherapist and a community development worker.

Data from the 2005 study indicated that 7% of MOD civilian staff are RAF spouses. Applying this to the 259 posts described above suggests that approximately 18 current MOD civilians are married to RAF personnel based at Kinloss.

It was not possible to obtain reliable data on MOD civilian employees' place of residence. However, we understand that the geographical distribution of staff is quite similar to that at the time of the 2005 study. This showed that most employees lived quite near to the base, as follows:

- Forres/Findhorn: 62% of employees.
- Elgin: 15%.
- Lossiemouth/Burghead/Hopeman: 13%.
- Other Moray: 7%.
- Inverness & Nairn: 3%.

Thus almost all employees lived in Moray.

MOD Civilian Staff: Wages

Based on data provided by MOD, the total gross wages for MOD civilian employees are **£5,459,482**. This equates to an average wage per FTE of £21,494.

Other On-Site: Employment

Where they are located on the base or just “beyond the wire”, we have treated civilian contractors’ and others’ employment as on-site. Collectively, this group comprises the following:

- Aviation-related contractors.
- MOD technical divisions-Defence Estates (DE) and Defence Estates Housing (DEH).
- Other organisations, such as the prime contractors to DE/DEH.

A number of organisations undertake work at both Kinloss and Lossiemouth bases. In these cases, employment was allocated between the two bases using information provided by the organisations themselves.

Based on data collected via survey of the relevant organisations, we estimate that these employers account for **102.7** FTE jobs. The aviation-related contractors account for most of this employment.

Other On-Site: Wages

The total gross wage bill for the civilian contractors and others is estimated at **£2,816,633**. This equates to an average wage per FTE of £27,426.

On-Site Impacts: Summary

Table 3.2 summarises the employment and gross wages associated with direct on-site employment.

TABLE 3.2: RAF KINLOSS: SUMMARY OF DIRECT ON-SITE IMPACTS				
Category	FTE	Share	Gross Income (£)	Share
Military	1,276.0	78%	46,302,356	85%
MOD Civilian	254.0	16%	5,459,482	10%
Other	102.7	6%	2,816,633	5%
Total	1,632.7	100%	54,578,471	100%

Total direct on-site employment is around 1,633 FTE. Slightly over three-quarters of this is RAF posts, with most of the rest being MOD civilian employees.

In terms of wages the vast majority (85%) accrues to RAF personnel. This reflects that their average wage per FTE is much higher than that of the other two groups.

The average wage for all direct on-site jobs is around £33,400 per FTE. The figure for the 356.8 FTE civilian posts is much lower, at around £23,200 per FTE.

3.3.2 Indirect Impacts

Spend By the Base

Detailed discussions were held with the Finance Section at RAF Kinloss. These produced an estimate of annual expenditure by the base itself of £3,244,755. We were informed that the *total* expenditures associated with the base were much greater than this. However, most spend related to the base is with companies based outside Moray.

DE & DEH Spend on Construction and Maintenance Works

DE and DEH provided data on annual spend in the supply chain involved in construction and maintenance works for land, housing and other buildings.

Spend by Civilian Contractors and Others

Spend by these other companies within Moray is very slight. This reflects the:

- Specialist nature of goods and services required by the aviation-related contractors.
- Use of national level supply contracts whereby goods and services for a company's entire operations are provided by one single provider based outwith Moray.

Employment

The total indirect employment impact is estimated at **72.0** FTE. This is very slight relative to the large direct employment impacts shown at **Table 3.2**. This reflects the apparently high leakage of base spend to areas outside Moray. It also reflects the fact that third-party suppliers are located on/beside the base and that, for the purposes of this study, their employment has been treated as direct rather than indirect.

Wages

The total level of indirect wages is estimated as **£1,847,562**. This equates to an average wage of £25,648 per FTE.

3.3.3 Induced Impacts

Introduction

The approach to calculating induced on-site impacts is explained at **3.2.2**. The combined figure for gross direct and indirect wages, which were shown at **3.3.1** and **3.3.2**, respectively, is £56,426,033. After the deduction of tax and National Insurance, and allowing for expenditures made outside the Moray economy, it is estimated that £23,436,579 of this is spent on goods and services purchased from Moray businesses.

Employment

This expenditure figure is estimated to generate **531** FTE induced jobs. It is expected that most of this employment will fall within the “Retail” and “Hotels, Catering, Pubs, etc.” sectors.

Wages

The total gross wages associated with the induced employment is **£9,853,954**. This represents an average wage of £18,559 per FTE.

3.3.4 On-Site Impacts: Summary

Table 3.3 summarises the on-site impacts. The employment data have been rounded to whole FTEs.

TABLE 3.3: RAF KINLOSS: SUMMARY OF ON-SITE IMPACTS		
Impact	Employment (FTEs)	Gross Income (£)
Direct	1,633	54,578,471
Indirect	72	1,847,562
Induced	531	9,853,954
Total	2,236	66,279,987

The on-site impacts of the Kinloss base are estimated at 2,236 FTEs. Of these, 1,276 FTEs are military, with the balance of 960 FTEs being held by civilians. Over half (55%) of the civilian jobs stem from induced impacts. The average wage of the civilian jobs is around £20,800 per FTE.

The implied induced employment multiplier is 1.31. This is relatively large for an economy of the size of Moray. However, this will reflect that the wages paid to the military are relatively high and, as such, will generate relatively high levels of employment within the wider economy.

3.4 OFF-SITE ECONOMIC IMPACTS

3.4.1 Introduction

The impacts analysed in this section are as follows:

- VFR-Visits by Friends and Relatives of RAF personnel.
- Expenditures in the wider economy by those who are visiting on military exercises.
- Overnight stays by those visiting the base for business purposes.

