



10 AUG 2020



29th July 2020

Director of Planning
Aberdeenshire Council
Local Development Plan Team
Woodhill House
Ashgrove Road West
Aberdeen

Dear Sirs

Aberdeenshire Local Development Plan 2020

Further to our recent correspondence and our formal objection to the proposed zoning of Harlaw Park Football Ground as P19 we can advise the following.

At present the club is financially viable and has the ability to have an overdraft facility with the bank. This is based on the current zoning of the land and therefore its value.

By changing the allocation to P19 basically reduces the value of the ground to nil and has therefore a significant impact on our ability to fund the club and maintain an overdraft facility with the bank.

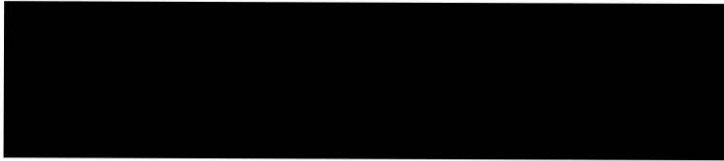
This will have a massive impact on the club and in the community it serves. We enclose a copy of an economic appraisal the club prepared in recent years.

Yours faithfully



CHAIRMAN

c.c.



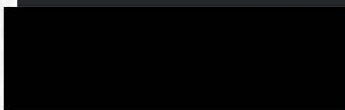


Economic Impact Assessment

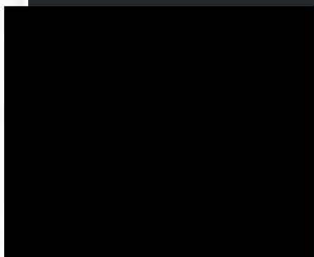
for

Inverurie Sports Development Project

Compiled By



March 2016



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Executive Statement

The purpose of this Report has been to examine the economic impact that Inverurie Loco Works Football Team (ILWFC) has on its home town of Inverurie, situated in Aberdeenshire in the north east of Scotland. ILWFC is part of the Highland League fixtures league which encompasses 18 towns across the north of Scotland.

The assessment has focused on two elements, firstly on the direct impact of its Club expenditure and income generated by Inverurie Locos FC and secondly, tries to assess the indirect or knock on expenditure generated by Inverurie Locos FC within the town and its businesses and its value as a part of the community, both financially and socially.

The report will demonstrate that there is a close tie between the financial and economic success of the town of Inverurie and the ILWFC and examines external factors, including population and connectivity and takes into account predicted future trends to enable a general assessment of potential benefits in the future.

INTRODUCTION

This paper examines the economic impact of regular season football matches generated by Inverurie Loco Works Football Club (ILWFC). The purpose is to identify the extent of sports tourism, and sports tourism expenditure and identify its potential for future income generation and economic benefit in the town of Inverurie.

The focus lies on two areas:

- Direct Expenditure generated by Inverurie Locos FC
- Indirect or knock on expenditure generated by Inverurie Locos FC

NB Measuring the total net impact on economic activity is more complex as direct expenditure has a subsequent knock-on effect. For example, expenditure on the output of bars, coffee shops and restaurants leads to further local expenditure on the intermediate goods and supplies required in the production of these services. Similarly, workers in sectors directly supplying a sports tourism outlet will have an impact on the local economic activity by impacting on the local pound generation and is difficult to gauge and this impact is not assessed for the purpose of this report.

Sports Tourism

Sports tourism is based on Weed and Bull's (2004) definition of sports tourism. This defines sports tourism as "a unique area of study derived from the interaction of activity, people and place", acknowledging the heterogeneous nature of the sports tourist behaviour – formal/informal, competitive/recreational or active/passive participation (Weed, 2005).

Tourism

Tourism is recognised as a significant sector contributing to the economic well-being of the area and is undoubtedly an integral part of the Scottish economy overall, contributing at least 10% of GDP and providing over 185,000 jobs. The role sport is playing in attracting tourist spend has continued to increase following on from the success of the Commonwealth Games and other high profile events like the Ryder Cup.

