9 Connectivity

9.1 Internal geography

The Cairngorm Mountains are at the geographical heart of the Cairngorms National Park. However, they also form a physical barrier to transport and communication between communities within the Park's boundaries. Transport routes run inside the north west, north east and south east boundaries of the Park. There are no vehicle routes across the Park and none along the south west boundary. Figure 88 is a map of the Park with the main road and rail links marked.

Figure 88 Transport links within the National Park

9.2 Road connections

Point of entry marker, Glenlivet

There are two main road access routes into the Park – the A9 and the A93.

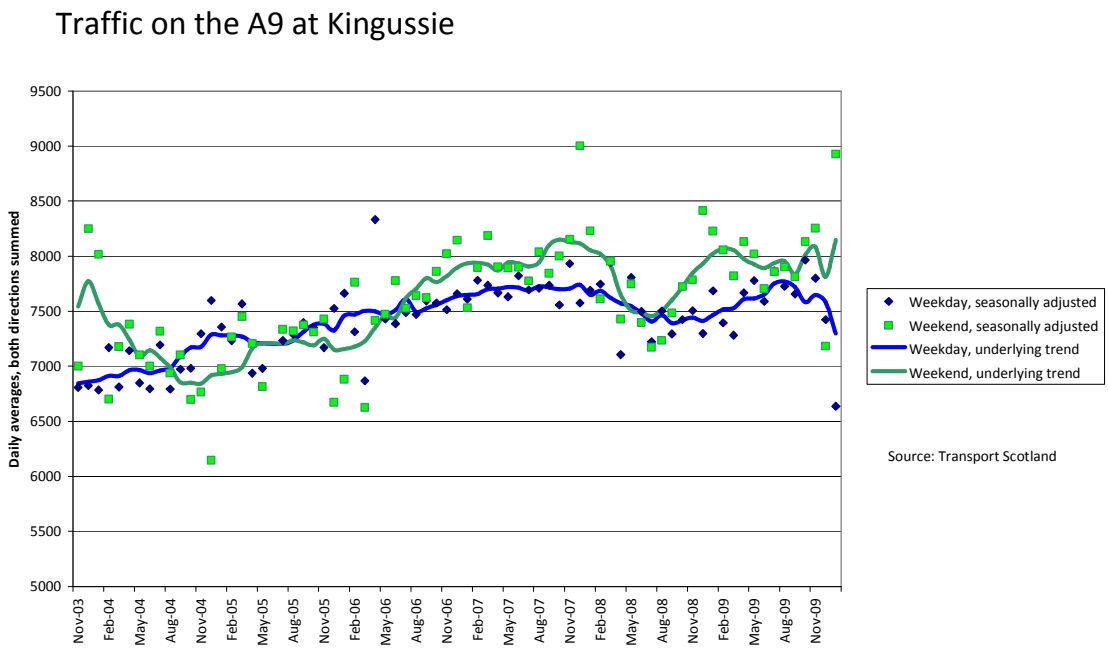
The A9 is the main access to the west of the Park, from Inverness and the north and from Perth and the south. Most of the main centres of population in the west of the Park are located along the route of the A9 (although all of the actual settlements are now bypassed). Travel time from Aviemore to Inverness along the A9 is around 45 minutes. Travel time from Aviemore to Perth is 2 hours[15].

Figure 89 Traffic counts in the west of the Park

[15] Source: AA Route Planner

Based on traffic count statistics for the Kingussie area, currently about 7,700 vehicles pass up and down the A9, as shown in Figure 90. This represents an increase of 15 per cent at the time of designation, when the daily flow was 6,700 vehicles. Weekend traffic is, on average over the year, about 500 vehicles per day more than weekend traffic. August is the seasonal peak.

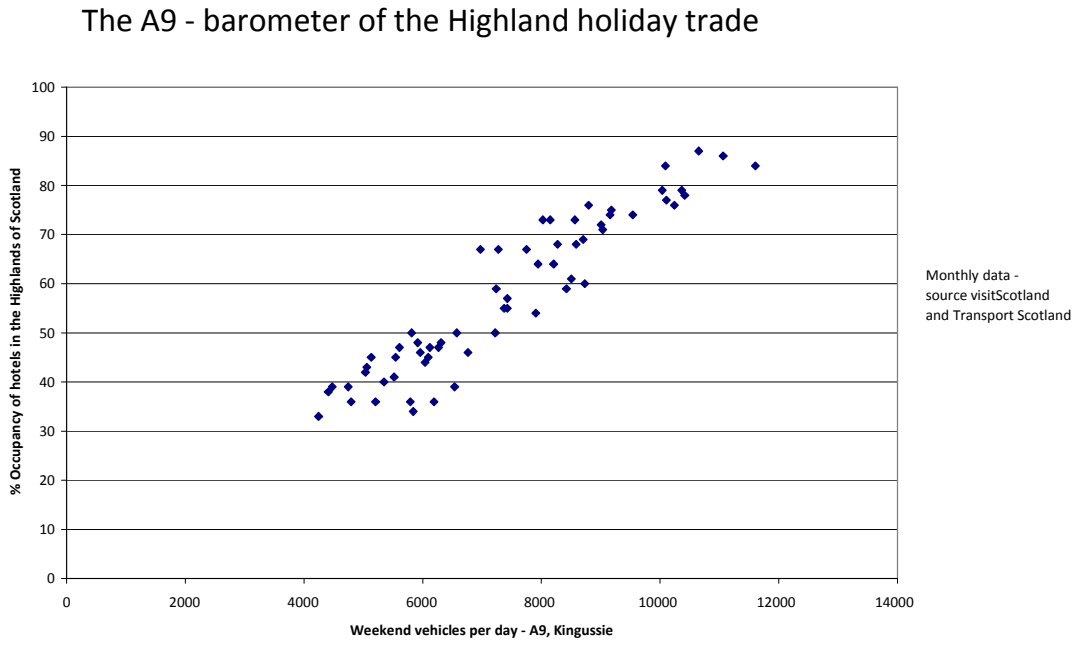
Figure 90 Increasing traffic on the A9



Months of particularly good or bad weather affecting traffic flows can be picked out from the chart. This is most striking is January 2010, where heavy snow reduced weekday traffic by 15 per cent. This is a large figure when one considers it an average over an entire month, and has been boosted by weekend traffic (presumably for winter sports),by a similar amount.

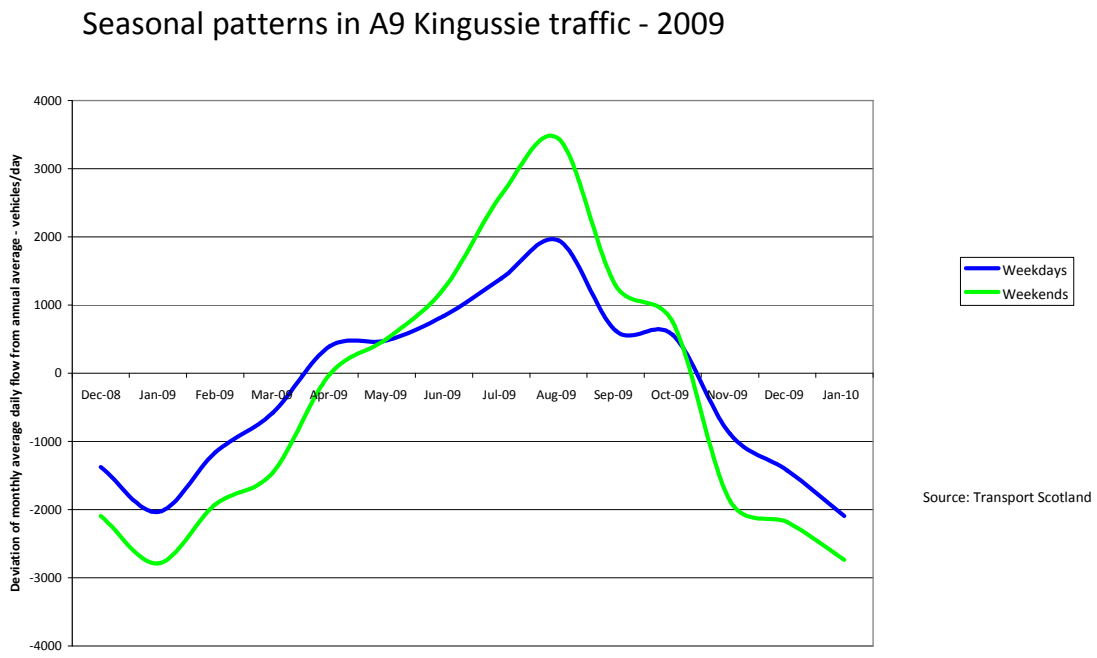
The link between tourism and traffic flows is very clear indeed, and underlines the role of the Park as a gateway to the Highlands. When weekend traffic at Kingussie approaches 12,000 vehicles per day, it's a sure sign that hotel occupancy across the Highlands is approaching 90 per cent. When flows are down to 4,000 vehicles per day, hotels are only 40 per cent full.

Figure 91 Traffic flows and hotel beds



Linked to the tourism factor, the regular seasonal swings are very large indeed, as indicated by the data in Figure 92. For weekdays the difference between August traffic and January traffic is 4,000 vehicles per day (i.e. from 5,500 to 9,500 vehicles per day, at current traffic levels). For weekends the swing is even larger, at 6,300, from 5,200 in January to 11,500 in August. Thus summer tourism more than doubles weekend traffic on the A9 – although it must be recognised that these are not all Park visitors – these counts include seasonal flows covering much of the Highlands.

Figure 92 Traffic flows double in the summer



Although the A9 traffic is largely through traffic, the schematic map (Figure 89) indicates significant numbers of vehicles turning off the trunk road A9 to go through Kingussie and through Aviemore. A rough estimate for August would be 1,400 per day at Kingussie and 2,300 at Aviemore, and these will be under-estimates as they exclude those who exit and re-enter the trunk road at the same junction.

In the east, the A93 road is the main route into and out of the Park. This links Braemar and Ballater with Aberdeen and Perth. Ballater to Perth takes two hours to travel by car whilst Ballater to Aberdeen is 80 minutes by road.

There is only one automated traffic counter in the east of the Park whose results are reported, at Millhead/Tarland. This counter records about 150 vehicles per day.

The main road link between the west, centre and east of the Park is the A939 which runs from Ballater to Grantown on Spey, where it meets the A95, continuing thence itself to Forres in Moray. The A97 links the Donside area with Huntly and Alford. The Angus Glens do not have any direct road links to the rest of the National Park.