In each case, visitor nights and total spend were estimated. The spend figure was converted into employment and income impacts within the Moray economy. This used the same approach as for the indirect and induced on-site impacts. That is, “Employment Effect” and “Income Effect” multipliers were applied from the 2004 Scottish Input-Output Tables, with these national level data being scaled down to the level of the Moray economy.

We were faced with a lack of detailed information on the breakdown of visitor spend across different sectors of the economy. Therefore, we simply applied the “Hotels, Catering, Pubs, etc.” multipliers. This reflects an expectation that this type of activity would account for the majority of spending by the relevant visitors during their stay in Moray. The impacts shown below are the combined direct, indirect and induced effects of the visitor expenditures.

3.4.2 VFR

Data from the 2005 study indicate that each member of the RAF generates around 35 VFR bednights in Moray per annum. This equates to a total of 44,535 bednights per year.

We were unable to source Moray-specific data on VFR expenditures. We therefore used the Scottish average for VFR (source: Visit Scotland). This was factored by 80% to reflect that some expenditures on the visit may be made outwith Moray. The result is a spend per night of £38.19.

Applying this to the number of VFR bednights associated with the RAF personnel produces a total annual spend of around £1,701,000. This translates into economic impacts of **49.9** FTE jobs and associated wages of **£811,137**.

3.4.3 Military Exercises

RAF Kinloss provided us with some data on the annual number of military exercises, their duration and the number of visiting personnel. These were used to estimate the number of visitor nights generated in Moray by the exercises.

From this, we excluded those nights where visiting personnel were staying on the base. It was assumed that personnel staying on-base would not be spending any money in the wider economy during their stay, while the economic impacts of their use of the facilities on the base would be captured in the direct on-site impacts covered at **3.3**.

The calculations produced an estimate of 16,831 visitor nights using accommodation and other facilities outwith the base. We were unable to source appropriate data on business trip expenditures in Moray. We have, therefore, used the Scottish average for business spend per night of £106.90 (source: Visit Scotland).

Applying this to the number of bednights produces a total annual spend of around £1,799,000. This translates into economic impacts within Moray of **52.8** FTE jobs and associated wages of **£858,189**.

3.4.4 Business Visitors to the Base

We were unable to secure data on the number of business visitors to RAF Kinloss. We have, therefore, used the data from the 2005 study, factored to reflect the lower current levels of on-site employment. Again, we excluded visitors who were staying overnight on the base itself, following the reasoning set out at **3.4.3**.

On this basis, it is estimated that in 2010 there will be 251 business visitors to the base who are staying off-site overnight. Visit Scotland data suggest that each will stay approximately 2.8 nights in Moray on each visit and spend £106.90 per night.

This implies that the business visitors' total spend will be around £76,000 per annum. This translates into economic impacts of **2.2 FTE jobs** and associated wages of **£36,219**.

3.4.5 Off-Site Impacts: Summary

Table 3.4 summarises off-site employment and income impacts.

TABLE 3.4: RAF KINLOSS: SUMMARY OF OFF-SITE IMPACTS		
Impact	Employment (FTEs)	Gross Income (£)
VFR	49.9	811,137
Military Exercises	52.8	858,189
Business Visitors	2.2	36,219
Total	105.0	1,705,545

The off-site impacts are 105 FTEs and around £1.7 million of income. The scale of impacts from VFR and Military Exercises is quite similar. Together, they account for almost all the off-site impacts.

3.5 SUMMARY OF ECONOMIC IMPACTS

Table 3.5 summarises all of the quantified impacts, including both on-site and off-site effects. For ease of understanding, the data have been rounded.

TABLE 3.5: RAF KINLOSS: ECONOMIC IMPACTS		
Impact	Employment (FTEs)	Gross Income (£million)
On-Site	2,236	66.3
Off-Site	105	1.7
Total	2,341	68.0

In total, the base supports 2,341 FTEs with an associated gross income of £68 million. Within this, 1,065 FTEs are in the civilian economy, with an associated gross income of around £21.7 million.

3.6 POPULATION IMPACTS

Table 3.6 provides an estimate of the population levels (RAF personnel, spouses and dependents) in RAF households. This is based on applying data from the 2005 study, on the number of spouses and children per member of RAF personnel, to the current number of personnel at Kinloss.

TABLE 3.6: RAF KINLOSS: RAF PERSONNEL, SPOUSES AND DEPENDENTS	
Category	Numbers
RAF Personnel	1,276
Spouses	627
Children-16 years and under	826
Total	2,729

It shows an estimated total of 2,729 individuals within the RAF households. Slightly more than half (53%) are either spouses or children.

3.7 EDUCATION: PUPILS AND STAFF

3.7.1 Introduction

Moray Council undertook a survey of their nurseries and schools. The aim of this was to determine the numbers within these establishments that are:

- Children of RAF personnel.
- Staff who are spouses of RAF personnel.

The figures show in this section should be viewed as best estimates. This is because staff and parents have the right to refuse to provide the relevant information.

The analysis below relates to the catchment area covered by Forres Academy. In reality, some spouses/children of Kinloss-based personnel will work/attend schools elsewhere in Moray. Further, some “RAF staff” at schools in the Forres area will be spouses of RAF Lossiemouth-based personnel. However, the analysis still provides a useful indication of the impacts of the Kinloss base on pupil and staff numbers.

3.7.2 Nursery and Primary Pupils

There are eight primary schools within the Forres Academy catchment. Data for RAF personnel’s children attending these schools are shown at **Table 3.7**.

