

Economic Impact Assessment of Glasgow Prestwick Airport

**On behalf of the Scottish Government
Final Report**

December 2025



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List of common abbreviations

Abbreviation	Definition
ASTAC	Aerospace and Space Technology Application Centre
CAA	Civil Aviation Authority
CY	Calendar Year
DoD	Department of Defence
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
FBO	Fixed Base Operator (i.e. a company that provides aviation services at an airport e.g. fuelling, parking, aircraft maintenance etc.)
FTE	Full-time Equivalent
FY	Financial Year to 31 March
GE Caledonian	GE Caledonian Limited (subsidiary of General Electric Company Aerospace 'GE Aerospace')
GPA	Glasgow Prestwick Airport
GVA	Gross Value Added
HMCG	His Majesty's Coastguard
IO	Input Output
IPS	International Passenger Survey
MoD	Ministry of Defence
MRO	Maintenance Repair and Overhaul
PAML	Prestwick Aircraft Maintenance Limited
PwC	PricewaterhouseCoopers LLP
RNAS	Royal Naval Air Station
SAF	Sustainable Aviation Fuel
SAR	Search and Rescue
SG	Scottish Government
STEM	Science, Technology, Engineering and Mathematics
ToC	Theory of Change

Note: In addition, a number of technical acronyms are used within individual case studies and are defined when first used.

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Executive summary

Overview of Glasgow Prestwick Airport’s economic impact

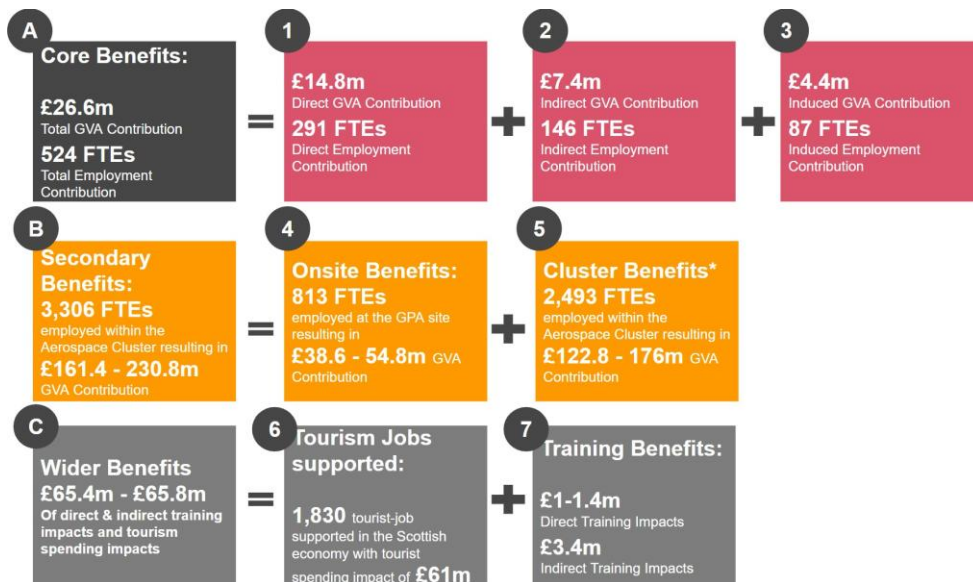
The purpose of this report is to provide the Scottish Government (SG) with an understanding of the economic, social, and wider value that Glasgow Prestwick Airport (GPA) brings to the Ayrshire economy, Scotland and the UK and to communicate this value to key stakeholders. The report presents a range of quantitative and qualitative measures that allow GPA to estimate its socioeconomic impact. By examining these measures, using latest available data for FY 2023, the Scottish Government can gain valuable insights into the significance of GPA and its contributions to the local and national economy.

GPA is an international airport located in Ayrshire, Scotland. Owned by SG since 2013, the airport historically played a significant role in the development of aviation in Scotland and continues to serve as a key driver of economic growth and high skilled employment across the region.¹

Key Findings

Figure 1 below summarises the key results from the analysis conducted in this report in the Year to 31 March 2023 ('FY 23') and indicates that GPA generated £26.6m of benefits in GVA terms and employed 524 employees in direct, indirect and induced terms from its core aviation activities. In addition to unlocking secondary and wider GVA impacts of between £161.4m to £230.8m and £65.4m to £65.8m respectively.²

Figure 1: GPA: Estimated core, secondary and wider impacts, FY 2023³



¹ Further local economic context has been provided by the Scottish Government in Appendix 3.

² It is not appropriate to add the core, secondary, and wider benefits to calculate the total impact, as this may lead to double counting and an overestimation of the estimated impact.

³ Box 4: Based on discussions with on-site companies such as PAM, Storm Aviation, Spirit and GE Caledonian, it is noted that GPA is key to their continued presence in Scotland, which is at risk of being lost in the absence of the airport and its facilities. However this analysis has been conducted on a gross basis therefore the extent to which the benefits generated would not have occurred in the absence of GPA (i.e. the counterfactual) has not been considered as part of the quantified benefits.

*Employment cluster benefits are explored in detail in section 3.4 using FTE data provided by GPA. It is important to note that this impact has been estimated for those organisations for which employment data is available.

In summary, the report analyses the following socioeconomic impacts generated by GPA in FY 2023:

A	Core Benefits	An assessment of GPA’s economic impact in terms of direct, indirect and induced GVA and employment, from its core aviation activities, which indicates that GPA contributes GVA of £26.6m and 524 FTEs.
B	Secondary Benefits	Socioeconomic benefits generated by activities hosted on the GPA site and in close proximity to it, including search and rescue services (SAR), maintenance repair and overhaul (MRO) services and logistics via the rail link connection provided by ScotRail constitute secondary benefits. This is estimated to generate a GVA impact of £161.4m-£230.8m.
C	Wider Benefits	<p>The impact of GPA's services extends beyond the airport's core and secondary activities in the form of spillover effects, with significant implications for the Ayrshire region and Scotland as a whole. In particular, GPA has an impact through tourism related spending which supports an estimated 1,830 tourist jobs in the Scottish economy and via apprenticeships offered by businesses within the Aerospace Engineering and Aviation Cluster. These benefits are estimated to generate a GVA impact of between £65.4m - £65.8m.</p> <p>It should also be noted that GPA also plays a key role in infrastructure development in the Ayrshire region generating a ‘cluster effect’, as evidenced by its diverse tenant portfolio and qualitative insights drawn from the stakeholder engagement process and accompanying case studies.</p>

The analysis presented in this report demonstrates GPA’s ability to contribute to local and national economic impacts via direct, indirect and wider activities across aviation, training, tourism and clustering activities.