9.3 Bus and coach services

Long distance intercity coach services operate along the A9 calling at various communities in the west of the Park, offering limited stop services to and from Inverness to the north and Perth, Edinburgh and Glasgow to the south.

There are also regular bus services operating along the A93 to and from Aberdeen. This offers an hourly service between Ballater and Aberdeen and a two hourly service between Braemar and Aberdeen.

The majority of other bus services are less frequent, and tend to be focused around schools services and day time services.

9.4 Rail services

There are five railway stations within the boundaries of the National Park. From north to south these are Carrbridge, Aviemore, Kingussie, Newtonmore and Dalwhinnie. These stations are all located on the Highland line, running from

Perth to Inverness, and are served by First ScotRail day services. Aviemore, Kingussie, Newtonmore and Dalwhinnie are also served by the Caledonian overnight sleeper service between London and Inverness whilst a day time link to and from London is provided by East Coast. This service stops at Aviemore and Kingussie.

Currently 22 passenger train services (11 northbound and 11 southbound) run along the main line during any 24 hour period (excluding Sundays), all of which stop at Aviemore. A total of 20 trains (10 each way) stop at Kingussie and 11 stop at Newtonmore (five northbound and six southbound). Dalwhinnie and Carrbridge each receive a total of 10 trains each day.

Table 12 shows the number of passengers using each of the stations for the year ending 31st March 2008 and compares it with 2004/5. It indicates that all stations have enjoyed an increase in patronage over recent years, with an overall increase in passenger numbers of 12 per cent between 2004/05 and 2007/08. Recent developments have sought to increase the attractiveness of train travel for commuting between stations in the area. In December 2005, as part of the 'Invernet' initiative[16] to provide a suburban rail network for Inverness, additional services were introduced on routes between the Highland capital and Kingussie, Aviemore and Carrbridge.

Table 12 Passengers at Cairngorms railway stations

Station	Standard priced tickets	Reduced price tickets	Season tickets	Total	% change on 2004/05
Aviemore	54,538	58,765	2,128	115,431	43%
Kingussie	21,558	10,608	1,250	33,416	51%
Newtonmore	5,110	1,882	68	7,060	31%
Carrbridge	3,062	2,216	160	5,438	185%
Dalwhinnie	1,279	696	0	1,975	22%
Cairngorms total				163,320	12%

Passenger numbers are a sum of the number of journeys starting at the station, and the number terminating at the station based on ticket sales for year to 31st March

Source: Office for Rail Regulation

There is also a seasonal tourism based service, the Strathspey Steam Railway, which runs during the summer and around Christmas, from Aviemore to Broomhill near Grantown on Spey, using restored steam engines. The line originally continued to Forres, connecting with the Inverness-Aberdeen line there. It was closed in 1965 but reopened by enthusiasts in 1978. There continue to be campaigns to reopen the remainder.

Strathspey steam railway

There are no train stations remaining open in the Deeside or Angus Glens areas of the Park. Ballater was, however, once the terminus on a branch from Aberdeen, and the station building is currently used as a Tourism Information Centre with Royal connections that include not only Queen Victoria but the Tsar of Russia. A preservation society, the Royal Deeside Railway, has opened a short length of track near Milton of Crathes (outwith the Park boundary) and runs trains on Sundays in the summer. Apart from the nearest stations to Deeside is at Aberdeen while the Angus Glens' main local station is at Dundee. The closest train stations to the Moray area of the Park are Forres, Keith and Elgin on the Inverness to Aberdeen line.

9.5 Air links

There are no airports within the Cairngorms National Park. The nearest airports are at Inverness, Aberdeen and Dundee.

[16] www.invernet.info

Inverness Airport is located north west of the National Park. Travel time is around one hour from both Grantown on Spey and Aviemore[17]. Inverness Airport acts as a hub for Highlands and Islands services, including to and from Stornoway, Sumburgh, Benbecula and Kirkwall. It also has links to many of the main centres of population across the UK, including Edinburgh, London (Gatwick and Luton), Birmingham, Manchester, Belfast City airport and Bristol[18].

Aberdeen (Dyce) airport is located about 50 km to the east of the National Park. Travel time is around two hours from Braemar and 70 minutes from Ballater. Aberdeen has air links to most main UK airports including Belfast, Birmingham, Bristol, Durham Tees Valley, East Midlands, Exeter, Humberside, Kirkwall, Leeds Bradford, Liverpool, London Gatwick, London Heathrow, London Luton, Manchester, Newcastle, Norwich, Southampton, Stornoway, Sumburgh and Wick. It also has a number of international links, including to Norway (Bergen and Stavanger), Denmark (Copenhagen and Esbjerg), Ireland (Dublin), the Netherlands (Amsterdam and Groningen) and France (Paris Charles de Gaulle)[19].

Dundee airport offers a more limited service, with scheduled routes to Belfast City airport, London City airport and Birmingham[20]. The airport is located around one hour from the Angus Glens.

By road Edinburgh Airport is about three hours from Aviemore, and Glasgow Airport three and a half.

9.6 Telecommunications

In 2001 only 43 per cent of Scotland had broadband connectivity, but as a result of Government initiatives and the programmes of the Enterprise networks this has now risen to 99 percent. Businesses, communities and individual subscribers within the Park have been provided with access under the 'Broadband for Scotland' initiative and the 'Broadband Reach' project. However broadband speeds rarely exceed 0.5Mbits/s (compared with a UK average of 4.1 Mbits/s), due to distance from the exchange and the activation technology used in small exchanges.

There are many parts of the Park where the topography defeats even 2G mobile coverage, and there is no access to 3G in the Park.

Connections to sparsely populated areas are not as viable commercially as connections in towns, and telecommunications policy is a 'reserved matter' under the control of the Westminster Government which has newly made commitments to draconian expenditure cuts. There are currently questions, therefore, as to how quickly plans to extend broadband and mobile coverage will be realised.

[17] Source: AA route planner

[18] Source: Highlands and Islands Airport Authority, Winter 2010 schedule services

[19] Source: BAA www.aberdeenairport.com

[20] Source: Highlands and Islands Airport Authority

9.7 Geographic access to services

Remoteness from everyday services is often seen as a reality for people living in rural areas. Low levels of population density means that those living in remote and rural locations often need to travel further than those living in built up areas to reach services like shops and doctors.

The Scottish Index of Multiple Deprivation (SIMD) includes a measure of access to key services for each of the Park's 25 datazones. The index combines typical drive times by car to a GP surgery, a petrol station, a post office, shopping facilities, a primary school and secondary school and also the time taken on public transport to access a GP surgery, a post office and shopping facilities.

The Cairngorms National Park includes many communities who are amongst the most remote from everyday services of any in Scotland. Almost two thirds of the Park's datazones fall into the 10 per cent most deprived areas in Scotland in terms of access to services (see Table 13).

However, whilst those living in rural areas often need to travel long distances to access services, the lack of congestion compared to major centres of population, means that those living in and around rural towns which act as local service centres often have a high degree of access to services. For example, the SIMD figures for 2009 indicate that those living in Grantown on Spey, Ballater and Kingussie enjoy some of the quickest access to essential services of any communities in Scotland.

Table 13 Geographic access to public and private services

Data zone	Locality	Area	Geographic access domain rank
S01000710	Glen Clova	Angus Glens	32
S01000708	Glen Isla	Angus Glens	56
S01003743	Laggan / Dalwhinnie	Badenoch and Strathspey	95
S01004233	Tomintoul	Moray	109
S01005147	Blair Atholl	Highland Perthshire	134
S01000360	Strathdon	Deeside	144
S01003750	Kingussie hinterland (north)	Badenoch and Strathspey	157
S01003756	Nethy Bridge	Badenoch and Strathspey	162
S01003759	Boat of Garten	Badenoch and Strathspey	310
S01003771	Grantown on Spey hinterland (east)	Badenoch and Strathspey	328
S01003772	Grantown on Spey hinterland (west)	Badenoch and Strathspey	467
S01000303	Ballater hinterland	Deeside	474
S01003751	Aviemore east / Glenmore	Badenoch and Strathspey	522
S01003760	Carrbridge	Badenoch and Strathspey	541
S01000301	Braemar	Deeside	648
S01003747	Newtonmore town	Badenoch and Strathspey	1657
S01003764	Grantown on Spey town (south)	Badenoch and Strathspey	2486
S01003755	Aviemore town (west)	Badenoch and Strathspey	3188
S01003754	Aviemore town (centre)	Badenoch and Strathspey	3810
S01000312	Ballater town (south)	Deeside	4788
S01003766	Grantown on Spey town (centre)	Badenoch and Strathspey	4992
S01003749	Kingussie town (north)	Badenoch and Strathspey	4995
S01003748	Kingussie town (south)	Badenoch and Strathspey	5624
S01000316	Ballater town (north)	Deeside	6038
S01003767	Grantown on Spey town (north)	Badenoch and Strathspey	6307

Source: Scottish Index of Multiple Deprivation 2009, Scottish Government. Ref: P240/SIMD/deprivation/SIMD2009 geotab

Legend

Ranking *	Level of deprivation
1 up to 1301	Much greater than Scottish aveage
1302 up to 2602	Slightly greater than Scottish average
2603 up to 3903	Around Scottish average
3904 up to 5204	Slightly less than Scottish average
5205 up to 6505	Much less than Scottish average