TABLE 3.7: RAF KINLOSS: RAF CHILDREN WITHIN FORRES ACADEMY CATCHMENT				
School	Primary	Nursery	Total	Share of Roll
Kinloss	106	6	112	65%
Anderson's	45	0	45	21%
Applegrove	43	0	43	13%
Dyke	11	0	11	13%
Pilmuir	7	3	10	5%
Alves	4	0	4	11%
Dallas	3	0	3	10%
Logie	0	0	0	0%
Total	219	9	228	21%

Source: Moray Council survey

A total of 228 children of RAF personnel attend the schools. Of these the vast majority are at Primary rather than Nursery level. The numbers vary between no pupils at Logie Primary and 112 at Kinloss Primary. In three schools the number of RAF pupils exceeds 40 children.

There is also a wide variation in the proportion of the total school roll that is derived from RAF pupils: between 0% and 65%. The average across all eight primaries is 21%, which reflects the high numbers at Kinloss Primary.

3.7.3 Secondary Pupils

There are 182 RAF pupils attending Forres Academy. They account for just under one in five (19%) of the total school roll.

3.7.4 Staff

Table 3.8 provides data on the number of RAF spouses who work in schools in the Forres Academy catchment.

TABLE 3.8: RAF KINLOSS: RAF SPOUSES WORKING AT SCHOOLS WITHIN FORRES ACADEMY CATCHMENT			
Schools	Teachers	Support Staff	All Staff
Secondary	12	10	22
Primary	7	12	19
Total	19	22	41

Source: Moray Council survey

A total of 41 RAF spouses work at one of the nine schools. Slightly over half (54%) work at Forres Academy rather than one of the eight primaries.

Of the 41 staff, most (22) are in support posts. All bar one of the nine schools have at least one RAF spouse as a member of staff.

3.7.5 Summary

A total of 410 pupils who are RAF dependents attend a school within the Forres Academy catchment. They represent 20% of the total number of pupils attending school in this area. In addition, 41 RAF spouses work in the schools.

3.8 HOUSING

3.8.1 Introduction

There are three elements to the housing of RAF personnel who are stationed at the Kinloss base:

- Families who occupy units managed by DEH.
- Single people who are accommodated in on-base messes or single quarters.
- Others who live in private accommodation, either owner-occupied or rented.

Each of these is analysed below.

3.8.2 Defence Estates Housing

DEH provided us with information on the housing stock related to the Kinloss base. This is the stock within Kinloss itself which is used primarily for RAF Kinloss families. The data are shown at **Table 3.9**.

TABLE 3.9: RAF KINLOSS: DEFENCE ESTATES HOUSING STOCK IN KINLOSS		
Type	Number of Units	Occupied
3-bedroom	159	146
4-bedroom	83	77
5-bedroom	1	1
Total	243	224

Source: DEH

There is a total of 243 units in Kinloss. Of these, 92% are presently occupied. The main type of housing is 3-bedroom which accounts for around two-thirds of the stock.

3.8.3 Single Living Accommodation

Single Living Accommodation (SLA) is on-base accommodation provided to single and unaccompanied personnel. It is normally provided by means of a mess or accommodation block. Data on the number of units and current occupancy levels are shown at **Table 3.10**.

TABLE 3.10: RAF KINLOSS: SINGLE LIVING ACCOMMODATION ON-BASE		
Type	Number of Units	Occupied
Officers' Mess	85	27
SNCOs' Mess	180	52
Junior Ranks	563	287
Total	828	366

Source: RAF Kinloss

It shows that a total of 366 personnel are presently accommodated on the base.

3.8.4 Private Accommodation: Owner-Occupied and Rented

Based on the figures shown above, and allowing for the fact that some RAF personnel will be married to one another and thus occupy the same dwelling, we estimate that around 570 owner-occupied or rented housing units are occupied by RAF personnel.

3.9 CONCLUSIONS

The contribution of RAF Kinloss is highly significant. The estimated population of RAF households, at 2,729 individuals, represents 3.1% of people living in Moray. The adults account for 3.4% of Moray's working age population.

Their children represent around 5% of those aged 16 or under in Moray. They also form a significant part of the school rolls in the Forres area.

In terms of economic contribution, the estimated impact of 2,341 FTEs represents 6.6% of FTE employment in Moray. Within this, all civilian jobs associated with the base represent 3% of Moray's FTE employment. Our calculations suggest that every 100 military posts generate a further 83 civilian FTEs within the local economy.

The scale of these impacts reflect, in part, the relatively high wages paid to the military personnel. The average gross wage is over £36,000 per FTE. This appears to be considerably higher than the wage levels in the civilian economy in Moray, accepting the caveat placed on wages data for Moray shown at **Chapter 2**.

In contrast, the civilian jobs that the base generates are less well paid. At around £20,400 per FTE they are paid below the Moray average. Taking all 2,341 FTEs into account, however, the average gross income generated (over £29,000 per FTE) is well above the average for Moray.

The off-site economic impacts are very slight compared with the on-site effects. Nevertheless, they will offer all year round trade and are likely to be important to specific businesses. In addition, the RAF presence contributes to demand in the area's housing market, where personnel opt to take up private dwellings rather than MOD housing.

We conclude that the base makes a highly significant contribution to the population and economy of the area. This is not only in terms of scale but also the relatively high wages associated with the military personnel in particular. In addition, a significant proportion of impacts are likely to be concentrated in and around the Forres area, the economy of which is smaller than that around Elgin.