To underscore the socioeconomic impacts generated by GPA, an analysis of the airport’s revenue from 2019 to 2024 has been conducted. This analysis illuminates the shifts in GPA's key revenue streams—Fixed Based Operator (FBO) and fuelling services, passenger services, and cargo services—before and after the COVID-19 pandemic. The findings highlight GPA's strategic and multifaceted role as an aviation asset, particularly in its fuelling, cargo, military (for the Ministry of Defence (MoD) and Department of Defence (DoD)), and training services. GPA's value is further amplified by its strategic location, long runway, rail access, and 24/7 operational capabilities.

This contextual analysis and estimated impacts provide evidence that GPA remains a strategically important national aviation asset in Scotland, maintaining its performance and economic contribution, despite changes in ownership, travel patterns and macroeconomic conditions over the past decade.⁴

Key Aspects of Our Approach

In estimating these impacts, the key activities of the airport have been split into core, secondary and wider aviation activities. By doing so, the report aims to estimate the direct, indirect, and induced economic impacts of GPA's activities. This analysis has been undertaken using primary and secondary data, including discussions with 11 key stakeholders and publicly available data provided by GPA and the SG's IO Tables (2019).⁵ Table 1 below summarises the categorisation of GPA's activities into core, secondary and wider activities, for the purposes of this analysis.

Table 1: Categorisation of GPA's activities

Core Activities	Secondary Activities	Wider Support
Constitutes direct benefit to the economy from GPA's activities	Constitutes indirect benefits to the economy through the activities of businesses operating on, or near, the airport's premises	Support to the local region stemming from clustering benefits that GPA unlocks through its core and secondary activities
<ul style="list-style-type: none"> ● FBO and fuelling services (incl. rental income, refuelling services to military aircraft, military and executive FBO) ● Passenger services (incl. PAX⁶ aircraft landing, navigation and parking services, income from car parking and rental income from property services e.g. retail concessions) ● Cargo services (incl. rental income, cargo handling, bond storage, transshipment and Customs Clearance) ● Aerodrome services (incl. rental income, landing, navigation and parking services related to aircraft training, private aircraft and radar services, commercial services such as film shooting and advertising) 	<ul style="list-style-type: none"> ● Prestwick Aerospace Campus related activities via MRO and aircraft component providers such as (Prestwick Aircraft Maintenance and Storm Aviation) and other aviation related businesses ● Search and Rescue services provided by Bristow Helicopters ● Rail connection provided by ScotRail at GPA owned railway station 	<ul style="list-style-type: none"> ● Tourism supported through GPA passenger services ● Training activities through upskilling opportunities offered by GPA and companies located in close proximity ● Wider cluster benefits stemming from infrastructure development, training and employment, etc. via the Aerospace Engineering and Aviation Cluster

⁴ Implications of GPA's operations in the context of the UK and Scotland's decarbonisation strategy and targets has not formed part of this analysis. Although insights regarding the potential to develop Sustainable Aviation Fuel was identified via stakeholder engagement and is included within Section 4.

⁵ Multipliers are based on SG Input-Output Table data, 2019 for the Warehousing and support services for the transportation sector (SIC: 52).

⁶ Passengers, often abbreviated as PAX

Table 1.0 indicates that compared with most commercial airports in the UK, GPA's activities extend beyond passenger services encompassing FBO and fuelling services, passenger services, cargo services, aerodrome services and rental income from its property assets. It also facilitates pilot training and occasionally serves as a film shoot location.

Overall, this report estimates that GPA generates various quantitative and qualitative impacts through its core, secondary and wider activities, contributing to national and regional economic output, and supporting high value jobs - particularly in the Ayrshire region.

1. Introduction and background

1.1 Purpose of this report

PricewaterhouseCoopers LLP (PwC) has been commissioned by SG to develop an evidence-based report of the economic and broader social impact of GPA. The purpose of this report is to provide SG with an understanding of the economic, social and wider value GPA supports in Scotland, and within the Ayrshire region, and enable them to communicate this value to key stakeholders. The analysis provides SG with a range of quantitative and qualitative measures through which GPA can estimate its socioeconomic impact. Whilst SG commissioned and financed the work, and commented on draft reports, the final report represents the independent analysis of PwC, unless otherwise indicated.

1.2 GPA's strategic and economic context

GPA is an international airport located in the South Ayrshire local authority area in Scotland. Owned by SG since 2013, the airport has historically played a significant role in the development of aviation in Scotland and serves as a key driver of economic growth and employment in the surrounding areas. With a catchment area⁷ for outbound travel of 2.2m people within a 60 minute drive of the airport, and 4m within 120 minutes, GPA reported handling 459,000 passengers,⁸ 13,000 metric tonnes of freight, and 44m litres of fuel in Financial Year (FY) 2022-23. Spanning over 860 acres, it has the longest commercial runway, (at 2,987 metres) in Scotland. GPA operates 24/7 and maintains a good weather record.