In 2013 visitors spent over £220 million and 2.5 million nights in the region with 441,000 overnight trips made to Aberdeenshire by both domestic and international visitors, with 3.8 million tourist day visits annually. Source: Measuring the Visitor Economy, Aberdeen City & Shire Area Tourism Partnership, Visit Scotland.

Demographics

The profile of the local population is outlined in the tables below. The continued growth in population and economic strength in the local economy are seen as favourable indicators for continued opportunity and demand in the area.

The estimated population of Aberdeenshire on 30 June 2013 was 257,740 and in the period up to 2035 is projected to rise to 299,404.

The estimated population of Aberdeen City as at 30 June 2012 was 224,970, up 2,510 on the previous year. The growth in population in the City and the Shire is attributable to the transitory nature of the oil industry and related sectors which in itself brings in a continued flow of potential footfall. In the period up to 2035, the population of Aberdeen City is projected to rise to 271,705.

Total Available Market/Population Figures

Table 1

POPULATION 2012/13	MALE	FEMALE	TOTAL	% of SCOTLAND
Aberdeen City	111,301	113,669	224,970	4.2%
Aberdeen Shire	129,643	128,097	257,740	4.8%
Moray	46,656	48,094	94,750	1.8%
Highlands	114,068	119,032	233,100	4.4%
Total	401,668	408,892	810,560	15.2%

Key Towns

Table 2

Key Major Towns	Population	Major Towns	Population
Peterhead	18,450	Fraserburgh	13,140
Inverurie	12,760	Westhill	11,600
Stonehaven	11,370	Ellon	10,100

The age structure of Aberdeenshire has a higher proportion of people aged 36-68, with a significantly lower percentage of residents aged 18-35 compared to Scotland as a whole. This suggests a higher proportion of families with young children living in the region. The median gross weekly earnings of residents of Aberdeenshire were £574.60.

Figures show that Moray's population increased by 1.6% from 92,910 to 94,350 between mid-2012 and mid-2013. The 2014 population for Highland is 233,100; an increase of 0.1 per cent from 232,950 in 2013.

These figures indicate positive population trends and records show that since 1988, Scotland's population has continued to rise overall during this period.

Connectivity

There are eight railway stations in the region, six in Aberdeenshire and two in the City. During 2013-14 the Shire stations served over 1,390,000 passengers. All six stations have experienced continual increased passenger numbers over the last 5 years. Source: Office of Rail Regulation

Rail

Stonehaven, Laurencekirk, Portlethan, Aberdeen, Dyce, Inverurie, Inch, Huntly and in relation to towns in the Highland League, direct connectivity extends to stations in Keith, Nairn, Elgin and Inverness.

For the purpose of this report we have selected a return adult ticket from Huntly to Inverurie the cost is £14.20 for a standard day rate return to give an example of the likely ticket spend per visitor.

Roads

Scotland's trunk road network is vital for connecting its cities, towns and rural communities. There are currently two major trunk roads in Aberdeenshire:

- A90 Edinburgh – Fraserburgh Road (passes close to Stonehaven, Aberdeen, Balmedie, Ellon, Hatton, and Peterhead).
- A96 Aberdeen – Inverness Road (which passes close to Blackburn, Inverurie, Huntly).
- The A9 Connects Inverurie to the Highland league towns in the Moray Firth, Wick and Brora.

- The Aberdeen Western Peripheral Route (AWPR) as a major transport infrastructure project, will significantly impact on travel in and around Aberdeen and throughout the North East of Scotland. On completion it is expected to carry more than 43,000 vehicles each day and will greatly improve the travel times between the major towns. Construction is predicted to be completed ahead of schedule and by winter 2017. (It has been projected that by year 5 after completion retail will increase sales by around 5% and reduce costs by 1.7% and tourism will increase sales by 5.6% and reduce costs by 2.5%).