4 **ECONOMIC CONTRIBUTION OF RAF LOSSIEMOUTH**

4.1 **INTRODUCTION**

This Chapter presents our findings for the economic contribution of RAF Lossiemouth to the Moray economy. It covers impacts in terms of:

- Employment and income within the Moray economy.
- Population impacts.
- Education: pupils and staff.
- Housing.

Unless otherwise stated financial data are expressed in 2010 prices. Please also note that in some Tables column data do not sum to the total shown due to rounding.

The approach to the calculation of economic impacts is identical to that for RAF Kinloss. Therefore, where definitions, explanations of the basis of calculations and data sources have been provided at Chapter 3 these are not repeated here.

Following the structure of **Chapter 3** the economic analysis covers:

- Those directly employed on-site at the base, and related income.
- Those indirectly employed through the purchase of goods and services to operate the base, and related income.
- Induced impacts-those who are employed in the wider economy through the expenditure of the wages of those who are directly and indirectly employed by the base, and related income.
- Off-site impacts. These flow from the expenditures in the local economy by those visiting Moray due to the presence of the base.

4.2 **ON-SITE ECONOMIC IMPACTS**

4.2.1 Direct Impacts

Military Personnel: Employment

There are presently 1,988 personnel stationed at RAF Lossiemouth. Of these, 98 are, in effect, local residents of Moray. They are reservists whose time commitment to the RAF varies depending on operational requirements.

Based on the information provided to us it is estimated that the 98 reservist posts equate to 29.4 FTE jobs. Thus total RAF personnel employment is **1,919.4** FTEs.

Table 4.1, over, provides information on the main ranks-in terms of numbers-of the personnel currently at RAF Lossiemouth.

TABLE 4.1: RAF LOSSIEMOUTH: MILITARY PERSONNEL	
Officers	
Rank	Number
Group Captain	1
Wing Commander	11
Squadron Leader	59
Flight Lieutenant	183
Flying Officer/Pilot Officer	37
Other Ranks	
Rank	Number
Warrant Officer	25
Flight Sergeant	49
Chief Technician	61
Sergeant	242
Corporal	393
Junior Technician	17
Senior Aircraftman/Leading Aircraftman/ Aircraftman	882

Table 4.2 describes the age profile of the RAF personnel.

TABLE 4.2: RAF LOSSIEMOUTH: MILITARY PERSONNEL AGE PROFILE		
Age Band	Number	Share
17-29	983	49%
30-49	967	49%
50-64	38	2%
Total	1,988	100%

It shows that there are broadly equal numbers in the 16-29 and 30-49 age bands. There are very few personnel aged 50 years or over.

The number of posts shown earlier (1,988) represents those at June 2010. This is termed the base's "Strength". This is lower than the base's "Unit Establishment" of 2,244 posts which is the number of posts nominally allocated to the Base.

Military Personnel: Wages

Based on data provided by the RAF the level of total gross wages is **£60,896,495**. This equates to £31,727 per FTE.

MOD Civilian Staff: Employment

Data provided by the RAF indicate a total of **288.3** FTE civilian staff. This comprises 269 full-time positions, plus a further 38 that are either part-time or job share.

A slight majority (54%) of the posts are "industrial". Of these, more than half are "craft/skilled" positions, with most of the rest being "unskilled".

The balance (46%) of posts are "non-industrial". These appear to largely comprise administrative occupations.

Data from the 2005 study indicated that 7% of MOD civilian staff are RAF spouses. Applying this to the 307 posts described above suggests that approximately 21 current MOD civilians are married to RAF personnel based at Lossiemouth.

As with RAF Kinloss, it was not possible to obtain reliable data on MOD civilian employees' place of residence. However, we understand that the geographical distribution is similar to that at the time of the 2005 study. This showed that most employees lived quite near to the base, as follows:

- Lossiemouth/Burghead/Hopeman: 53% of employees.
- Elgin: 36%.
- Other Moray: 7%.
- Forres/Findhorn: 4%.
- Inverness & Nairn: 1%.

Thus almost all employees lived in Moray.

MOD Civilian Staff: Wages

Based on data provided by the RAF, the total gross wages for MOD civilian employees are **£5,878,229**. This equates to an average wage per FTE of £20,393.

Other On-Site: Employment

As with RAF Kinloss, where they are located on the base or just “beyond the wire”, we have treated civilian contractors' and others' employment as on-site. This group comprises the following:

- Aviation-related contractors.
- MOD technical divisions-DE and DEH.
- Other organisations.

Based on data collected via survey of the relevant organisations, we estimate that these employers account for **196.6** FTE jobs. Aviation-related contractors account for slightly over half of this total.

Other On-Site: Wages

The total gross wage bill for the civilian contractors and others is estimated at **£5,417,207**. This equates to an average wage per FTE of £27,555.

On-Site Impacts: Summary

Table 4.3 summarises the employment and gross wages associated with direct on-site employment.

TABLE 4.3: RAF LOSSIEMOUTH: SUMMARY OF DIRECT ON-SITE IMPACTS				
Category	FTE	Share	Gross Income (£)	Share
Military	1,919.4	80%	60,896,495	84%
MOD Civilian	288.3	12%	5,878,229	8%
Other	196.6	8%	5,417,207	8%
Total	2,404.3	100%	72,191,931	100%

Total direct on-site employment is 2,404 FTE. Some 80% of this is RAF posts, with most of the rest being MOD civilian employees.

The vast majority (84%) of wages accrues to RAF personnel. This reflects that their average wage per FTE is much higher than that of the other two groups. The average wage for all direct on-site jobs is around £30,000 per FTE. The figure for the 485 FTE civilian posts is much lower, at around £23,300 per FTE.