Figure 1.1 provides a site map of the airport, highlighting the key businesses present on its site and in close proximity to it. The airport lies at the heart of Scotland's largest aerospace cluster (the Prestwick Aerospace Engineering and Aviation Cluster), and has two long runways and six large aprons.⁹ As seen in Figure 1.1, the terminal building (1), cargo facilities (2), GPA Fixed Base Operator (FBO) (4), North Side Aprons (6), Air Traffic Control (8), and Civilian Gannet site (9) predominantly drive GPA's FBO, passenger, cargo and aerodrome services. The Maintenance Repair and Overhaul (MRO) Hangars (5) relate to MRO service providers. In addition, the activity of the airport has attracted aviation related businesses on land surrounding the airport (at the Prestwick Aerospace Campus) such as aircraft part manufacturers and designers (Spirit and BAE) as well as aircraft engine specialists GE Caledonian who are all employers of highly skilled and highly paid employees. Land for development (3) relates to GPA's future property development plans.¹⁰

GPA's road and rail link connection has made it a hub for aerospace and aviation-related industries in and around South Ayrshire. The airport has direct motorway access and is the only airport in Scotland with an on-site railway station, enhancing the accessibility and attractiveness of the airport to both passengers and businesses. Several companies and military organisations are also based in the surrounding area. The nearby Sandyford

⁷ [GPA catchment area](#)

⁸ [GPA Financial Statements FY 2023](#)

⁹ An area provided for the embarkation and disembarkation of passengers, the loading and unloading of cargo, fuelling, and for aircraft parking

¹⁰ For the purposes of the report, the Aerospace Engineering and Aviation Cluster (Cluster) is used to refer to companies located in close proximity to the GPA site. This includes Storm Aviation, GE Caledonian and Spirit AeroSystems (at the Prestwick Aerospace Campus, formerly known as the Prestwick International Aerospace Park) and surrounding sites in proximity to GPA (e.g. HMS Gannet).

Business Park¹¹, is situated on the B742 approximately 7 minutes away from the airport site. The Business Park provides a variety of commercial and warehouse rental spaces for local Ayrshire businesses and serves as a hub of innovation for business start-ups and small and medium sized companies seeking to leverage the accessibility to international markets the airport offers.

Figure 1.1: GPA Site Map



Source: GPA

The airport also plays a key role in enabling the achievement of the Ayrshire regional economic goals.¹² It not only attracts inward investment, but also plays a key role in driving innovation, skills generation and employability for the region, particularly through its contributions to the Ayrshire Growth Deal.¹³ Furthermore, the airport plays an integral role in providing access to key international supplies and creating employment

¹¹ [Sandyford Business Park](#)

¹² The Ayrshire Regional Economic Strategy aims to overcome key challenges facing the local economy. These include: vulnerability to external shocks such as global inflationary pressures and geopolitical risks due to Ayrshire's highly rural economy and having a high concentration of pre-existing deprivation and poverty, particularly in both North and East Ayrshire. By creating jobs in the region, upskilling the local population, improving accessibility to global markets and diversifying the region's activities, GPA plays a key role in overcoming these challenges.

¹³ [Ayrshire Growth Deal Document, Government of UK](#)

opportunities for local businesses and residents.

1.3 GPA's 'economic footprint' and impact areas

Compared to most commercial airports in the UK, GPA's activities extend beyond passenger services. The airport's main activities include FBO and fuelling services, passenger services, cargo services, aerodrome services and rental activities as outlined in Table 1.1. It also facilitates pilot training and occasionally serves as a film shooting location. More recently, it has been involved with plans to facilitate the development of a new training facility for aviation engineers on its premises. For the purpose of this economic impact assessment, GPA's activities have been classified under the three broad pillars of core, secondary and wider activities, as follows:

Table 1.1: Categorisation of GPA's activities¹⁴

Core Activities	Secondary Activities	Wider Support
<p>Constitutes direct benefit to the economy from GPA's activities</p>	<p>Constitutes indirect benefits to the economy through the activities of businesses operating on, or near, the airport's premises</p>	<p>Support to the local region stemming from clustering benefits that GPA unlocks through its core and secondary activities</p>
<ul style="list-style-type: none"> ● FBO and fuelling services (incl. refuelling services to military aircraft, military and executive FBO) ● Passenger services (incl. PAX¹⁵ aircraft landing, navigation and parking services, income from car parking, and rental income from retail concessions) ● Cargo services (incl. Cargo handling, bond storage, transshipment and Customs Clearance) ● Aerodrome services (incl. landing, navigation and parking services) 	<ul style="list-style-type: none"> ● Prestwick Aerospace Campus related activities via MRO and aircraft component providers such as (Prestwick Aircraft Maintenance and Storm Aviation) and other aviation related businesses ● Search and Rescue services provided by Bristow Helicopters ● Rail connection provided by ScotRail at GPA owned railway station 	<ul style="list-style-type: none"> ● Tourism supported through GPA passenger services ● Training activities through upskilling opportunities offered by GPA and companies located in close proximity ● Wider cluster benefits stemming from infrastructure development, training and employment, etc. via the Aerospace Engineering and Aviation Cluster

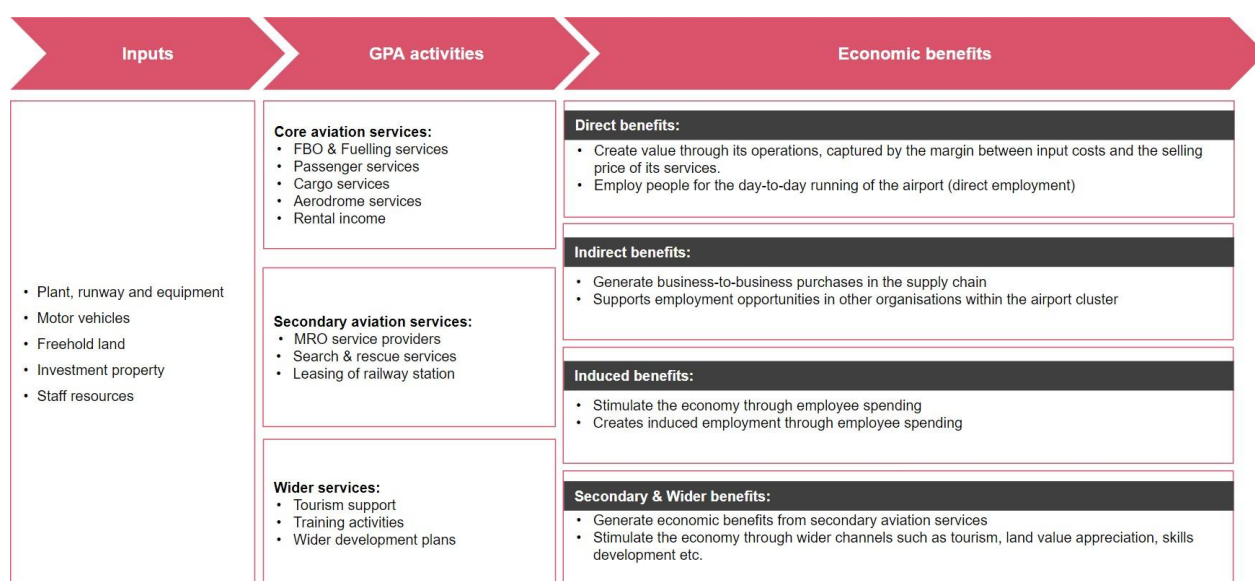
¹⁴ While activities within the three categories may overlap, the above categorisation serves as a foundation for our impact assessment, which is detailed in Sections 2, 3, and 4.