* Ranking is out of 6505 datazones in Scotland

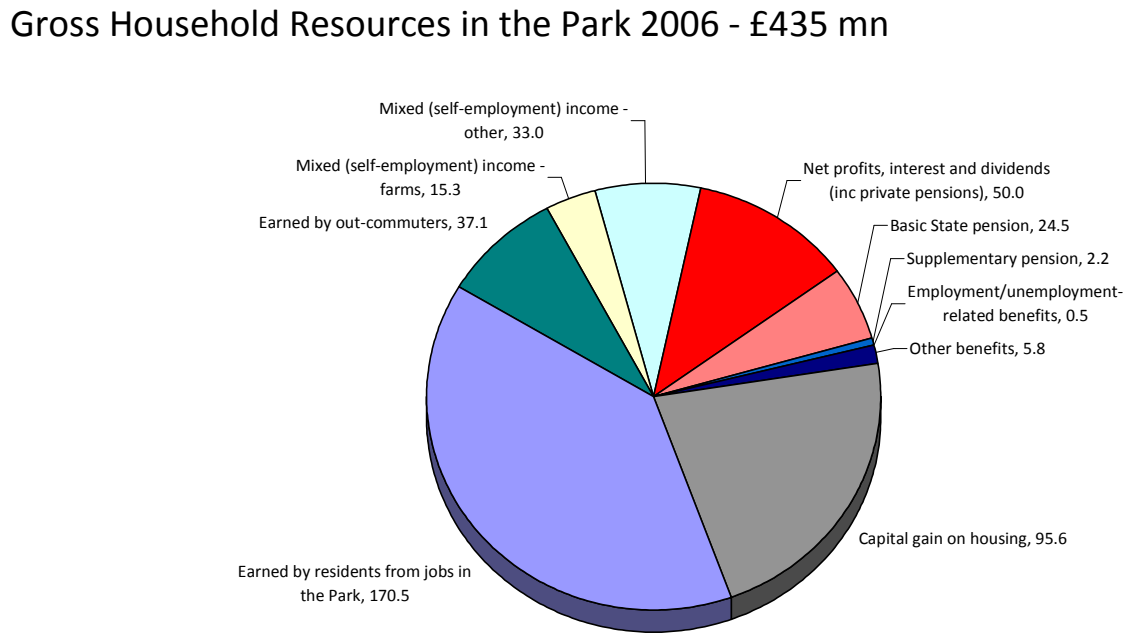
10 Incomes and wealth in the Park

Creating wealth on the park: farming at Broomhill

The financial resources available to Park residents come from a wide range of sources. Their own earnings are the largest element, some paid by an employer within or outwith the Park, some earned through self-employment, in which agriculture figures strongly. A large proportion are returns on residents' assets, either their financial assets in terms of shares, deposits, insurance policies or pension rights, or their real assets, notably their homes. Others are benefits, some paid as a result of statutory rights and accumulated contributions, others based on need.

Broadly, the Park might be classified as 'income light, asset heavy', in that wage levels are relatively low, and the proportion of people working is not high, whilst the significant number of older residents means that several have accumulated wealth. This gives rise to the overall pattern of resources shown in Figure 93.

Figure 93 Sources of household spending power 2006



Source: DREAM® and cogentsi estimates

Ref P240/incomescnp/chart1

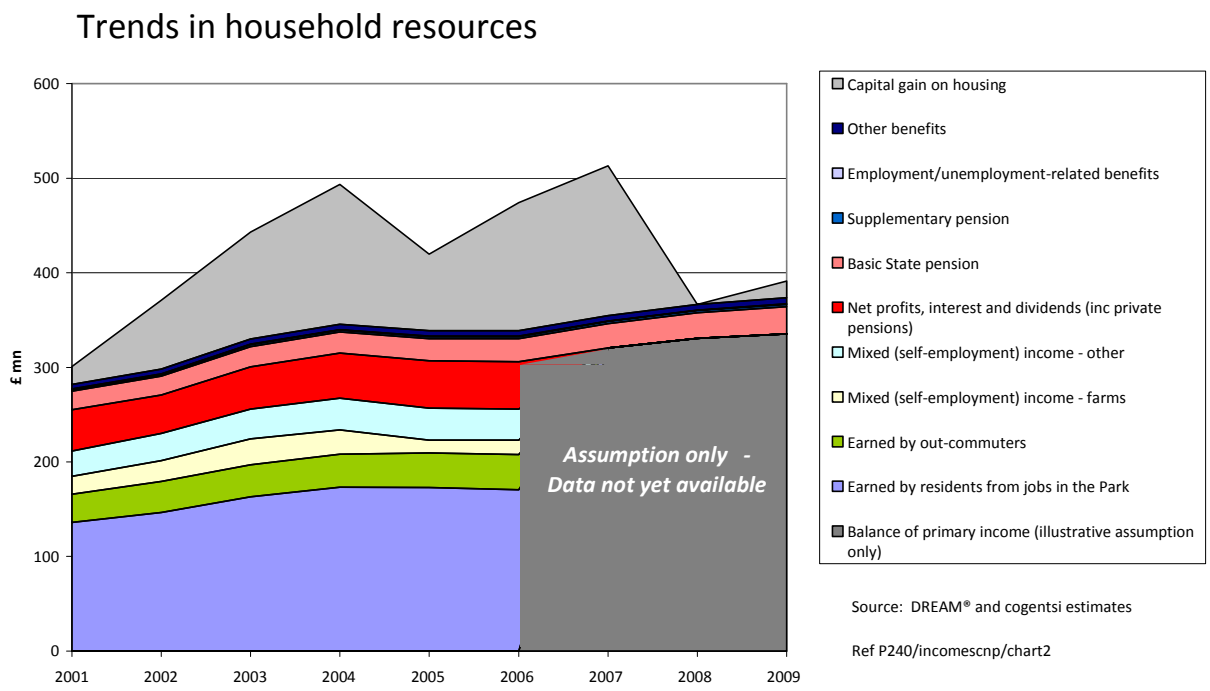
Thus in 2006 wages and salaries (including employers' NIC) made up slightly less than half of Park residents' financial resources, with self-employment incomes bringing the figure up to 60 per cent. Pensions and investment income made up between a sixth and a fifth, and the capital gains from rising house prices a similar amount, in that particular year.

Individual components of resources change from year to year, and to give some idea of the components of these changes over the period since designation, estimates have been made for the period from 2001 to 2009.

The 2008 and 2009 figures for earnings shown in Figure 94 are purely illustrative, since there are no regional accounts for these years yet. However, it is helpful to show how the fluctuations in the housing market have affected the finances of residents in the current recession.

Shifts in house prices are by far the most volatile factor, but it is noteworthy that earned incomes grow in a stop-start manner that is far from even, and that at times farm incomes have declined.

Figure 94 Trends in household resources



Source: DREAM® and cogentsi estimates

Ref P240/incomescnp/chart2

Table 14 Financial trends for Park households

Estimated Household Resources in Cairngorm National Park

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Employment income for work in the Park	166.4	180.1	198.0	209.3	209.1	205.7			
less paid to in-commuters	30.5	33.5	35.0	36.0	36.2	35.2			
Earned by residents from jobs in the Park	135.9	146.7	163.0	173.3	172.9	170.5			
E arned by out-commuters	30.1	32.8	33.9	34.9	36.8	37.1			
Employment income (inc NIC) of Park residents	166.1	179.5	196.9	208.2	209.7	207.6			
Mixed (self-employment) income - farms	18.9	21.8	27.4	25.7	13.5	15.3			
Mixed (self-employment) income - other	26.5	28.7	31.5	33.6	33.5	33.0			
Profits interest and dividends received	55.3	53.3	58.8	62.3	64.3	64.0			
Profits interest dividends paid	11.5	12.6	14.0	14.6	14.0	14.0			
Net profits, interest and dividends (inc private pensions)	43.8	40.7	44.8	47.7	50.3	50.0			
Balance of primary Income	255.2	270.7	300.6	315.1	307.1	305.9			
Basic State pension	19.5	19.9	21.4	22.2	23.2	24.5	25.6	27.0	28.5
Supplementary pension	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.4	2.5
Employment/unemployment-related benefits	0.7	0.6	0.6	0.6	0.5	0.5	0.4	0.4	0.7
Other benefits	4.8	5.3	5.6	5.7	5.8	5.8	6.0	6.0	6.2
Gross secondary income	26.7	27.6	29.4	30.5	31.5	32.9	34.3	35.9	38.0
Capital gain on housing	18.9	72.7	112.7	147.9	81.1	135.2	158.2	0.0	17.6
Estimated gross resources	300.8	370.9	442.7	493.4	419.7	473.9	513.0	366.4	391.0

10.1 Earnings from employment

There are no official data available for earnings in the National Park. However, there is plenty of evidence that earnings are well below the Scottish and UK averages.

In the five Council Areas that will contribute to the enlarged Park, only Aberdeenshire is close to the Scottish mean income, as shown in Table 15. However, the shire figures will be heavily influenced by high earners living near and working in or near the city of Aberdeen, which is by far the best-paying Council area in Scotland. Therefore, Aberdeenshire residents who are actually living within the Park are likely to have smaller incomes more in line with the figures for other parts of the Park.

Table 15 Weekly earnings distribution in selected Council areas, Scotland and the UK

Earnings levels and distributions 2007			……Percentiles……											
	Mean	Mean as % Scotland	10	20	25	30	40	Median	60	70	75	80	90	
United Kingdom	452	106%	115	198	230	260	315	441	525	575	634	815	815	
Scotland	426	100%	120	196	226	252	306	360	425	506	554	608	757	
Aberdeenshire	419	98%	94	167	204	231	299	352	421	514	549	608	768	est
Angus	355	83%	89	140	180	213	270	319	371	445	507	548	652	est
Highland	384	90%	112	180	209	227	265	311	378	455	498	534	699	est
Moray	359	84%	137	191	203	217	270	300	364	419	480	540	672	est
Perth & Kinross	396	93%	125	211	233	251	302	344	400	479	519	595	730	est

Source: Annual Survey of Hours and Earnings (and cogentsi for District 90 percentiles)

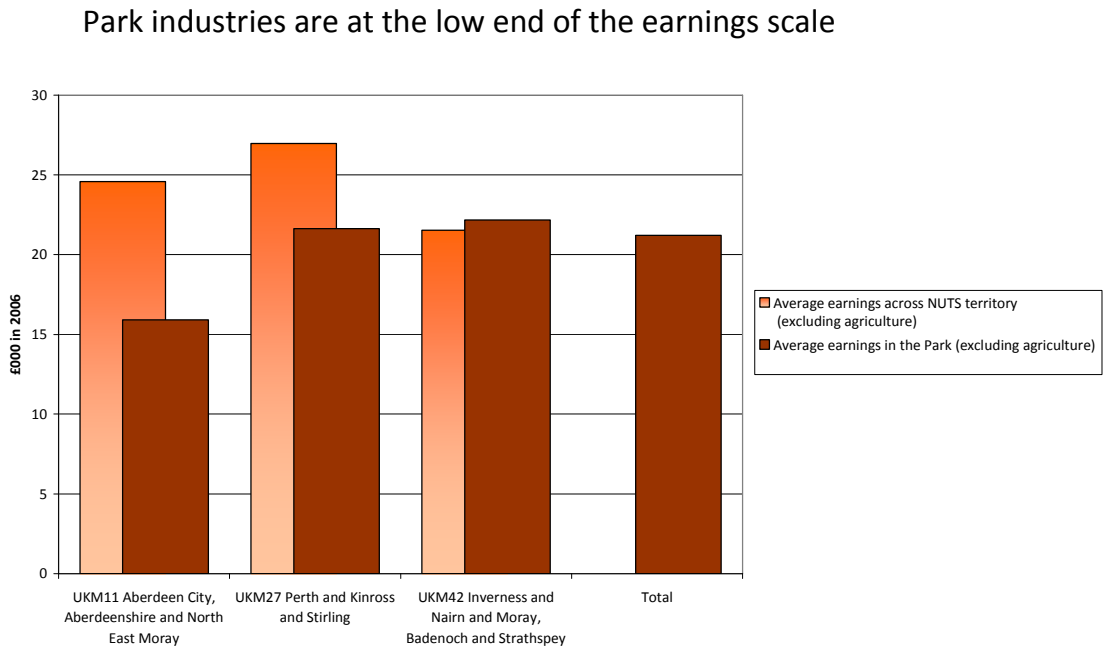
The likelihood is that the distribution of earnings for Park residents is closer to the Moray and Angus figures than it is to Highland and Perthshire, because both the industrial and urban structure in the Park is much closer to the first two districts. Indeed, we have strong evidence that it is likely to be below the Moray and Angus figures.