4.2.2 Indirect Impacts

Spend By the Base

RAF Lossiemouth were unable to provide us with detailed figures for spend by the base within Moray. Therefore, an estimate was constructed combining: some data provided by RAF Lossiemouth; data for RAF Kinloss; and information gathered through an interview with one of the key suppliers to the base.

Using this approach, it is estimated that there is an annual expenditure by the base of £2,912,530 with Moray based suppliers. As at RAF Kinloss, the total expenditure associated with the base will be much greater than this. However, the additional expenditures will generally be made with businesses outside Moray.

DE & DEH Spend on Construction and Maintenance Works

DE and DEH provided data on annual spend in the supply chain involved in construction and maintenance works for land, housing and other buildings.

Spend by Civilian Contractors and Others

As at RAF Kinloss, spend by these other companies within Moray is very slight. This reflects the:

- Specialist nature of goods and services required by the aviation-related contractors.
- Use of national level supply contracts whereby goods and services for a company's entire operations are provided by one single provider based outwith Moray.

Employment

The total employment indirect impact is estimated as **96.2** FTE. As at RAF Kinloss, this is very slight relative to the large direct on-site employment impacts shown at **Table 4.3**. This reflects the apparently high leakage of base spend to other parts of the UK. It also reflects that third-party suppliers are located on/beside the base and that, for the purposes of this study, their employment has been treated as direct rather than indirect.

Wages

The total level of indirect wages is estimated as **£2,266,944**. This equates to an average wage of £25,553 per FTE.

4.2.3 Induced Impacts

Introduction

The approach adopted for induced impacts was the same as that described for RAF Kinloss at **Chapter 3**.

The combined figure for gross direct and indirect wages, which were shown at **4.2.1** and **4.2.2**, respectively, is £74,458,875. After the deduction of tax and National Insurance and allowing for expenditures made outside the Moray economy, it is estimated—using ratios from the 2005 study—that £32,601,236 of this is spent on goods and services from Moray based businesses.

Employment

This spend figure was converted into employment as per the calculation for RAF Kinloss. It is estimated to generate **738.6** FTE induced jobs. It is expected that most of this employment will fall within the “Retail” and “Hotels, Catering, Pubs, etc.” sectors.

Wages

The total gross wages associated with the induced employment is **£13,707,252**. This represents an average wage of £18,559 per FTE.

4.2.4 On-Site Impacts: Summary

Table 4.4 summarises the on-site impacts. The employment data have been rounded to whole FTEs.

TABLE 4.4: RAF LOSSIEMOUTH: SUMMARY OF ON-SITE IMPACTS		
Impact	Employment (FTEs)	Gross Income (£)
Direct	2,404	72,191,931
Indirect	96	2,266,944
Induced	739	13,707,252
Total	3,239	88,166,127

The on-site impacts of the Lossiemouth base are estimated as 3,239 FTEs. Of these, 1,919 FTEs are military, with the balance of 1,320 FTEs being held by civilians. Over half (56%) of the civilian jobs stem from induced impacts. The average wage of the civilian jobs is around £20,700 per FTE.

The implied induced employment multiplier is 1.30. Again, this is relatively large for an economy of the size of Moray. However, it reflects the fact the wages paid to the military are also relatively high and, as such, will generate relatively high levels of employment within the wider economy.

4.3 OFF-SITE ECONOMIC IMPACTS

4.3.1 Introduction

Off-site economic impacts have been estimated on the same basis as for RAF Kinloss. This section presents the results, covering:

- VFR-Visits by Friends and Relatives of RAF personnel.
- Expenditures in the wider economy by those who are visiting on military exercises.
- Overnight stays by those visiting the base for business purposes.

4.3.2 Off-Site Impacts

VFR

The number of visitor nights generated is estimated as 66,487. Using the approach adopted at **Chapter 3**, this is estimated to support **74.5** FTE jobs, with associated wages of **£1,210,939**.

Military Exercises

RAF Lossiemouth were unable to provide any detailed information on military exercises. In the absence of such information we have assumed that the impacts for RAF Lossiemouth are identical to those for RAF Kinloss, as shown at **Chapter 3**. That is, economic impacts within Moray are **52.8** FTE jobs and associated wages of **£858,189**.

Business Visitors to the Base

The number of off-base visitor nights is estimated as 1,046 per annum. This is estimated to generate **3.3** FTE jobs, with associated wages of **£53,334**.

Summary

Table 4.5 summarises the off-site impacts for RAF Lossiemouth.

TABLE 4.5: RAF LOSSIEMOUTH: SUMMARY OF OFF-SITE IMPACTS		
Impact	Employment (FTEs)	Gross Income (£)
VFR	74.5	1,210,939
Military Exercises	52.8	858,189
Business Visitors	3.3	53,334
Total	130.6	2,122,462

The off-site impacts are 131 FTEs and £2.1 million of income. VFR accounts for over half (57%) of the total impacts.

4.4 SUMMARY OF ECONOMIC IMPACTS

Table 4.6 summarises all of the quantified impacts, including both on-site and off-site effects. For ease of understanding, the data have been rounded.

TABLE 4.6: RAF LOSSIEMOUTH: ECONOMIC IMPACTS		
Impact	Employment (FTEs)	Gross Income (£million)
On-Site	3,239	88.2
Off-Site	131	2.1
Total	3,370	90.3

The base supports a total 3,370 FTEs with an associated gross income of £90.3 million. Of these, 1,450 FTEs are within the civilian economy, with an associated gross income of around £29.4 million.