¹⁵ Passengers, often abbreviated as PAX.

related to aircraft training, private aircraft and radar services, commercial services such as film shooting and advertising)

To inform this economic impact assessment, a Theory of Change (ToC) has been developed. A ToC presents a comprehensive and structured approach that articulates the underlying pathways through which an initiative reaches its outcomes. The ToC presented in Figure 1.2 provides a simplified overview of the impact pathways through which GPA's resources are utilised for its activities, as categorised in Table 1.1, and how these generate economic benefits. This framework was developed based on a review of publicly available information on GPA's activities and was refined through discussions with GPA Management between April and May 2024. In addition, a comprehensive profile of South Ayrshire and neighbouring local authorities reported by the SG is provided in Appendix 3 of the Technical Appendix for further context.

Figure 1.2: Simplified GPA Theory of Change



1.4 Approach

This report uses information and data provided by GPA and publicly available sources to estimate the direct, indirect and induced economic impacts of GPA's activities. This approach and related secondary data sources have been discussed with SG analysts. Specifically data as per the latest financial statements, FY 2023, has been used to calculate the core, secondary and wider benefits of the airport, as follows:

- Core benefits:

This is an assessment of GPA's economic impact in terms of direct, indirect and induced Gross Value Added (GVA) and employment, both regionally and nationally.

This is based on input-output (IO) values for the warehousing and support services for the transportation sector,¹⁶ from the 2019 IO data published by SG. Revenue and employment information on GPA's core aviation activities is used to convert its activities into economic impact. The economic assessment includes a calculation of:

- direct contribution using GPA's financial and employment information (FY 2022/23);
- indirect contribution by imputation of GPA's supply chain spending to IO data using Type 1 multipliers;¹⁷ and
- induced contribution by the imputation of GPA's supply chain spending and staff costs to IO data using Type 2 multipliers.¹⁸

- Secondary benefits:

This is an assessment of the benefits generated by companies that operate on, or near, GPA's site and includes search and rescue (SAR) services, MRO services, and other aviation related businesses e.g. MoD. Both qualitative and quantitative insights, including case studies, from relevant stakeholder interviews conducted as part of this analysis, and background research have been used to estimate the type and extent of benefits generated.

- Wider benefits:

This discusses the wider economic value of GPA. Areas of wider economic value contribution include: supporting tourism and upskilling of the labour force in the local region and engendering clustering benefits that boost innovation and business activity locally. These are estimated via data gathered through desk-based literature review, quantitative and qualitative analysis and insights and case studies gathered via engagement with GPA's key stakeholders.

The qualitative analysis, insights and case studies provided in Sections 3 and 4 of this report has been gathered via discussions with 11 key stakeholders, including GPA Management as outlined in Table 1.2.

¹⁶ In consultation with SG analysts, SIC52: Warehousing and Support Activities for Transportation, has been selected as the UK SIC code for GPA's activities as this sector includes Service Activities Incidental to Air Transportation (52:23) along with Cargo Handling for Air Transportation of Division 51 (52.24/2) and other airport-related operational activities.

¹⁷ Type 1 multipliers are based on SG Input-Output Table data, 2019 for the Warehousing and support services for the transportation sector (SIC: 52). See [here](#)

¹⁸ Ibid.

Table 1.2: List of stakeholders

Stakeholder engagement		Description
1.	GPA Management	Discussions with management team (commercial, financial, HR)
2.	Prestwick Aircraft Maintenance Limited (PAML/Ryanair)	MRO service provider
3.	Storm Aviation ¹⁹	MRO service provider
4.	GE Caledonian	Aerospace component manufacturer
5.	Spirit AeroSystems ²⁰	Manufacturer of aerostructures and aircraft components
6.	Scottish Enterprise	Public body
7.	Bristow Helicopters	Search and rescue service provider
8.	BP	Fuelling service provider
9.	Ministry of Defence	Military service provider
10.	Ayrshire College	Training facilities provider
11.	South Ayrshire Council	Local Authority

1.4.1 Key limitations

This economic impact has been conducted in line with industry best practice and in consultation with SG analysts. As expected with any project of this nature, there were some limitations in undertaking this analysis. These included:

- The use of secondary data to identify and estimate direct, indirect and induced benefits for GPA's core, secondary and wider benefits. For example, indirect and induced GVA and employment impacts have been estimated by applying IO table multipliers for the Warehousing and support services for the transportation sector as opposed to developing a bespoke IO model for GPA or analysing all GPA expenditure by Standard Industrial Classification (SIC) categories to create a unique sector weighted multiplier.
- The undertaking of the analysis on a gross basis is to assess the contribution GPA makes to the national economy (rather than on net basis including the counterfactual, and accounting for deadweight, displacement, and leakage etc. as per Green Book (2022) guidance which would be required if evaluating the impact of the SG intervention). This is consistent with industry practice where economic impact assessments are conducted to estimate the gross rather than net level of impact generated over time.

¹⁹ Stakeholders including Storm Aviation, GE Caledonian and Spirit Aerosystems are based in the Prestwick Aerospace Campus (also referenced in Section 1.2 of the report).

²⁰ Data related to Spirit Aerosystems reflects the latest position as at May 2024, when this analysis was conducted. As such this report does not include consideration of recent announcements in July 2024 regarding the future of Spirit Aerosystems at Prestwick in the media <https://www.bbc.co.uk/news/articles/ckdglkyqdewo>

1.5 Structure of the report

This report presents the economic impacts generated by GPA in three key sections - core aviation impacts, secondary aviation impacts, and wider impacts, in alignment with the categorisation of the airport's key activities.