- Car ownership is high in the North East, with around 77% of households having access to a car with Aberdeenshire having the highest rate of car ownership in Scotland, with around 85% of households having access to at least one vehicle. Car ownership in Scotland has increased from 65% in 2005/2006 to 69% in 2009/2010.

Trends Forecast to 2035

The key forecast trends for Aberdeen and Aberdeenshire over the next 10 years, as detailed in the Nestrans Regional Transport Strategy Refresh 2014, are as follows:

- Population of working age predicted to increase by 25% in Aberdeen and 15% in Aberdeenshire by 2035
- The population of the North East is predicted to increase from 468,000 in 2011 to 480,000 by 2030 and to 500,000 by 2035
- The Strategic Development Plan (SDP) sets out a proposed housing allowance of over 67,000 homes between 2011 and 2035 (mostly in the strategic growth corridors of Aberdeen City, Aberdeen to Huntly, Aberdeen to Laurencekirk, and Aberdeen to Peterhead)
- The anticipated impact of the SDP to 2023 compared to 2010 traffic and travel conditions is:
 - o +20% rise in daily car trips
 - o +10% rise in daily public transport trips
 - o +30% rise in annual vehicle kilometres

Bus

Bus transport has been and remains synonymous with football tourism. Team coaches and supporters buses have been predominant in the sport and remain as the transport of choice. The majority of public services in the North East are operated by the two main bus operators (Stagecoach and First Group), with a number of small operators who operate services on a subsidised basis under contract to Aberdeenshire Council. Eg. Bain's Coaches in the Inverurie area, Deveron Coaches operate the Banff – Macduff town service. Contract hire with companies such as Central Coaches, used by ILWFC, both generates and spreads wealth throughout the region as a direct result of football.

As an indicator, an average return fare from Huntly to Inverurie is £8.90 with Stagecoach offering Grasshopper day rates that allow for hop on/off services throughout the region from £4.20 to £16.00 depending on Zones. These rates are for a single adult return.

For this report we have also used evidence collected by the Campaign for Better Transport Door to Turnstile Report who report there is a fairly even split between car and public transport journeys for home matches. Many modes are also combined with a walking stage, but cycling is very rare.

- For away travel, more than half of fans use the train for at least some games. Car sharing is also higher for away travel, particularly among season ticket holders.
- Train travel is by far the most popular mode that fans 'would like to use more' (36%), followed by the bus (23%)

Home fans will use, in the main a mixture of private car or local bus services or walk to the ground as this generates part of the excitement and atmosphere before the match. Taxis are more generally used for getting home following the match. The use of taxis has risen in direct response to the new drink/driving regulations introduced in 2015. For the purposes of this report we have used an average taxi fare within Inverurie which would be approximately £7.00.

Indirect or knock on expenditure generated by Inverurie Locos FC

As indicated in the Introduction, the impact on the local economy of the ILWFC is a significant factor in its success and continued success in the community. The value of the local £ can be indicated in the knock on expenditure on match days throughout a range of local facilities. These include local independent and national retailers, coffee shops, supermarkets, bars, clubs, restaurants and fast food outlets.

For the purpose of this Report we carried out an online survey, sending out to 30 businesses located in and around the town centre of Inverurie. We had 20 respondents <https://www.surveymonkey.co.uk/r/XL5YKXH> and the key findings are outlined as below:

Survey Key Findings

Table 3

Survey Report – Key findings
85% of respondents though ILWFC had a positive impact on their business
61% indicated there was a positive impact when a home game was being played
47% indicated a footfall rise on match days
Average customer spend increased in the £1- £20 bracket to 50% compared to just over 38% normally
£100+ sales were 23% compared to 7% on match days indicating more frequent smaller item purchases on match days

Survey Key Findings

Table 5

Highland Football League 2015/16	Teams
Brora Rangers	Keith
Cove Rangers	Forres Mechanics
Formartine United	Lossiemouth
Turriff United	Deveronvale
Nairn County	Clachnacuddin
Inverurie Loco Works	Strathspey Thistle
Buckie Thistle	Huntly
Wick Academy	Fort William
Fraserburgh	Roths

The geographical spread of the Highland League teams demonstrates the impact football has on bringing people and towns together which would not otherwise have many reasons to interact and with this brings cross community business introductions with businesses appointing work and contracts as a direct result and there are many example of this throughout the region which could be quantified in a more in depth report.