4.5 POPULATION IMPACTS

Table 4.7 provides an estimate of the population levels (RAF personnel, spouses and dependents) in RAF households. This is based on applying data from the 2005 study, on the number of spouses and children per member of RAF personnel, to the current number of personnel at Lossiemouth. Please note that, for this particular analysis, this number excludes the 98 local residents who are reservists, as discussed at 4.2.1.

TABLE 4.7: RAF LOSSIEMOUTH: RAF PERSONNEL, SPOUSES AND DEPENDENTS	
Category	Numbers
RAF Personnel	1,890
Spouses	830
Children-16 years and under	1,093
Total	3,813

Table 4.7 shows an estimated total of 3,813 individuals within the RAF households. Around half are either spouses or children.

4.6 EDUCATION: PUPILS AND STAFF

4.6.1 Introduction

As was the case at **Chapter 3**, the figures shown in this section should be viewed as best estimates. The analysis below covers pupils and staff in all schools outwith the Forres Academy catchment which is covered at **Chapter 3**.

4.6.2 Nursery and Primary Pupils

Overview

The number of RAF children attending Nursery and Primary schools is shown at **Table 4.8**.

TABLE 4.8: RAF LOSSIEMOUTH: RAF CHILDREN: NUMBER OF PUPILS				
Catchment	Primary	Nursery	TOTAL	% of Roll
Elgin Academy	225	11	236	18%
Lossiemouth High	182	25	207	20%
Elgin High	63	5	68	9%
Milne's High	33	1	34	5%
Speyside High	10	2	12	2%
Buckie High	7	1	8	1%
Keith Grammar	1	1	2	<1%
Total	521	46	567	9%

Source: Moray Council survey

It shows a total of 567 RAF pupils. The vast majority (92%) are within Primaries with only 46 pupils attending Nurseries.

As would be expected, the largest numbers of pupils are within the Elgin (particularly Elgin Academy) and Lossiemouth secondary school catchments. These three areas account for 511 pupils, with the balance of 56 attending schools further away from the base.

RAF pupils represent 20% of the total roll within the Lossiemouth High catchment and 18% within that of Elgin Academy. The proportions are much less for the other areas, although still accounting for 9% of pupils in the Elgin High catchment. Overall, RAF pupils account for 9% of the combined school roll of the seven schools' catchments.

Pupils Within The Catchments of Elgin Academy and Lossiemouth High

Table 4.9, over, analyses the roll data in more detail. This is for the two school catchments with the greatest number of RAF pupils: those for Elgin Academy and Lossiemouth High.

TABLE 4.9: RAF LOSSIEMOUTH: RAF CHILDREN WITHIN ELGIN ACADEMY AND LOSSIEMOUTH HIGH CATCHMENTS				
Elgin Academy				
School	Primary	Nursery	Total	% of Roll
Seafield	62	11	73	20%
Bishopmill	56	0	56	16%
St Sylvester's	49	0	49	26%
East End	39	0	39	24%
West End	19	0	19	8%
TOTAL	225	11	236	18%
Lossiemouth High				
School	Primary	Nursery	Total	% of Roll
St. Gerardine	68	9	77	24%
Hythehill	63	10	73	25%
Hopeman	38	5	43	18%
Burghead	13	1	14	9%
Total	182	25	207	20%

Source: Moray Council survey

A key point is that in five of the nine primaries, RAF children account for at least one in five pupils. The largest share is at St Sylvester's, where RAF pupils are more than a quarter of the school roll.

4.6.3 Secondary Pupils

Table 4.10 shows the number of RAF pupils in secondary schools.

TABLE 4.10: RAF LOSSIEMOUTH: RAF CHILDREN IN SECONDARY SCHOOLS		
Catchment Area	Secondary	Share of School Roll
Elgin Academy	120	12%
Lossiemouth High	90	13%
Milne's High	34	6%
Elgin High	12	2%
Keith Grammar	3	1%
Speyside High	1	<1%
Buckie High	0	0%
Total	260	6%

Source: Moray Council survey

A total of 260 RAF pupils attend the seven schools, representing 6% of the combined school rolls. As might be expected there is a concentration in the Elgin and Lossiemouth schools, which are attended by over 80% of the RAF pupils.

4.6.4 Staff

Table 4.11, over, provides information on the number of RAF spouses who work in schools outwith the Forres Academy catchment.

TABLE 4.11: RAF LOSSIEMOUTH: RAF SPOUSES WORKING AT SCHOOLS OUTWITH FORRES ACADEMY CATCHMENT			
Schools	Teachers	Support Staff	All Staff
Primary	17	17	34
Secondary	12	7	19
Total	29	24	53

Source: Moray Council survey

Some 53 employees are RAF spouses, with a slightly higher number of teachers than support staff. The majority (64%) work at primaries.

Within any one school the highest number of:

- *Primary teachers* is three-at Hopeman Primary and at Bishopmill Primary.
- *Primary support staff* is four-at New Elgin Primary.
- *Secondary teachers* is three-at Lossiemouth High.
- *Secondary support staff* is five-at Elgin High.

4.6.5 Summary

A total of 827 RAF children attend Moray schools outwith the Forres Academy catchment. They account for 8% of the total number of pupils attending these schools, although the proportions are higher in the areas closest to the base. In addition, 53 RAF spouses work at one of the schools, 29 of whom are teachers.

4.7 HOUSING

4.7.1 Introduction

There are three elements to the accommodation of RAF personnel who are stationed at the base:

- Families who occupy units managed by DEH.
- Single people who are accommodated in on-base messes or single quarters.
- Others who live in private accommodation, either owner-occupied or rented.

These are analysed below.