Section 2 of the report examines GPA's core aviation activities through a trend analysis of its main operations, specifically FBO and fuelling services, passenger services, and cargo services. This analysis aims to understand the impacts of recent external shocks, such as Covid-19 and Brexit, on these activities and compares them to GPA's current operational volumes. Additionally, Section 2 delves into the direct, indirect, and induced economic impacts of GPA's core activities, estimating both GVA and employment contributions.

Section 3 and 4 of the report focus on the secondary and wider activities of GPA respectively. Both sections draw upon qualitative and quantitative insights gathered from a literature review and stakeholder interviews, to estimate the economic benefits generated by GPA. In addition to providing a qualitative assessment of the economic advantages resulting from development plans of companies within the GPA Aerospace Engineering and Aviation Cluster. Section 4 also incorporates quantitative analysis of the broader impacts on tourism and training.

Finally, a set of technical appendices have been provided, detailing the methodological approach to estimating quantitative impacts undertaken by PwC and local economic profile of the Ayrshire region provided by SG.

2. Core aviation impacts

This section analyses GPA’s core activities, as outlined in Section 1.3 (FBO and Fuelling services; Passenger services; Cargo services; Aerodrome services). Commencing with a trend analysis for the top three revenue-generating services under the ‘Core Activities’ pillar, for the period of FY 2019 to FY 2023.^{21,22} Additionally, this section explores the direct, indirect, and induced economic effects of GPA’s operations, estimating its contribution to both GVA and employment.

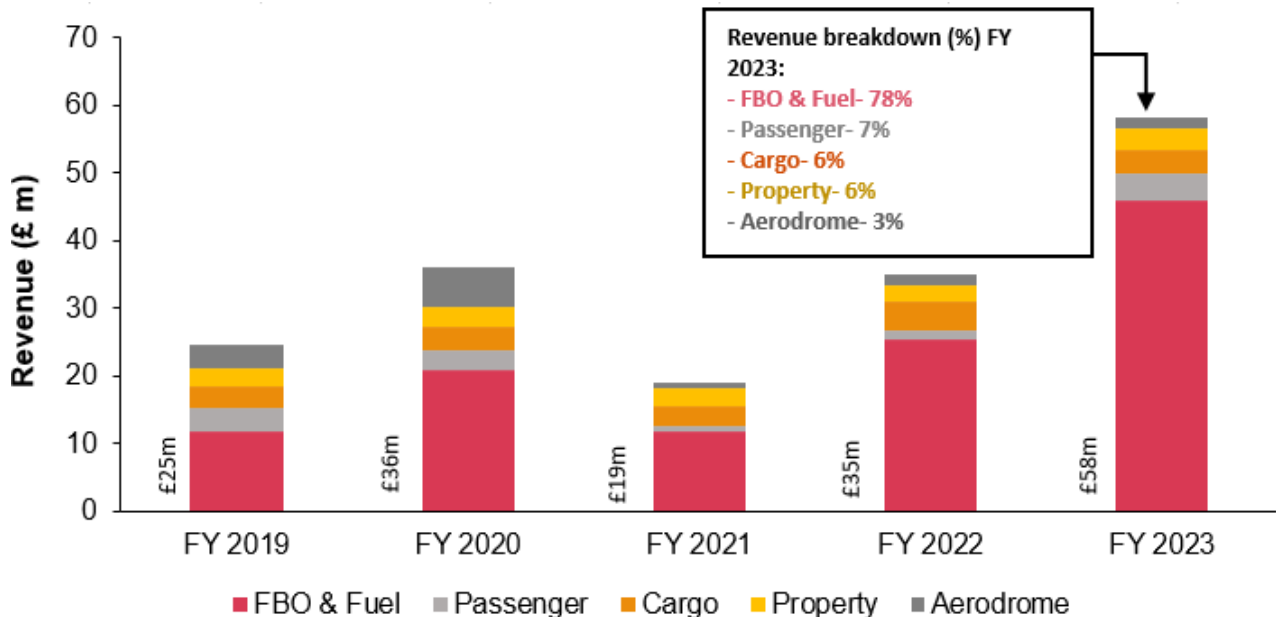
2.1 Trend analysis

This subsection examines trends in GPA’s revenue and its three main revenue streams: FBO and Fuelling, Passenger, and Cargo services, focusing on post-Covid-19 recovery. It sets the stage for the GVA and employment analysis in subsection 2.2 by highlighting the activities driving productivity and how GPA has adapted to sustain operations amid a challenging macroeconomic climate.

2.1.1 GPA’s revenue streams (FY 2019-23)

The majority of GPA revenue is from its FBO and Fuelling operations. This is unique to GPA and is in contrast to conventional commercial airports with a focus on passenger services. Figure 2.1 provides a breakdown of the airport’s revenue and analyses how this has changed post Covid-19 and Brexit.

Figure 2.1: Breakdown of GPA’s revenue, 2019-23



Source: GPA Financials, 2019-23

²¹ FY figures have been used instead of CY figures to ensure consistency in comparing the airport’s financial performance.

²² This analysis is based on publicly available information regarding GPA’s core activities and as such provides a snapshot of the airport’s key aviation activities for the purposes of informing the economic impacts in Subsection 2.2.