To aid understanding of the incomes of local residents, the earnings by industry in each of the contributing NUTS3[21] areas have been calculated. With the exception of utilities and distilling, the Park tends to focus on the lower paying industries, notably the hospitality industries and retailing. Using these estimates of employee compensation industry-by-industry, annual earnings levels per head for Park residents for 2006 are estimated at significantly lower levels than the contributing areas. One factor behind this is the relatively light representation of the public sector in the Park's economy. Since they pay according to national scales, public authorities in rural areas tend to be amongst the better payers.

Average annual compensation of (non-agricultural) employees in the Park in 2006 was estimated at £18,370, which is 74 per cent of the Scottish average of £24,840.

The total sum of employee compensation (including pension and national insurance contributions), excluding agriculture, was estimated at £156m in 2006. The addition of agriculture would bring it to £163m.

Figure 95 Earnings in the Park are lower than the contributing districts



[21] 'NUTS' is the standard statistical geography of the European Union. The (enlarged) Park consists of part of four of Scotland's 23 NUTS3 areas – but the part of Angus and Dundee is entirely agricultural, so is omitted from the Chart.

10.2 Earned income from commuting

Section 5.2 estimated that about 1,800 people live in the Park but commute to work outside it. Their incomes will be slightly higher than local people's: at the time of the Census an estimate reconciled across Scotland was that out-commuters from Badenoch and Strathspey earned approximately £18,000. Five years later in 2006 this would have been equivalent to £21,000, so an estimated commuting income of £37m is appropriate. Similarly, an estimated £35m is paid to the 1,500 people who commute into the Park.

10.3 Self employment income

Our estimate in Section 5.1 was that there are about 2,000 people self employed in the Park, about 500 of them in agriculture and many of the rest in service industries including hospitality and retailing. Commensurate with the £42m value added estimated from Park agriculture, of which £22m is paid out to compensate employees, self-employed earnings of the farm occupiers of some £15m might be expected[22].

In most of Scotland self employment incomes are about 16 per cent, in total, of the amount of employment incomes. In the Highlands and Islands this figure rises to 22 per cent. The proportion of people self employed in the Park is slightly above that in the Highlands and Islands, sufficient to support an estimate of 25 per cent of employment income. This would imply earnings (strictly speaking 'mixed income') of £33m for the remaining 1,500 people, or £22,000 per person. Bearing in mind that this includes those working both long and short hours, it would seem commensurate with the earnings level estimated above in section 10.1.

10.4 Property Income

Property income is the income that Park residents receive from the assets that they own – essentially profits, interest, dividend and rents. It normally represents a return on savings, and thus tends to accrue to people who have had high incomes and are older, and also to people who have 'downsized', moving from areas of high property prices. According to the Scottish Household Survey, people in Aberdeenshire, Perthshire and the Highlands all have significantly more savings than the Scottish average, and according to the UK Regional Accounts people in North East Scotland and the Highlands and Islands have higher property income in relation to their earned income. Nevertheless Park residents would appear not to be as affluent in these terms as the inhabitants of the more genteel suburbs of East Renfrewshire, East Dunbartonshire, Midlothian, Helensburgh and Bridge of Don. Taking into account the age structure of the Park, property income is estimated at 25 per cent of the total of earned income in 2006, or £64m.

10.5 Benefits

Benefits are themselves a significant part of household incomes, and because several are means-tested, benefit take-up is a valuable guide to the income levels of the residents of the Park. Some benefits are targeted at those of working age whilst others are major components of the incomes of the retired.

Working age benefits

Benefits paid to those of working age include:

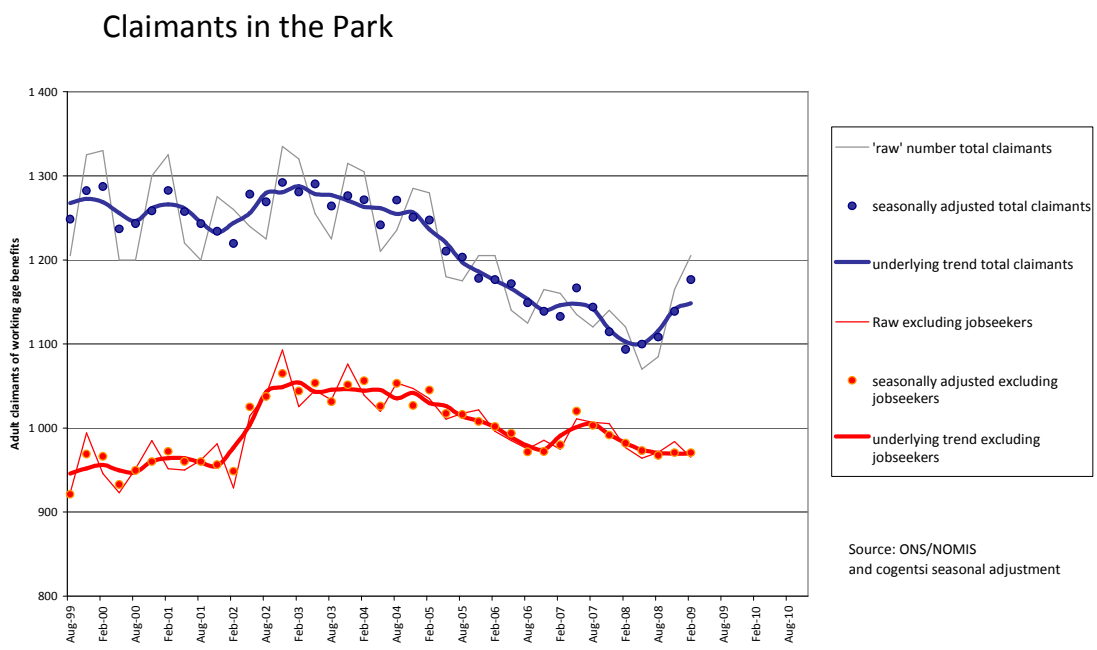
- Income support (IS), which is paid to those who don't have enough money to live on and can't be available for full-time work due to their circumstances, such as being a lone parent, registered sick or disabled, or caring for someone who is sick or elderly.
- Incapacity benefit (IB), which is paid to those who cannot work because of illness or disability. (The Employment and Support Allowance replaced Incapacity Benefit and Income Support paid on incapacity grounds for new customers in October 2008).
- Jobseeker's Allowance (JSA), which is paid to those who are unemployed and actively seeking work.

[22] To make a more detailed estimate a close survey of farm ownership and farm incomes would be required.

- Disability Living Allowance (DLA), which is paid to those who need help with personal care or have walking difficulties because of a physical or mental disability.

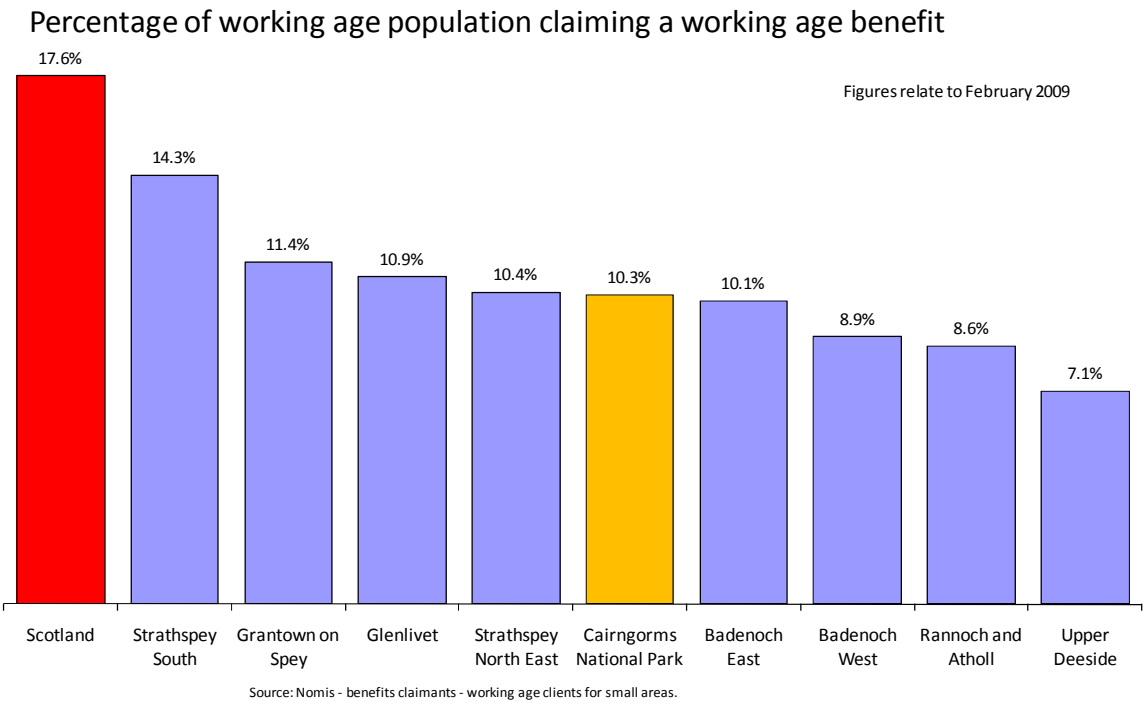
The latest available data (relating to February 2009) indicates that 1,200 Park residents are in receipt of some sort of working age benefit (see Figure 96). Since the Park was designated, the numbers in receipt of benefits other than Jobseeker's allowance remained steady, at around 1,000. The number eligible for Jobseeker's Allowance in 2009 was 222.