4.7.2 Defence Estates Housing

DEH provided us with information for the housing stock related to the Lossiemouth base. This is the stock within Elgin and Lossiemouth which is used primarily for RAF Lossiemouth families. The data are shown at **Table 4.12**, over.

The main points to note are that:

- Most (approaching three quarters) of the stock is in Elgin.
- The most common type of unit is 3-bedroom. These account for over three in four of the houses.
- Occupancy rates are high-fewer than 5% of units are presently unoccupied.

TABLE 4.12: RAF LOSSIEMOUTH: DEFENCE ESTATES HOUSING STOCK IN ELGIN AND LOSSIEMOUTH		
Elgin		
Type	Number of Units	Occupied
3-bedroom	365	349
4-bedroom	121	115
Total-Elgin	486	464
Lossiemouth		
Type	Number of Units	Occupied
2-bedroom	6	6
3-bedroom	151	142
4-bedroom	17	17
5-bedroom	1	1
Total-Lossiemouth	175	166
All Stock		
Type	Number of Units	Occupied
2-bedroom	6	6
3-bedroom	516	491
4-bedroom	138	132
5-bedroom	1	1
Total-All Stock	661	630

Source: DEH

4.7.3 Single Living Accommodation

Single Living Accommodation (SLA) is on-base accommodation provided to single and unaccompanied personnel. It is normally provided by means of a mess or accommodation block. Data on the current numbers of personnel in SLA are shown at **Table 4.13**.

TABLE 4.13: RAF LOSSIEMOUTH: SINGLE LIVING ACCOMMODATION ON-BASE	
Type	Number of Personnel
Officers	86
Warrant Officers & SNCOs	62
Other Ranks	450
Total	598

Source: RAF Lossiemouth

It shows that, in total, 598 personnel are presently accommodated on the base—mostly Other Ranks.

4.7.4 Private Accommodation: Owner-Occupied and Rented

Using the figures shown above, and allowing for the fact that some RAF personnel will be married to one another and thus occupy the same house, we estimate that there will be around 500 owner-occupied or rented housing units occupied by RAF personnel.

4.8 CONCLUSIONS

The contribution of RAF Lossiemouth is highly significant. The population of RAF households, at 3,813 individuals, constitutes 4.3% of people living in Moray. The adults represent 4.8% of residents of working age.

RAF children account for around 7% of those aged sixteen or under in Moray. They also form an important component of the area's primary and secondary school rolls.

The base generates a total of 3,370 FTEs, equal to 9.5% FTE jobs in the local economy. The civilian jobs within this total represent over 4% of total employment in Moray. Our analysis suggests that for every 100 FTE military posts at the base a further 76 FTE jobs are created within the civilian economy.

The average gross wage for the RAF personnel is £31,700 per FTE. This is significantly above the local average, accepting the caveat placed on wages data for Moray shown at **Chapter 2**.

The civilian jobs generated by the base are, however, less well paid. At £20,300 per FTE, this is effectively below the Moray average. However, taking the entire 3,370 FTEs into account the average wage is £26,800, which is relatively high in Moray terms.

The off-site economic impacts are slight compared with the on-site effects. However, and as noted for Kinloss, the expenditures will represent a source of reliable and non-seasonal custom for specific businesses. In addition, the RAF presence contributes to demand in the area's housing market, where personnel opt to take up private dwellings rather than MOD housing.

We conclude that the base makes a highly significant contribution to the population and economy of the area. This is not only in terms of scale but also the relatively high wages associated with the military personnel in particular.

5 **COMBINED CONTRIBUTION OF THE TWO BASES**

5.1 **INTRODUCTION**

This Chapter has two purposes. First, it brings together the assessment of the two bases to show their collective impacts and, where relevant, highlight the differences between the two of them. Please note that in some Tables column data do not sum to the total shown due to rounding.

Second, it provides information on further impacts where data do not allow them to be allocated between the two bases. These relate to:

- Staff numbers within the NHS in Moray.
- Uptake of courses and number of staff at Moray College.
- Occupations of RAF spouses.
- Community impacts.

5.2 **COMBINED CONTRIBUTION OF THE TWO BASES**

5.2.1 Total Economic Impacts

Table 5.1 summarises the quantified economic impacts for the two bases. For ease of understanding, the data have been rounded.

TABLE 5.1: RAF KINLOSS AND RAF LOSSIEMOUTH: ECONOMIC IMPACTS		
Base	Employment (FTE)	Gross Income (£million)
Kinloss	2,341	68.0
Lossiemouth	3,370	90.3
Total	5,711	158.3

The bases collectively support 5,711 FTE jobs in the local economy. Based on the analysis shown at **Chapter 2**, this equates to 16% of all FTE employment within Moray. Direct on-site employment, which has been measured via survey and is thus clearly identifiable, totals 4,037 FTEs. This is 71% of the total employment impacts and represents 11% of total employment in Moray.

Table 5.1 also shows that the scale of impacts is higher from RAF Lossiemouth than from RAF Kinloss. The former accounts for 59% of total employment and 57% of income impacts.

5.2.2 Economic Impacts: Civilians

Table 5.2 isolates the economic impacts for civilians within Moray.

TABLE 5.2: RAF KINLOSS AND RAF LOSSIEMOUTH: CIVILIAN ECONOMIC IMPACTS		
Base	Employment (FTE)	Gross Income (£million)
Kinloss	1,065	21.7
Lossiemouth	1,450	29.4
Total	2,515	51.1

The bases collectively support 2,515 FTEs in the civilian economy, with associated gross income of £51.1 million. Civilian employment generated by the two bases is estimated, based on the analysis at **Chapter 2**, to represent 8% of all civilian employment in Moray.