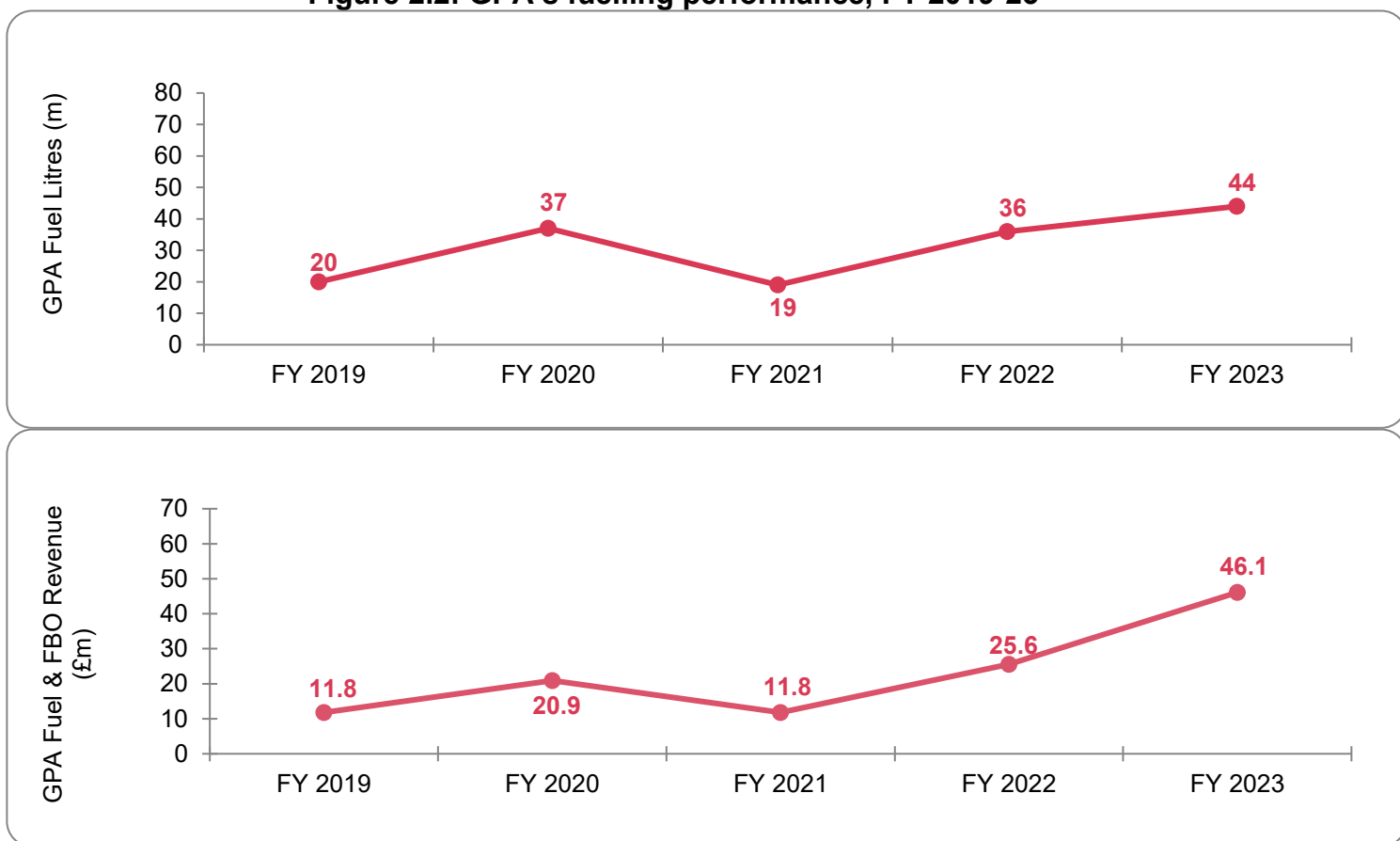
A review of GPA’s revenue, by core activities, presented in Figure 2.1, indicates that FBO and Fuel related activities formed the largest share of revenue at 78%, followed by passenger and cargo services at 7% and 6% respectively, in FY 2023. Between FY 2020-2021 GPA’s revenues were negatively impacted by the effects of Covid-19 related lockdowns on air travel. This resulted in reductions across all revenue generating activities, with total revenue declining by approximately 47% from £36m in FY 2020 to £19m in FY 2021.

Post FY 2022, GPA has focused efforts to expand its FBO and Fuel services. As a result, there has been a significant increase in total revenue, with a growth rate of 60% from £35m in FY 2022 to £58m in FY 2023. This growth can be attributed to a combination of factors, including both value and volume effects.

2.1.2 Trend analysis - Fixed Base Operator (FBO) and Fuelling services (FY 2019-23)

As its largest revenue generating activity, GPA’s FBO and Fuelling activities²³ provide a wide range of aircraft services for customers. This includes refuelling services to military aircraft and military and executive FBO. In addition, fuel is supplied to the site by BP via rail, stored in GPA's own fuel farm, which is leased to BP and operated by North Air Limited on BP's behalf.

Figure 2.2: GPA’s fuelling performance, FY 2019-23



Source: GPA Financials, FY 2019-23

Figure 2.2 illustrates the trends in GPA’s fuelling volumes and revenue pre and post Covid-19. In volume terms, litres of fuel increased from 19mL in FY 2021 and to 44mL in

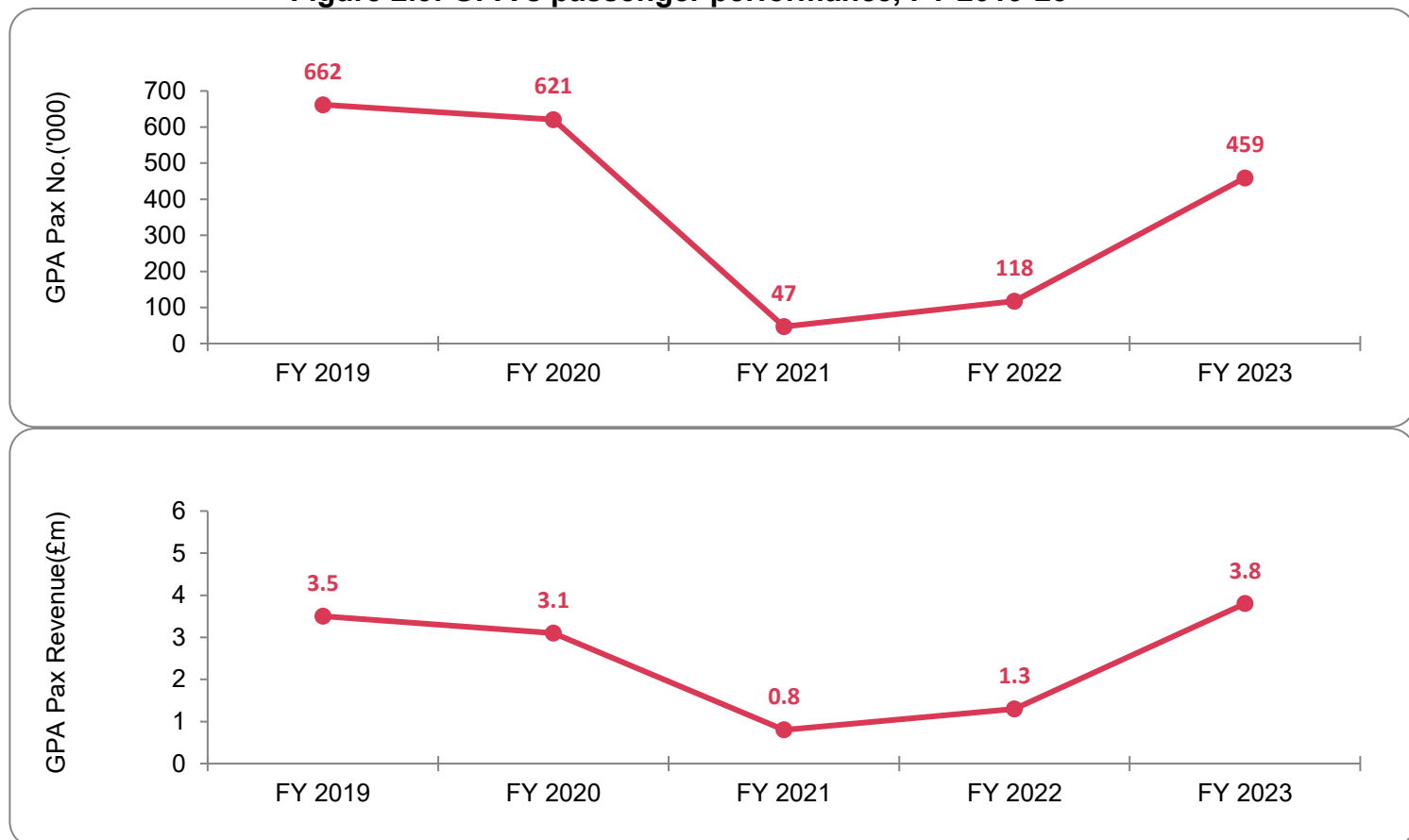
²³ FBO and Fuelling activities have been combined for the purposes of this report based on the complementarity of their customer base (e.g. military and executive organisations) per Table 1.1. However in considering volume and revenue data it is important to note that fuel commodity price is a key factor in driving revenue trends.