Figure 96 Benefits claims follow employment cycle



Currently a considerably smaller proportion of those of working age and living in the Park claim benefits compared to elsewhere in Scotland (see Figure 97). Only one in ten of working age residents in the Cairngorms claim a benefit compared to more than one in six across the country.

Figure 97 Working age benefits take up



Within the Park, the Aviemore area (Strathspey South ward) has the greatest proportion of its working age population on benefits with one in seven in receipt. This, however is still lower than the Scottish average. The lowest rates of claimant are found in Deeside, where only one in 14 residents of working age receives a benefit.

This is likely to reflect the different employment opportunities which are available across the Park. Whilst Aviemore's jobs market is dominated by relatively low paid employment opportunities in the tourism sector, workers living in Deeside benefit from access to higher paid oil and industrial-related jobs in Aberdeen.

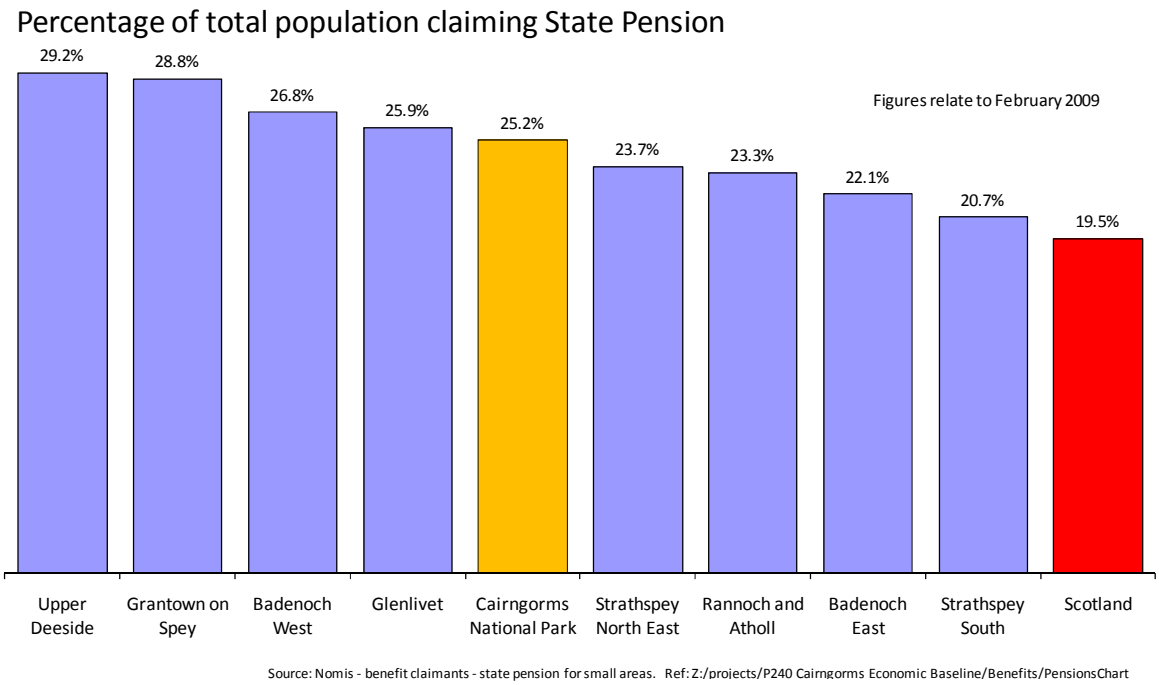
The current rates of benefit are just below £60 per week for Jobseeker's Allowance, just below £80 per week for income support, and just below £100 per week for incapacity benefit. Working age benefits are therefore estimated at £7m per year.

State Pension

The Cairngorms has a population distribution which is older than many other parts of the country. It is therefore to be expected that a greater proportion of the population will be in receipt of the State Pension. The latest data suggests that whereas fewer than one in five (19.5 per cent) of the Scottish population receive the State Pension, more than one in four (25.4 per cent) of Cairngorms residents do so. This represents a total of 4,985 claimants (as at February 2009).

When it comes to age-related benefits the converse is the case. All eight of the wards which make up the Cairngorms National Park area have a greater proportion of their residents in receipt of the State Pension than the Scottish average. The lowest eligibility is in the Speyside South ward (the Aviemore area), where the rate is only slightly above the Scottish average. The Aviemore area has a sizeable younger population working in tourism and call centre operations and local services.

Figure 98 Pensions take up



Source: Nomis - benefit claimants - state pension for small areas. Ref: Z:/projects/P240 Cairngorms Economic Baseline/Benefits/PensionsChart

The average weekly payment for State Pension is £110 per week, so State Pension payments in the Cairngorms National Park amount to £28m per year.

Pension Credit

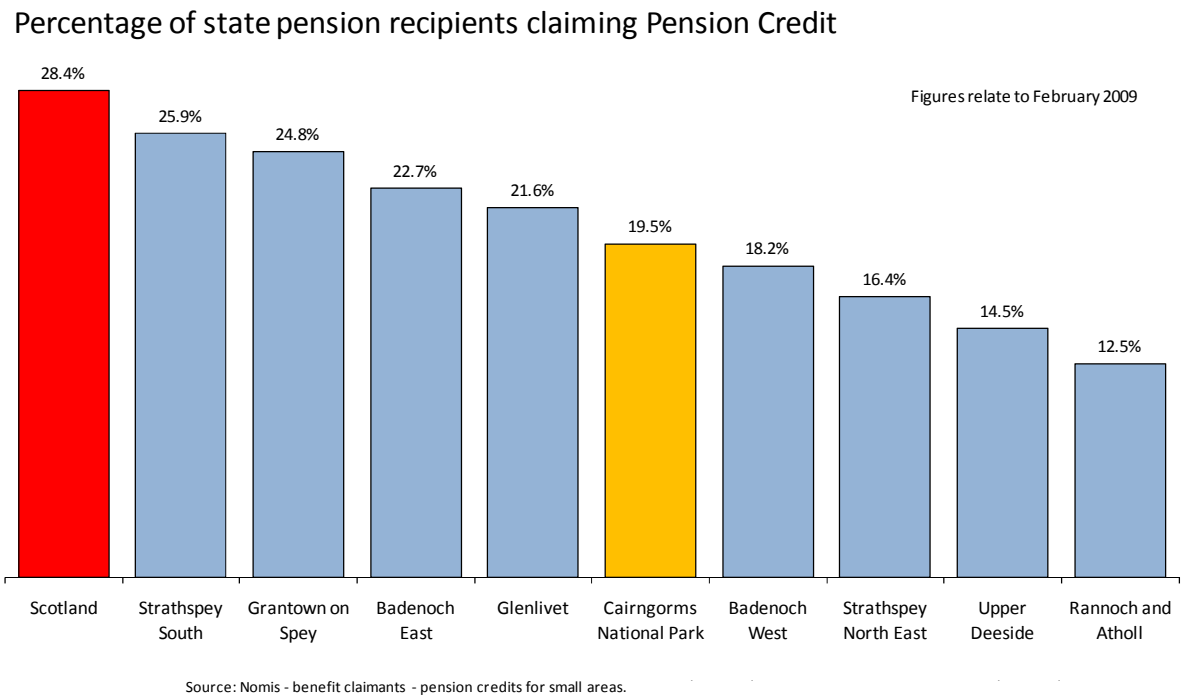
However, the State Pension is a universal benefit and hence relates only to the age of a population. The Pension Credit, on the other hand, is an income-related benefit which provides a minimum guaranteed income for those over 60 years old.

Across Scotland more than 28 per cent of pensioners receive this benefit, but it goes to fewer than 20 per cent in the Cairngorms (see Figure 99). This suggests that a greater proportion of the pensioners living in the Cairngorms are in

a position to supplement their State Pension income from other sources, such as a private or occupational pension or from other savings and investments.

Within the Park, Deeside and Highland Perthshire (Rannoch and Atholl ward) have the lowest level of take up of the Pension Credit. Here around one in seven pensioners are in receipt of the income supplement. Pensioners living in the Aviemore and Grantown on Spey areas are those more likely to be in receipt of the Pensions Credit amongst Park residents. Around one in four of pensioners in these areas receive the benefit.

Figure 99 Pension Credit take up



Source: Nomis - benefit claimants - pension credits for small areas.

The analysis of benefits take up suggests a local resident base which is generally wealthier than the national average, and hence less dependent on income-based benefits. Within the Park this wealth is most evident in Deeside and Highland Perthshire, but less so in the Aviemore area.

The average rate of payout of pension credits is £53 per week across Scotland, but only about £50 in the Council areas that contribute to the Park. Thus with almost 1,000 recipients in the Park, the total annual receipt is almost £3m.

10.6 Income distribution and deprivation

To measure the level of income deprivation across the country, the SIMD tracks the prevalence of a range of other non-work benefits and associates them not only with people in the labour force, but with others. These include statistics on households that are reliant on Income Support, households reliant on Jobseeker's Allowance, households in receipt of Tax Credits, and pensioners receiving Guaranteed Pension Credit. Thus it broadly allows us to compare the benefits data presented in Section 10.5 with the national range, and particularly with national problem areas.

The data indicates that there is little evidence of widespread extremes in the level of income deprivation experienced by householders in the Cairngorms (see Table 16). Compared to elsewhere in Scotland, few households suffer from high levels of income deprivation. Only one of the Park's 25 datazones (Aviemore town centre) falls into the 40 per cent of most income deprived datazones in Scotland and only three are in the 50 per cent most deprived zones. Conversely there are few areas where there is a concentration of low levels of income deprivation, with indications that parts of Deeside have amongst the lowest levels of take-up of income related benefits.

It must be stressed that an absence of concentrated income deprivation is exactly what it says. It is not in itself evidence of high incomes, or even a sign that there are no people suffering income deprivation: just that they are not locally concentrated.

