

## BALMORAL ESTATE ECONOMIC IMPACT STUDY

This is the summary of a report produced by an independent Scottish Economist, Steve Westbrook of Nairn, for Balmoral Estate to assess the economic and social impact of the Estate and its association with the Royal Family on Upper Deeside and Aberdeenshire. The Estate comprises 18,659 hectares owned between Balmoral, Birkhall and Glen Doll; 2,940 hectares of grouse moor at Corgarff; and 4,688 hectares of rented sporting rights.

The Estate is involved in tourism, forestry, farming, deer stalking, grouse shooting and a range of other activities. The Castle grounds, gardens and exhibitions are open to the public between April and July; other visitor provision including gift shop and cafeteria, pony trekking, exhibitions, visitor centre at Spittal of Glen Muick, footpaths, ranger-guided walks and safaris, holiday cottages and availability of the Queen's Building for receptions, corporate hires, etc.

Other Estate activities and responsibilities include: managing 2,869 hectares of woodland through continuous cover forestry; harvesting over 10,000 tonnes of Forest Stewardship Council certified timber; environmental management and habitat improvement; maintenance of more than 100 properties; deer, moorland and fisheries management (salmon and trout); organic farming (287 acres arable or pasture); care of the gardens, including historical designed landscape; compost recycling (50 tonnes annually); maintaining historic artefacts, soft fabrics and furnishing; and looking after ponies used for carcass extraction and trekking.

Employment impacts in the 2004/05 financial year can be summarised as follows. *Fte's* refer to full-time equivalent jobs (ie a seasonal job might be 0.5 fte).

### ***Direct Employment:***

The Estate employed 50 full time staff and more than 50 part-time and seasonal staff. These staff were paid £1 million in the year. Much of the work is skilled, eg gamekeeping, garden management, rangers, forestry, tradesmen, etc.

*Impacts: Upper Deeside 63 fte's, Aberdeenshire 63 fte's*

### ***Induced Employment:***

Spending by the Estate's employees support services and other businesses in a rural area otherwise highly dependent on seasonal tourism.

*Impacts: Upper Deeside 9.5 fte's, Aberdeenshire 12.5 fte's*

### ***Indirect Employment:***

Local spending by the Estate on supplies and services is important to a number of businesses, including specialist contractors, maintenance and administration suppliers.

*Impacts: Upper Deeside 3 fte's, Aberdeenshire 13 fte's*

### ***Estate Tourist Visitor Impacts:***

Some 65,000 people visit the Castle and gardens each year, mainly during the April to July season, excluding shop visitors outwith this season. These visitors spend over £0.5m per year on entry fees, cafeteria purchases, pony treks and shop purchases. Coach parties represent 34% of all visitors, and overseas visitors 43%. 40% of people who completed a questionnaire in 2005 said that visiting Balmoral was the principal reason for their trip to Deeside. 50% of visitors spent at least one night in the area during their trip; staying for an average of almost 4 nights. 81% of people were visiting

Balmoral for the first time; illustrating the role of the Estate in bringing new visitors into the area, many of whom will return in the future.

*Impacts: Upper Deeside 99 fte's, Aberdeenshire 122 fte's*

#### ***Holiday Cottage Visitors:***

8,085 bed nights were spent in the Estate's holiday cottages during the year, including 1,260 bed nights by people also purchasing fishing permits. Repeat nights from year-to-year are high.

*Impacts: Upper Deeside 2.5 fte's, Aberdeenshire 3 fte's*

#### ***Impacts From Other Estate Visitors:***

These include hillwalkers, special events visitors, fishermen not staying in Estate cottages, people on guided walks, and Balmoral Road Races participants and spectators. The Road Races boost local tourism by an estimated £93,000 p.a. Some 180,000 hillwalkers used paths on Estate land.

*Impacts from overnight stays and day trips: Upper Deeside 12.5 fte's, Aberdeenshire 16.5 fte's*

#### ***Impacts From Royal Residences:***

These include extra staff during Royal Residencies, Metropolitan Policemen, and soldiers staying in Ballater. Where not locals, these staff spend money locally on food, drinks, accommodation, etc over two and a half months.

*Impacts: Upper Deeside 10 fte's, Aberdeenshire 12 fte's*

#### ***Other Tourist-Related Impacts:***

These include visits generated by the reputation of Balmoral, visits when the Castle is closed, repeat visits to the area by people originally attracted to the area by Balmoral, Braemar Gathering visitors attracted by the Royal Family's attendance, visits to Crathie Church, coach tours to Royal Deeside, and use of the area's Royal Family connection in marketing by local tourism businesses. The "Royal Deeside" name is important to the area in attracting visitors.

*Impacts: Upper Deeside 125 fte's, Aberdeenshire 142.5 fte's*

#### ***Other Miscellaneous Impacts:***

These include local Tourist Information Centre staff, expenditure on footpath development, processing of Estate venison and timber, and Royal Lochnagar Distillery visits (through association and proximity).

*Impacts: Upper Deeside 15 fte's, Aberdeenshire 17 fte's*

In total, employment impacts total approximately **340 full-time equivalent jobs** in Upper Deeside or **400 full-time equivalent jobs** in Aberdeenshire.

These employment impacts generate household income of over **£6 million** per year in Upper Deeside or **£7 million** in Aberdeenshire. The 340 full-time equivalent jobs in Upper Deeside (including Aboyne) represent up to 20% of the area's total employment.

The Estate is also very important socially within the local area. Its social impacts include:

- Availability of sporting facilities for use by the local community, including a golf course, cricket square, salmon and trout fishing, and rifle and clay pigeon shoots
- An annual local art exhibition displayed in the cafeteria and Stables
- A Grampian Fire Brigade unit based at Balmoral that is staffed by paid volunteers
- Training exercises on the Estate by Braemar and Aberdeen Mountain Rescue Teams
- A role in sustaining the population of a rural area through offering a range of employment
- Staff children representing a quarter of the roll at Crathie Primary School, helping to keep it open
- Donations of £18,113 to 43 different charities in and around Deeside in 2004/05
- Supporting the Upper Deeside Access Trust in improving walking and other leisure opportunities
- Free use of Estate facilities for sponsored walks and many other charitable and voluntary activities
- Support for the local community hall
- Committee membership by staff and their families of at least ten local sporting and voluntary organisations
- Involvement of the Estate's rangers in schools, community groups, etc