FY 2023. Whilst, despite an initial increase in FBO and fuel revenue between FY 2019-20 of £11.8m to £20.9m, Covid-19 related travel restrictions are likely to have impacted GPA's fuelling operations in FY 2021, resulting in a reduction back to FY 2019 revenue levels of £11.8m. GPA experienced a rapid recovery post Covid-19, with fuel volumes reaching 44mL and revenue reaching £46.1m in FY 2023.

2.1.3 Trend analysis - Passenger services (FY 2019-23)

GPA is one of four commercial airports operating in Scotland and is one of two airports on the west coast of Scotland, alongside Glasgow Airport, 34.1 miles away. Designed to handle up to 4m passengers annually, the airport benefits from favourable weather conditions, strategic location and well-connected surface transport links with direct links to the M77 motorway and via a dedicated railway station connecting GPA to Glasgow Central and Ayr. It has two runways, one of which is the longest commercial runway north of Manchester Airport. Ryanair is the current scheduled passenger carrier at the airport, having operated at GPA for the past 30 years. It offers a network of 10 'sea, sun and sand' routes across Europe including: Spain (Alicante, Barcelona, Gran Canaria, Lanzarote, Malaga, Murcia, Palma, Tenerife), Portugal (Faro) and Italy (Pisa) at competitive rates.

Figure 2.3: GPA's passenger performance, FY 2019-23



Source: GPA Financials, FY 2019-23

The pandemic led to a significant, 93% year-on-year decrease in total passengers from FY 2019-2021 at GPA. In comparison, the average decline in passenger numbers across all Scottish airports for this period was 73%.²⁴ Figure 2.3 illustrates the trends in GPA's

²⁴ Computed based on data from the [CAA's website](#).

* It is important to note that the GPA figure of 93% is based on FY data. For comparability, this figure drops to 88% for GPA, when the passenger year data is considered from the CAA website.

passenger numbers and revenue pre- and post Covid-19. Passenger numbers declined from 662,000 in FY 2019 to 459,000 in FY 2023. However, they are expected to rise as international travel demand continues to recover. The overall decrease in passenger numbers at all Scottish airports between 2019 and 2023 was 9.8%. This figure rises to 18.2% when excluding Edinburgh Airport, highlighting the significant passenger traffic handled by the airport.

In FY 2022 and FY 2023, there was a resurgence in passenger traffic at GPA, although these volumes were considerably below pre-pandemic levels, with FY 2023 figures reaching 70% of FY 2019 levels. This contrasts with the air travel recovery of 74% reported by the CAA in early 2023 and the 99% recovery for Scottish airports in late 2023.

During calendar year (CY) 2023, GPA handled approximately 525,000 passengers representing around 2.1% of the total Scottish air passenger volume. In terms of travel destinations, 99.7% of GPA's passengers travel to the EU and only 0.3% travel locally within the UK. Compared to other regional airports like Edinburgh, Glasgow and Inverness Airports, GPA serves a larger proportion of international travellers, primarily because of the international destinations it serves.²⁵

In summary, despite a challenging macroeconomic environment, particularly amidst the Covid-19 pandemic and Brexit related economic downturn, GPA continues to provide low cost access to holiday destinations to residents in the local and wider catchment area in Ayrshire and the West of Scotland.

However, given increased competition in the passenger services sector, the airport is strategically diversifying its revenue streams towards areas that offer a distinctive competitive edge, notably focusing on its strengths in dedicated cargo services, specialist aircraft handling through its FBO services and growing its tenant portfolio.