Again, the level of impacts is higher from RAF Lossiemouth than from RAF Kinloss. The former accounts for 58% of both civilian employment and civilian gross income.

5.2.3 Population: RAF Households

The analysis at **Chapters 3** and **4** suggests that RAF households (excluding those of reservists attached to RAF Lossiemouth) have a total population of 6,542 people. These comprise:

- 3,166 RAF personnel.
- 1,457 spouses.
- 1,919 children (up to 16 years of age).

Based on the analysis at **Chapter 2**, the households account for 7% of the total population of Moray and 8% of its working age population.

5.2.4 Wider Impacts: Housing and School Rolls

Table 5.3 summarises the wider impacts in terms of housing stock and school pupils.

TABLE 5.3: RAF KINLOSS AND RAF LOSSIEMOUTH: WIDER IMPACTS	
Housing: Number of Units	
MOD off-base	904
Private	1,070
Total	1,974
RAF Pupils In Moray Council Schools	
Nursery/Primary	795
Secondary	442
Total	1,237

A total of 1,974 housing units are related to RAF personnel. A slight majority are private stock, with the balance being off-base family accommodation owned by DEH.

RAF households have 1,237 children in state schools in Moray. These pupils account for 10% of the total state school rolls in Moray.

5.3 OTHER IMPACTS

5.3.1 Staff Numbers Within The NHS In Moray

Introduction

Moray CHSCP undertook a questionnaire survey to assess the contribution of the two RAF bases to numbers of NHS staff in Moray. All departments/wards/hospitals were surveyed.

A response rate of 76% (52 returns) was achieved. This means that the actual number of NHS staff associated with the two bases will be greater than the numbers discussed below.

RAF Spouses/Partners

The survey shows a total of **204** RAF spouses employed, representing **15%** of all staff. A majority (150) are “qualified” with the balance of 54 “unqualified”. Some 18% of all qualified staff are RAF spouses; and 12% of all unqualified staff are RAF spouses.

There are concentrations in particular departments, wards and services. For **qualified** positions, the following areas have at least one in four staff who are RAF spouses:

- OHS Department.
- Community Midwifery.
- AHP staff.
- Forres District Nurse Team.
- District Nurse Team.
- Nurse Bank.
- Cardiology Services.
- Lossiemouth Health Visitor Team.
- Macmillan Nursing.
- Occupational Therapy.

Some 87 of the qualified RAF spouses are employed within the Nurse Bank. Otherwise, the highest number of qualified staff who are RAF spouses is nine-in Children's & Women's Services.

In terms of **unqualified staff**, the following areas have at least one in four staff who are RAF spouses:

- Pharmacy.
- Administration.
- Moray CHSCP support.
- Radiography.

Some 38 of the unqualified RAF spouses are employed within the Nurse Bank. Otherwise, the highest number of unqualified staff in any one area is three.

For **all** staff, seven departments/wards/hospitals reported at least 25% of staff being RAF spouses.

Spouses/Partners of Civilian Staff Employed At The Bases

The survey also identified 67 staff who are spouses of a civilian employee working at one of the two bases. Of these, a majority (40) are qualified staff.

5.3.2 Uptake of Courses and Number of Staff At Moray College

Introduction

Information was sought from Moray College on the numbers of RAF personnel, MOD civilian staff and their spouses/dependents who are either:

- Studying; or
- A member of staff.

Information was collected through an email survey undertaken by the College. Given participation was voluntary it is likely to understate the actual numbers concerned.

Main Findings

Some 51 respondents to the survey identified themselves as being either:

- RAF personnel or MOD civilian staff who work at one of the RAF bases; or
- Connected to someone who works at one of the bases.

Some 31 respondents provided information on the way in which they are connected to the bases. The main category was spouse/partner of RAF personnel who accounted for over three quarters (78%) of relevant respondents. The other most common categories of respondents were:

- RAF Kinloss personnel.
- Dependent of RAF Kinloss personnel.

Some 15 respondents identified themselves as members of staff, with a further 16 studying at the College. The latter were undertaking the following course types:

- Degree (7 respondents).
- HND/HNC (6).
- Other (3).

Most of the students (around 60%) were studying full-time.

Summary

The survey results need to be treated with some caution as, for example, staff may be more likely to respond than students-or vice versa. Bearing this in mind, the findings suggest that:

- The main link between the College and the two bases is in terms of spouses/partners of RAF personnel.
- The link is via both students and staff.
- Most students are undertaking either a Degree or HND/HNC level course.

Additional Information Provided by RAF Lossiemouth

Information provided to us by RAF Lossiemouth indicates that 22 of their RAF personnel are presently studying locally using Standard Learning Credits-i.e. financial support from the RAF.

5.3.3 Occupations of RAF Spouses

At the time of the 2005 study around 70% of spouses of RAF personnel were working in Moray. It is likely that this proportion has decreased since 2005 given the increase in unemployment over the last five years. Therefore, it is not appropriate to estimate the current number of working RAF spouses.

However, it can be noted that in 2005 the greatest numbers of RAF spouses worked in the following activities:

- Healthcare.
- Education.
- Retail.
- Moray Council-excluding Education.

5.3.4 Community Impacts

Community impacts were covered in the 2005 research. However, it was not possible to update the analysis in the current study.

The 2005 study found that the two bases contribute significantly to activities in the wider community. This is through:

- Volunteering and community work. The range of activities undertaken includes household work for individuals (e.g. gardening and decorating) and participating in sports clubs and committees (e.g. school boards).
- Fundraising and charitable donations organised through the bases. This is for both local and non-local charities.
- Use of personnel and equipment to support local events-e.g. pipe band displays at local shows.