Table 16 Income deprivation indicators

Data zone	Locality	Area	SIMD income domain rank
S01003754	Aviemore town (centre)	Badenoch and Strathspey	2515
S01004233	Tomintoul	Moray	2875
S01003755	Aviemore town (west)	Badenoch and Strathspey	3212
S01003766	Grantown on Spey town (centre)	Badenoch and Strathspey	3262
S01003749	Kingussie town (north)	Badenoch and Strathspey	3362
S01003764	Grantown on Spey town (south)	Badenoch and Strathspey	3484
S01003767	Grantown on Spey town (north)	Badenoch and Strathspey	3709
S01003756	Nethy Bridge	Badenoch and Strathspey	3774
S01000316	Ballater town (north)	Deeside	3818
S01000710	Glen Clova	Angus Glens	3827
S01003748	Kingussie town (south)	Badenoch and Strathspey	3907
S01003759	Boat of Garten	Badenoch and Strathspey	4098
S01000360	Strathdon	Deeside	4232
S01003772	Grantown on Spey hinterland (west)	Badenoch and Strathspey	4405
S01003743	Laggan / Dalwhinnie	Badenoch and Strathspey	4424
S01005147	Blair Atholl	Highland Perthshire	4450
S01000312	Ballater town (south)	Deeside	4661
S01003760	Carrbridge	Badenoch and Strathspey	4771
S01003747	Newtonmore town	Badenoch and Strathspey	4782
S01003750	Kingussie hinterland (north)	Badenoch and Strathspey	4808
S01000708	Glen Isla	Angus Glens	4850
S01000303	Ballater hinterland	Deeside	4962
S01003771	Grantown on Spey hinterland (east)	Badenoch and Strathspey	5028
S01000301	Braemar	Deeside	5464
S01003751	Aviemore east / Glenmore	Badenoch and Strathspey	5600

Source: Scottish Index of Multiple Deprivation 2009, Scottish Government.

Legend

Ranking *	Level of deprivation
1 up to 1301	Much greater than Scottish aveage
1302 up to 2602	Slightly greater than Scottish average
2603 up to 3903	Around Scottish average
3904 up to 5204	Slightly less than Scottish average
5205 up to 6505	Much less than Scottish average

* Ranking is out of 6505 datazones in Scotland

10.7 Capital gains

Rising house prices are a source of economic confidence, and falling prices are harbingers of uncertainty. In Section ? the value of the houses in the National Park 'marked to market' was estimated at £1.5bn.

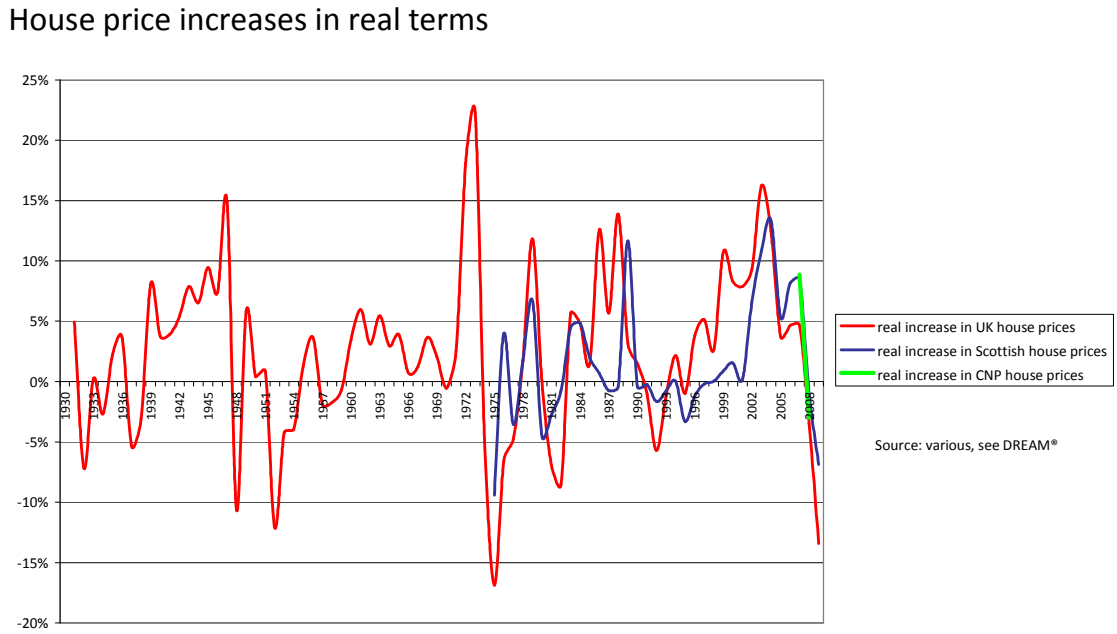
Between 2006 and 2007, the value of the increase in house prices in the National Park was £180m, considerably more than the amount earned in wages. Between 2007 and 2008 it was only £20m, and in 2009 it was almost certainly negative.

How much can an increase in property values be counted on? At present people are only too aware that values can go down as well as up, but over the long term house prices have shown a tendency to rise, and usually somewhat faster than general inflation. However, while this is quoted as a universal truth in UK newspapers and broadcasts, it has not been the case in Scotland to any very great extent. Although on average over thirty five years Scottish house prices have risen about 1.5 per cent per year faster than general inflation, what has actually happened has been a minimal difference, averaging 0.5 per cent, until about 2002, followed by a difference of 12 per cent per year until 2008:

Figure 100 shows UK, Scottish and National Park house price indices relative to general inflation, in each case for the longest period for which we have data. The conclusions suggested are:

1. UK house prices do rise faster than inflation, but very erratically, and their oscillations are not affected in any simple way by major recessions or even by wars.
2. Scottish house prices are slightly less erratic, but do not rise as fast as UK ones. Except for the occasional single year, they have only significantly exceeded general inflation since 2001.
3. For the short time span for which data is available, prices in the National Park run parallel to, but above, Scottish prices.

Figure 100 House price increases relative to general inflation



The chart makes it clear that 'average long term behaviour' in the housing market is hard to discern. If economic policy is successful in holding general inflation to three per cent then we might expect Scottish house prices to rise on average by a little less than five per cent per year, and the Park's housing stock to appreciate by £70m in money terms.

11 Social wellbeing

An example of the high quality natural environment in the Cairngorms National Park: Loch Pityoulish

The focus of official wellbeing data is on deprivation, but it also allows some conclusions to be drawn about the status of those who are not amongst Scotland's most deprived.

The Scottish Index of Multiple Deprivation (SIMD) is an official tool developed and used by the Scottish Government. It helps to identify small areas with populations which have a concentration of characteristics associated with deprivation. The current release, the 2009 SIMD released on 29 October 2009, is based on 37 indicators in seven domains. These seven domains are:

- Current income
- Employment
- Health
- Education, Skills and Training
- Housing
- Geographic access to services
- Crime

For the purposes of the SIMD analysis, Scotland is split into 6505 areas or data zones, with an average population of 750 – 800 people. The Cairngorms National Park includes 25 of these data zones. Each zone is ranked on the basis of its performance in terms of individual domains, and in terms of its overall performance, taking all the indicators into account. Generally the lower the ranking the more deprived the area. Thus, the most deprived zone in Scotland (Barrowfield/Parkhead in the east end of Glasgow) has a ranking of 1, while the least deprived area ranks as 6505.

The overall rankings are based on a weighted average of each of the seven domains. The most significant contributors to the multiple deprivation ranking are the income and employment domains, each accounting for 28 per cent of the overall weighting. Heath and education each contribute 14 per cent while geographic access to services accounts for nine per cent of the final score. The least significant measures are crime and housing, which contribute just five per cent and two per cent respectively. Housing has been down rated because the data available is out-of-date.

The overall multiple deprivation ranking for each of the Park's 25 data zones, along with the rankings for each of the individual domains is shown in Table 17. It is evident from this that there are no areas of Cairngorms National Park with high levels of multiple deprivation. Only three of the Park's datazones - two in Aviemore town and the area in and around Tomintoul – are ranked in the more deprived half of Scottish areas. All parts of the Park are in the top three least deprived quintiles.

Table 17 Multiple deprivation indicators for the Cairngorms National Park

Data zone	Locality	Area	Overall SIMD	Domain and SIMD weighting: Current income	Employment	Health	Education, skills and training	Housing	Geographic access	Crime
				28%	28%	14%	14%	2%	9%	5%
S01003754	Aviemore town (centre)	Badenoch and Strathspey	2927	2515	3261	3048	2241	2550	3810	1999
S01004233	Tomintoul	Moray	3035	2875	4987	4606	4016	3518	[illegible]	2439
S01003755	Aviemore town (west)	Badenoch and Strathspey	3138	3212	3827	3522	2683	2106	3188	378
S01000710	Glen Clova	Angus Glens	3272	3827	4157	5564	4212	3077	32	5688
S01003756	Nethy Bridge	Badenoch and Strathspey	3593	3774	5136	4738	3492	3492	162	5457
S01003743	Laggan / Dalwhinnie	Badenoch and Strathspey	3670	4424	5610	4546	4073	3440	95	2458
S01000360	Strathdon	Deeside	3709	4232	4213	5799	4230	2253	144	6305
S01003759	Boat of Garten	Badenoch and Strathspey	3725	4098	4968	5426	3526	2679	310	2160
S01003750	Kingussie hinterland (north)	Badenoch and Strathspey	3766	4808	4741	5064	5026	2136	157	1714
S01000708	Glen Isla	Angus Glens	3803	4850	4125	5363	[illegible]	4626	56	5877
S01003766	Grantown on Spey town (centre)	Badenoch and Strathspey	3808	3262	4990	1657	3735	3386	4992	2095
S01005147	Blair Atholl	Highland Perthshire	3941	4450	[illegible]	5698	3659	2842	134	5119
S01003772	Grantown on Spey hinterland (west)	Badenoch and Strathspey	3982	4405	3687	[illegible]	4344	3662	467	5396
S01003764	Grantown on Spey town (south)	Badenoch and Strathspey	4014	3484	4862	3666	2356	4873	2486	4881
S01000303	Ballater hinterland	Deeside	4144	4962	4323	[illegible]	3342	2472	474	4484
S01003749	Kingussie town (north)	Badenoch and Strathspey	4201	3362	3876	3726	3556	[illegible]	4995	3941
S01003751	Aviemore east / Glenmore	Badenoch and Strathspey	4286	5600	5151	5225	3279	3687	522	1763
S01003760	Carrbridge	Badenoch and Strathspey	4370	4771	4675	5668	4292	3814	541	3881
S01003771	Grantown on Spey hinterland (east)	Badenoch and Strathspey	4474	5028	5421	[illegible]	3770	4402	328	4349
S01003767	Grantown on Spey town (north)	Badenoch and Strathspey	4712	3709	4744	3729	3900	4945	6307	2973
S01003747	Newtonmore town	Badenoch and Strathspey	4816	4782	5275	4328	3789	4605	1657	4964
S01000316	Ballater town (north)	Deeside	4891	3818	4850	3969	3924	5467	6038	4138
S01000301	Braemar	Deeside	5125	5464	6190	6461	4615	4580	648	3046
S01000312	Ballater town (south)	Deeside	5170	4661	5340	4734	4217	2079	4788	2683
S01003748	Kingussie town (south)	Badenoch and Strathspey		3907		5116		4594		2096