Direct Expenditure generated by Inverurie Locos FC

ILWFC generates (80%) its income from the local economy with 12% coming from SFA funding, with the balance coming from donors or benefactors with the majority generated via support from people of all ages throughout the community including individual and volunteer support, local businesses, sport related organisations, and substantial corporate and media sponsorship.

Club Income

Table 6

Club Income	Annual Income Generation £000
Ground entry	38
Rental Income	24
Hospitality	40
Sponsorship	90
Fund Raising	107
Total	299

Knock on Expenditure in Local Economy Examples

While it is difficult to ascertain the knock on figure, and as explained in the introduction it is not an intended part of this Report, however, by using examples from some close affiliates to ILWFC we are able to provide some identifiable examples as below:

Each Season, ILWFC awards a contract to a local bus company to provide transport to all away matches (approximately 19 per season) This contract is worth circa £11,000 per annum to the local economy.

Affiliate Income Impact

Table 7

Affiliate General Income Impact Table	Match Day Upturn £00	Home Games per season	Match Day Income No Hospitality Average £00	Match Day Income with Hospitality £00	Average Number of Games with Hospitality	Annual Economic Benefit £00
Bar Locos	N/A	9	£950	£2500	20	58550
Edwards Bar/Diner	+£1000	26		N/A		26,000
Edwards Nightclub	+£300	26		N/A		7.800
Bus Company				N/A		11,000
Total						103,350

Ground Personnel & Visitor Figures

During the football season, ILWFC require a large number of people to facilitate and assist in the process, bringing a large number of people into the town for each fixture. The table below gives an outline on the average influx of home and visiting numbers.

Visitor Numbers

Table 8

Personnel	Average Nos	No of Games	Annual Total
Players/Coaches	30	20	600
Management, Committee & Associates	20	20	400
Staff & Volunteers	12	20	240
Fixture Total	62	20	1240

Visiting Numbers

Table 9

Visiting Personnel	Average Nos	No of Games	Annual Total
Players & Coaches	22	20	440
Management & Associates	10	20	200
Guests/Visitors/Media	14	20	280
Match Officials	4	20	80
Fixture Total	50	20	1000

Supporters

Table 10

Supporters	Average Nos	No of Games	Annual Total
Home Fans	350	20	7000
Away Fans	50	20	1000
Fixture Total	400	20	8000
Aggregate Total	800	20	16000

For the purpose of this Report, looking towards the next 10 years, If we calculate related or knock on spend, based on the current number of fans visiting the town for home matches alone and allowing an average spend of £10 per person, this is worth £160,000 to the local economy per annum.