Source: Scottish Index of Multiple Deprivation 2009, Scottish Government. Ref: P240/SIMD/deprivation/SIMD2009 tabvals

Legend

Ranking *	1 up to 1301	1302 up to 2602	2603 up to 3903	3904 up to 5204	5205 up to 6505
Level of deprivation:	*More deprived*				*Less deprived*

* Ranking is out of 6505 datazones in Scotland

Glen Isla in the Angus Glens

However, an examination of the various characteristics which make up the multiple deprivation ranking indicates evidence of some deprivation in the Park. This is most noticeable for the geographic access domain, which essentially measures the travel time to core services (a doctor's surgery, a petrol station, a post office, a primary school and a supermarket). On this measure most of the Park (15 out of the 25 zones) falls into the 20 per cent most geographically deprived areas of Scotland. Indeed, three zones along the southern edge of the Park (in the Angus Glens and Highland Perthshire) are classed amongst the most geographically deprived one per cent of areas in Scotland.

The other measure on which the Park shows some evidence of deprivation is housing. Six zones, all in the Deeside or Aviemore areas, are in the 40 per cent most housing-deprived areas in Scotland. In Deeside, this is likely to reflect the high proportion of older, more traditional housing stock, where the modern amenities such as double glazing and central heating are less common. In the Aviemore area the measure is likely to reflect some of the poorer quality housing built in the 1960s and 70s, and possibly the occupation of accommodation which was not intended to be a permanent residence.

The deprivation measures where the Park performs best are in health and in employment. 80 per cent of the Park's zones are in the 40 per cent least health-deprived areas of Scotland, indicating that ill health is less prevalent and mortality lower in the Park than in most of Scotland. Health deprivation is particularly low in Deeside, the Angus Glens and the rural areas of Badenoch and Strathspey.

Employment deprivation is based on the number of people not involved in the labour market, and the evidence for it is based on levels of take-up of a basket of benefits. It is also low across most of the Park. The zones in and around Aviemore are the only ones where employment deprivation dips to around the Scottish average.

This pattern is not considerably different from other parts of rural Scotland. In most rural areas the primary focus of deprivation, as measured by the SIMD method, is the geographical access domain. There is often also some evidence of housing deprivation but usually relatively little evidence of deprivation in the areas of health, employment or crime.

The rather mixed picture on education and skills deprivation which is evident in the Park suggests the area is rather underperforming compared to some other parts of rural Scotland. The low levels of income deprivation, particularly in Deeside, is typical of scenic rural areas within commuting distance of major centres of population (in this case Aberdeen). People living in these areas often rely on commuting for work, and so those unable to command adequate wages will move closer to where the jobs are.

Deprivation related to income, employment, education/skills and housing have been dealt with above in relevant sections of this report. The three remaining domains of health, geographic access and crime are discussed below.

11.1 Health

Residents of the Cairngorms National Park are generally much healthier than the Scottish population as a whole.

The Scottish Index of Multiple Deprivation (SIMD) uses a number of indicators to measure the health of the population across Scotland's 6,505 datazones. It incorporates the following indicators:

- Standardised Mortality Ratio
- Hospital episodes related to alcohol use
- Hospital episodes related to drug use
- Comparative Illness Factor
- Emergency admissions to hospital
- Estimated proportion of population being prescribed drugs for anxiety, depression or psychosis
- Proportion of live singleton births of low birth weight

Table 18 shows that 11 (over 40 per cent) of the Park's datazones are in the 20 per cent of areas with the lowest levels of health deprivation in Scotland. Only in part of Grantown is there any significant concentration of poor health.

Table 18 Health deprivation

Data zone	Locality	Area	Health domain rank
S01003766	Grantown on Spey town (centre)	Badenoch and Strathspey	1657
S01003754	Aviemore town (centre)	Badenoch and Strathspey	3048
S01003755	Aviemore town (west)	Badenoch and Strathspey	3522
S01003764	Grantown on Spey town (south)	Badenoch and Strathspey	3666
S01003749	Kingussie town (north)	Badenoch and Strathspey	3726
S01003767	Grantown on Spey town (north)	Badenoch and Strathspey	3729
S01000316	Ballater town (north)	Deeside	3969
S01003747	Newtonmore town	Badenoch and Strathspey	4328
S01003743	Laggan / Dalwhinnie	Badenoch and Strathspey	4546
S01004233	Tomintoul	Moray	4606
S01000312	Ballater town (south)	Deeside	4734
S01003756	Nethy Bridge	Badenoch and Strathspey	4738
S01003750	Kingussie hinterland (north)	Badenoch and Strathspey	5064
S01003748	Kingussie town (south)	Badenoch and Strathspey	5116
S01003751	Aviemore east / Glenmore	Badenoch and Strathspey	5225
S01000708	Glen Isla	Angus Glens	5363
S01003759	Boat of Garten	Badenoch and Strathspey	5426
S01000710	Glen Clova	Angus Glens	5564
S01003760	Carrbridge	Badenoch and Strathspey	5668
S01005147	Blair Atholl	Highland Perthshire	5698
S01003772	Grantown on Spey hinterland (west)	Badenoch and Strathspey	5740
S01000360	Strathdon	Deeside	5799
S01003771	Grantown on Spey hinterland (east)	Badenoch and Strathspey	6106
S01000303	Ballater hinterland	Deeside	6110
S01000301	Braemar	Deeside	6461

Source: Scottish Index of Multiple Deprivation 2009, Scottish Government.

Legend

Ranking *	Level of deprivation
1 up to 1301	Much greater than Scottish aveage
1302 up to 2602	Slightly greater than Scottish average
2603 up to 3903	Around Scottish average
3904 up to 5204	Slightly less than Scottish average
5205 up to 6505	Much less than Scottish average

* Ranking is out of 6505 datazones in Scotland

11.2 Crime

The level of recorded crime in the Park is broadly in line with Scottish averages. Levels are predominantly higher in the north and west of the Park, particularly along the A9 corridor, whilst the southernmost areas of the Park have recorded crime levels which are generally below those of a typical Scottish locality.

The Scottish Index of Multiple Deprivation (SIMD) includes a measure of the level of crime for each of the Park's 25 datazones (the statistical building block for Scotland, consisting of areas of typically 750 to 800 residents). This measures the prevalence of various types of criminal activity including crimes of violence, dishonesty, vandalism, drug offences and minor assault. In the current release, published in October 2009 and using crime statistics relating to the year ending April 2008, only one of the Park's datazones (Aviemore town west) is ranked amongst Scotland's 20 per cent worst areas for criminal activity (see Table 19) – in fact it ranks at about the sixth percentile. Strathdon, on the other hand, has very low crime and is on the 97th percentile.

Table 19 Crime by locality

Data zone	Locality	Area	Crime domain rank
S01003755	Aviemore town (west)	Badenoch and Strathspey	378
S01003750	Kingussie hinterland (north)	Badenoch and Strathspey	1714
S01003751	Aviemore east / Glenmore	Badenoch and Strathspey	1763
S01003754	Aviemore town (centre)	Badenoch and Strathspey	1999
S01003766	Grantown on Spey town (centre)	Badenoch and Strathspey	2095
S01003748	Kingussie town (south)	Badenoch and Strathspey	2096
S01003759	Boat of Garten	Badenoch and Strathspey	2160
S01004233	Tomintoul	Moray	2439
S01003743	Laggan / Dalwhinnie	Badenoch and Strathspey	2458
S01000312	Ballater town (south)	Deeside	2683
S01003767	Grantown on Spey town (north)	Badenoch and Strathspey	2973
S01000301	Braemar	Deeside	3046
S01003760	Carrbridge	Badenoch and Strathspey	3881
S01003749	Kingussie town (north)	Badenoch and Strathspey	3941
S01000316	Ballater town (north)	Deeside	4138
S01003771	Grantown on Spey hinterland (east)	Badenoch and Strathspey	4349
S01000303	Ballater hinterland	Deeside	4484
S01003764	Grantown on Spey town (south)	Badenoch and Strathspey	4881
S01003747	Newtonmore town	Badenoch and Strathspey	4964
S01005147	Blair Atholl	Highland Perthshire	5119
S01003772	Grantown on Spey hinterland (west)	Badenoch and Strathspey	5396
S01003756	Nethy Bridge	Badenoch and Strathspey	5457
S01000710	Glen Clova	Angus Glens	5688
S01000708	Glen Isla	Angus Glens	5877
S01000360	Strathdon	Deeside	6305

Source: Scottish Index of Multiple Deprivation 2009, Scottish Government.

Legend

Ranking *	Level of deprivation
1 up to 1301	Much greater than Scottish aveage
1302 up to 2602	Slightly greater than Scottish average
2603 up to 3903	Around Scottish average
3904 up to 5204	Slightly less than Scottish average
5205 up to 6505	Much less than Scottish average

* Ranking is out of 6505 datazones in Scotland

12 Monitoring and shaping the future

Ruthven Barracks

12.1 Monitoring the future

In order to understand how the Cairngorms National Park area is performing economically, socially and culturally it will be necessary to maintain an up to date record of socio-economic indicators. Almost all of the indicators used in this report are based on regular official publications, but many have been further processed either to identify the specific Park content, or to add more detail for analysis, or to bring them up to date.

Frequency of monitoring and reporting documents

The consultants suggest that a note on the state of the Park economy should be prepared quarterly. A fuller annual report on social and economic health could update many of the indicators, and be summarised for the Authority's own reporting procedures. It should not be of excessive length, but should contain as many quantitative updates as can readily be included, and it may be an appropriate document in which to identify economic issues that are important to the Park and merit further separate investigation.

What is important is that both these reports focus on the Park in itself: a report, for example, that simply summarises trends for each of the contributing local authorities would be worse than useless, because the purpose of designation is to recognise and enhance the Park's *differences from* other areas in Scotland.

We think it unlikely that a full report on the scale of this one would be justified more frequently than every three years or so, unless there were dramatic changes in policy or circumstances.

The following section considers the data sources and processing requirements of a number of the key areas of socio-economic interest.

Population

Official data from the General Register Office provides total figures and births and deaths by datazone. However there are no official migration figures published below the level of Health Boards, and the official population projections which are available are limited. Some processing using DREAM®people was required to provide the analysis of migration on an annual basis, and DREAM®people was also used as a model for projection.

Employment

Subject to maintaining a valid License from the Chancellor of the Exchequer, the Cairngorms National Park Authority can for its own purposes obtain all the Annual Business Inquiry data used. Agricultural Census data is available from the Scottish Government.

Unemployment

The unadjusted claimant count figures can be downloaded on a monthly basis from Nomis, the ONS statistical system. Seasonal adjustment was carried out using DREAM®monitor.

Economy

Gross Value Added is the best summary measure of economic activity (although it has well-recognised shortcomings) and can be reconciled and compared with the UK national and regional accounts or the accounts for any other country in the world. However, there are no official estimates for the Park and the GVA figures available from official sources are based on combinations of entire Council areas, containing a much coarser industrial breakdown (six sectors in all), and are only available up to 2006. Partial GVA figures are published at Council Area level by the Scottish Government, but these omit the financial sector and some of the public sector. Furthermore, they have not been reconciled to the National Accounts. In other work we have found very large discrepancies between the partial (ABI-based) GVA figures, especially for tourism, and the balanced national accounts version[23].

The GVA figures presented in the report have been derived from the DREAM®model of the UK economy. They are fully compatible and consistent with all officially published figures which are available. Competitive privately-estimated figures are available, but as far as we are aware they are not consistent and do not show anything like as much detail, either in geographic terms or in terms of identifying business sectors and other economic activities.

House Prices

The so-called 'Sasines' data is already provided to the Authority by the Register Office on an annual basis. For a small fee the Office will provide them on a monthly basis, enabling booms and slumps to be better tracked. However, sensible tracking requires the seasonal factors to be taken into account, and we have used DREAM®monitor to do this.

Deprivation

The Scottish Index of Multiple Deprivation quoted here is the 2006 version, which was the latest available at the time the study was conducted. The 2009 version of the SIMD has been published shortly before this report, and would allow some updating. Several variables that contribute to the SIMD can be updated annually, but this requires some data collection and processing.

Tourism

There are difficulties in tracking tourism at a local level. In its conception the STEAM model was a brave and path-breaking way of addressing these, and it collects and processes data in an ingenious way. However the figures that in practice have been reported are at variance

[23] For example, a discrepancy of 40 per cent in Northern Ireland

with the actual characteristics of the economy of the Cairngorms National Park. Either the STEAM model needs to be recalibrated to obtain a better fit to the National Park, or an alternative source of data and monitoring procedures needs to be found. The continued use of STEAM is misleading and likely to be counter to the best interests of the Park, tourism businesses, tourists and residents.

Seasonal adjustment

The only two official monthly indicators that are available for the Scottish economy cover unemployment (claimants) and housing transactions, and these are also available at Park level. However short term movements in both of them are usually dominated by large seasonal swings, and so for monitoring purposes the raw data must be seasonally adjusted. The usual methodologies for doing this are known as X11 and X12, and derive from the US Bureau of the Census. However their application to unemployment in particular is not straightforward, because unemployment represents the difference between those seeking work and those able to find it.

Road traffic

Although they would require the construction of a simple model to interpret them, and this is not a trivial statistical task, the road traffic statistics collected by Transport Scotland could potentially feed regular assessments of the Park's economy. The Park Authority could also approach Transport Scotland with a view to the main roads to the east and south of the Park being fitted with automated traffic counters.

12.2 Shaping the future

Of course, it is possible to do more than simply track the performance of indicators in the future. The work of public agencies, such as the Cairngorms National Park Authority and others, as well as the actions of private businesses and communities can help shape the economic future of the Cairngorms National Park.

In reviewing the social and economic characteristics of the Park it is possible to identify a range of appropriate interventions which could help to enhance the future economic performance of the Park and contribute to the community. These suggestions are amongst those made by the consultants and should not be interpreted as representing either the policy or even the deliberations of the Authority.

People

The most malleable aspect of population growth is migration, and the main motivators of migration are jobs, housing and education.

Jobs are dealt with below, on the labour supply side under that heading and on the labour demand side under 'economy'.

Housing is to a significant extent within the sphere of influence of the Park Authority with its statutory role in Planning. The high price level of housing is incontrovertible evidence that the pressure of demand, in the long run, exceeds the supply that has recently been authorised. Population can be expected to grow to the extent that the Authority allows it to.

Education is the prerogative of the Councils, and of the Scottish Government directly and through its Funding Council. The limited in-migration of children of school age suggests that an enhanced role for educational provision and an explicit matching of housing types and school

provision could form a valuable part of Development Planning. The absence of a secondary school in Aviemore, at the centre of the largest absolute growth in population and housing provision, is a conditioning influence on the shape of the community, and one that the Park Authority might keep under review with Highland Council.

Furthermore, education is an appropriate target for future investment activity in the Park. This could include both further and higher education, probably under the auspices of the University of the Highlands and Islands for Higher Education, and its constituent colleges. Sensibly this will focus on the environmental and other features that are fundamental to the Park. These are inherently so attractive for some aspects of research and teaching in a variety of disciplines that the Park could also be a locus of collaboration between UHI and other universities, British and foreign, and thus help UHI to become established within global academia. School education may also be an area for investment, whether through renewed interest in outdoor education and environmental education centres for short visits (not necessarily just from Scottish schools) but also for longer term facilities for specialised and private schools (again, not necessarily only Scottish ones).

An important aspect of migration is its contribution to the diversity of the community. Of particular importance in this regard is foreign in migration, notably the recent inflow from new member states of the EU. This also has a significant impact on keeping the age profile of the community relatively young. The evolution of European labour markets means that in many parts of Britain, and other countries, the recent influx of in-migrants may be beginning to reverse, as the native economies of migrants begin to gather speed. Social partners in the Park may wish to monitor return emigration, and perhaps to consider how they want to hang on to, or replace, potential returners.

Jobs

The relatively low long term unemployment rate lends itself to a focused partnership approach along the lines developed in Workforce Plus and drawing on the experience gained in the Full Employment Areas, which sought to provide a personalised service for every unemployed person in a defined area.

The predominance of very small businesses lends itself to recruitment-focused approaches to business development, and in rural areas elsewhere, recruitment based approaches to micro business growth have created significant numbers of local jobs in similar rural areas. For example, the Sole Trader Initiative in north west Wales created 800 new jobs over a five year period – 75 per cent of which went to long term unemployed people. This approach was subsequently transferred to Sutherland and it may be worth considering its development in the Cairngorms National Park.

The Park's small share of public sector employment in Scotland has been noted. The Authority and its partners may wish to consider whether they wish to attract 'back office' jobs from the public services, whether from England, Scotland's central belt, Aberdeen, Perth or Inverness.

Economy

The sectoral and cluster analysis described earlier provides a powerful basis for both the identification of the key strands of an economic development approach the National Park Authority's 'fourth objective' and specifically a focus for inward investment activity, notably in terms of building on current cluster strengths.

The consultants' view is that the tested methodology of a cluster audit leading on to an action plan is the appropriate methodology to take this forward. Every cluster's and every territory's

situation is different, and the most suitable approach is different in every case. Some of the elements that may be included are

Table 20 a cluster-based economic development process

Process stage	Key questions	Current state
Cluster identification	What are the key actual and potential clusters in the Park? What currently links them together?	Completed
Cluster definition and mapping	What makes up this cluster? What is its spread in terms of activity and location? What companies are involved and how and where is their behaviour determined?	Largely completed
Cluster strength and benchmarking	What are the global performance standards for clusters of this sort? What foundations are those built on? How do we rate on that scale? How might we improve? What would better performance yield in sales, profits, and jobs?	Significant progress, based on frameworks established elsewhere – eg Scottish Food, Forestry Commission, cogentsi
Cluster learning	What's relevant that our cluster members know least about? What's the best place or way to learn? How do we capture and how and how much do we disseminate that knowledge?	To be addressed: current knowledge is scant
Cluster animation and coalition building	How do the interests of cluster members align, and how do they diverge? What ideas and people will most engender enthusiasm? How do we generate trust where we need it within a cluster? What are the right places for cooperation and what for competition?	
Cluster agendas	What are the sources of creativity in our cluster?	Knowledge is scant
Cluster governance:	Do we need to organise our cluster, and if so how?	To be addressed, although significant progress has been made in tourism.
Cluster prioritisation	How does our cluster choose which tasks to address first? Which are the most urgent, important, and achievable? How do the CNPA and partners decide which clusters to focus on when people and resources are limited?	To be addressed

Process stage	Key questions	Current state
Cluster upgrading	What are the components of our local innovation system? How do they fit into the innovation system for these industries worldwide?	Partially addressed from a local viewpoint, but global knowledge limited to frameworks established elsewhere – eg Scottish Food, Forestry Commission, cogentsi

Particular clusters

A properly structured and prioritised economic agenda requires a consistent design process similar to that outlined above. Nevertheless, in the course of the work for this report a number of specific initiatives suggested themselves.

Scottish Development International (SDI) is currently dealing with a range of major **tourism-related** investment projects elsewhere in Scotland and it is clear from the data presented in this report that the area has some appealing assets for both residents and visitors. There may be scope to further realise this potential, strengthening local jobs and income through a focused inward investment effort. It may be worth exploring the scope for developing such an approach with SDI. If this was taken forward it would need to be part of the wider strategic approach to the National Park Authority's 'fourth objective'.

The reduction in employment is in part connected with other trends in the **whisky industry**, inter larger fewer companies (tending to move jobs to London) while 'boutique' distilleries launch new brands, with many headquarters function in the distilleries. A strategy for bending and exploiting these trends could be of substantial benefit to Speyside.

The **food industry** cluster map shows primarily strengths on the left hand side – primary inputs. Non-urban fine dining and regional cookery outlets would strengthen the right hand side and might encourage specialised food processors to fill the gap.