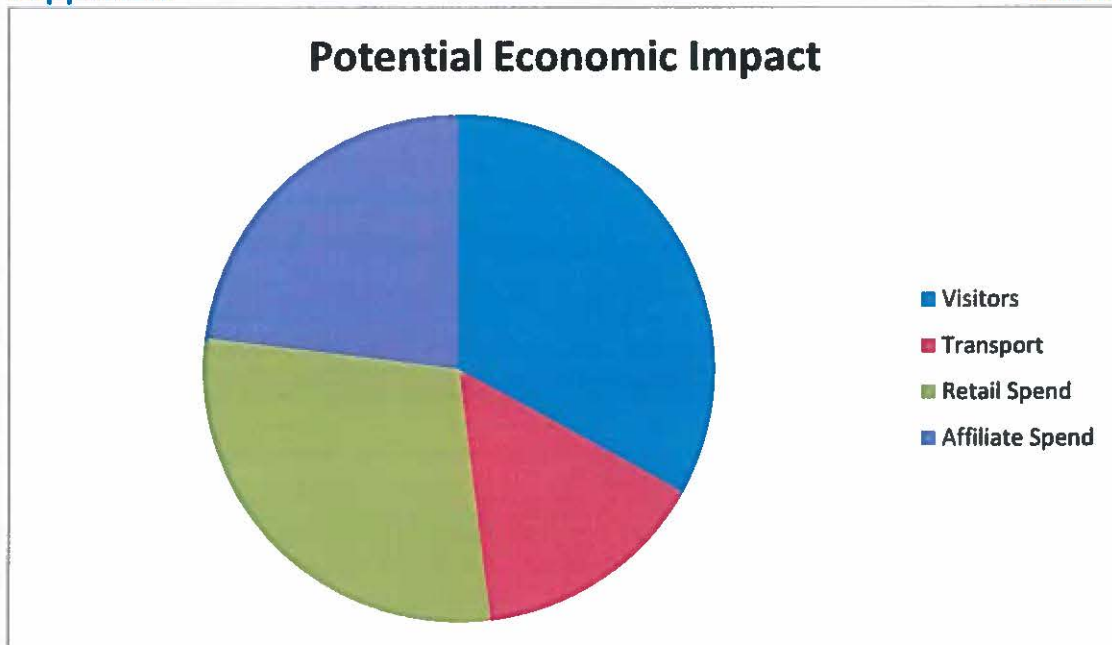
If we calculate increased attendance due to improved facilities, projected increases in local population and potential profile of ILWFC in the Highland League, basing on an increase alone of 15% on match visitor numbers alone, this could generate £184,000 per annum.

Calculations based on an average spend on transport of £8 per person generates £81,920 per annum.

Adding the same 15% increase to the Affiliate Income of £103350 and combined with the same increase on ILWFC annual income generation of £299,000, the potential future aggregate income would be ££544,772 to the local economy.

Supporters

Table 11



Further Opportunities and Positive Economic Benefits

ILWFC have already hosted special events, cups and tournaments, including the UEFA European Women's Under-17 Championship Qualifier in 2013 to Inverurie which brought players and associates from throughout Europe and helped to put Inverurie in the spotlight. This benefitted the town's profile and brought an international feel to the town as well as a positive economic benefit in the form of hotel occupancy and local spend.

Future events include the Under 16's Scottish School Boys 5 Nations is coming to Inverurie in March 2016 and should bring a similar positive effect to the town. It would be beneficial to assess the economic impact of this tournament.

Previous success in the Highland League brings community spirit and inclusion, an example can be demonstrated when all the retailers in the town dressed their shop fronts and windows in the Club colours of black and red for the Motherwell cup tie in 2009 and 2,500 fans turned out to support their team on the day.

Another recent addition to club income has been the edition of "If Goals Could Talk", a book relating the history of Inverurie Locos, written by supporter, David Fasken, which is being sold for the benefit of club funds.

CONCLUSION

Inverurie Loco Works football Club has been an intrinsic part of the history of the town since its inception in 1902 and over the years “the Locos” has become an Inverurie institution held in high regard and affection by the people of the town.

The success of the town’s local economy in the past and looking towards the future is intricately laced with local businesses and local people both benefitting from and contributing to the community by supporting its continued presence in the town.

This, combined with the strong links it has forged throughout the North East and beyond has further economic impact, helping to secure jobs, instil community spirit as well as keeping the sporting element alive and well.

This Economic Impact Assessment shows that the reach of a football match goes much further and wider than may appear on the surface and not least there should be a note to the dedication of all involved in making sure this team and its supporters continue to bring success and prosperity to the town of Inverurie.

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