2.1.4 Trend analysis - Cargo services (FY 2019-23)

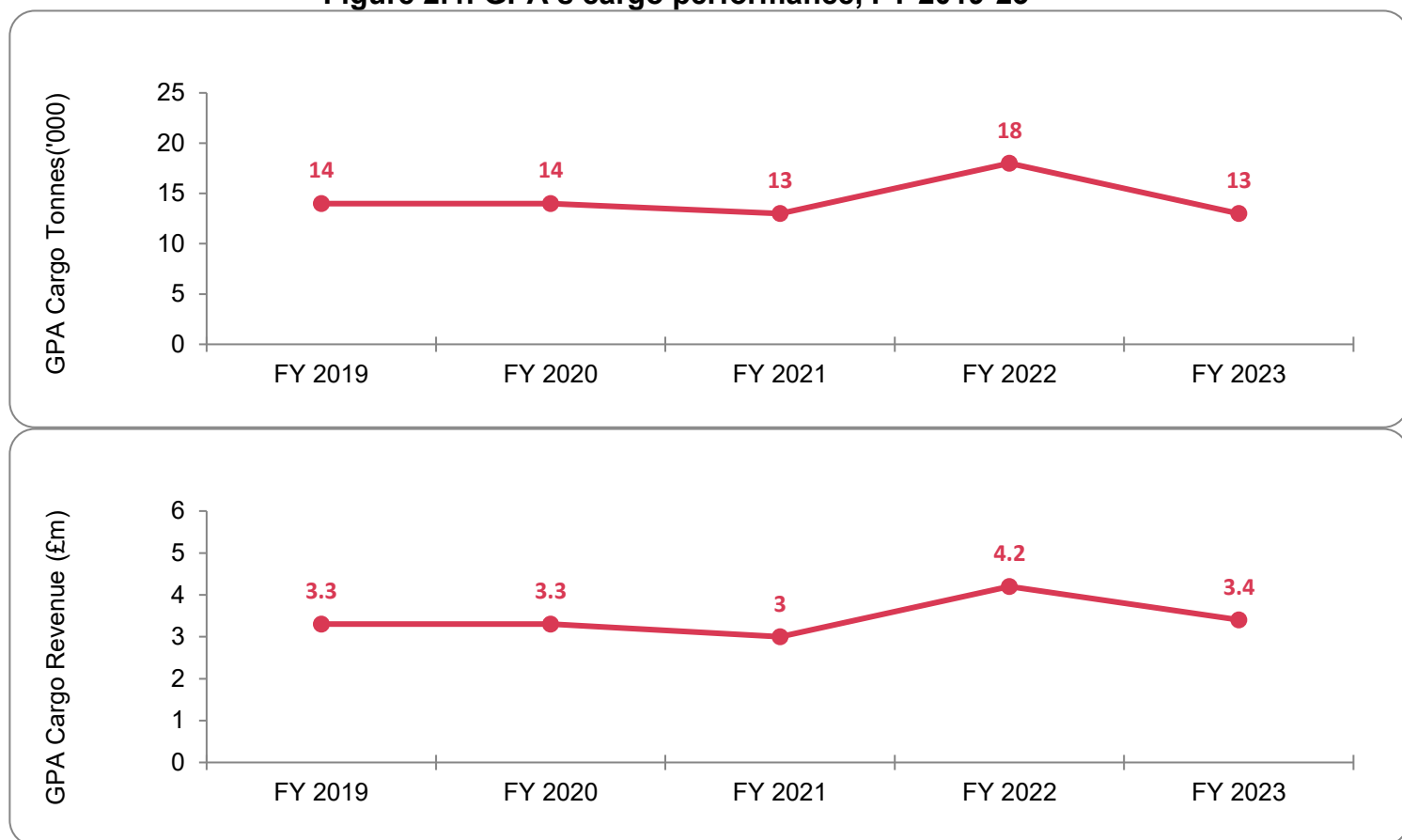
Cargo services represented the third largest revenue generating activity for GPA in FY 2023 (per Figure 2.1). The airport's cargo services include the transportation of commodities such as oil, gas, livestock and pharmaceutical goods. GPA offers both scheduled and charter services for this segment, via two scheduled cargo operators: Air France Cargo and Cargolux. In comparison to other Scottish airports, GPA accounts for just under a third of Scotland's total cargo market (at 27.5% in CY 2023), positioning it as the second largest provider of cargo services in the region in 2023, second to Edinburgh Airport.

Figure 2.4 presents trends in GPA's cargo volumes and revenue between FY 2019 to FY 2023. Similar to FBO and fuelling, as well as passenger services, GPA's cargo volume and revenue experienced a Covid-19 related decline in FY 2021, dropping to 13,000 tonnes and £3 million, respectively. However, the business area recovered quickly in FY 2022, with GPA experiencing an increase in cargo demand to 18,000 tonnes driven by its transportation of NHS cargo, supplying vaccines, test kits, and medical equipment amidst the ongoing Covid-19 pandemic. In FY 2023, with the return of global belly hold cargo capacity²⁶ post pandemic and despite the ban on the Russian registered fleet impacting the movement of heavy equipment, cargo volumes and revenue returned to pre-pandemic levels at 13,000 tonnes and £3.4m respectively in FY 2023.

²⁵ PwC analysis of IPA data on the split between international traveller numbers vs domestic passengers for Scottish airports (e.g. Aberdeen, Edinburgh, Glasgow, Inverness and GPA).

²⁶ Global hold belly cargo capacity refers to the total volume or weight of cargo that can be transported in the lower deck or belly hold of passenger aircraft across the entire global airline industry. This capacity is a critical component of air freight logistics, as it supplements the cargo transported by dedicated freighter aircraft.

Figure 2.4: GPA's cargo performance, FY 2019-23



Source: GPA Financials, FY 2019-23

GPA's cargo ambition is to deliver distinctive, premier 24/7 cargo services. As well as prioritising niche product lines, including aircraft engines, oil and gas equipment, live animals (such as horses) and refrigerated products, utilising its cold storage facility, established in 2024.

2.2 GPA's direct, indirect and induced impacts (2022-23)

This subsection presents GPA's economic contribution in FY 2022-23, in terms of two key economic indicators:

1. **Gross Value Added (GVA)** - GVA measures the value that is added by a business or industry sector. It is measured as the difference between the value of goods and services produced and the goods and services used as an input. It is, therefore, the company and sector level contribution to national gross domestic product (GDP); and
2. **Employment** - Annual full-time equivalent (FTE) jobs supported.

GPA's GVA and employment impacts have been estimated in gross terms in terms of three key impacts, direct, indirect and induced, as follows:

1. **Direct impact:** the impact of GPA's own activity. Direct GVA is calculated as the sum of wages and profit (EBITDA), i.e., earnings before interest, tax, depreciation, and amortisation, while direct employment is the total number of full-time equivalent (FTE) employees for the year.
2. **Indirect impact:** the impact on the UK economy as a result of GPA's procurement, which includes both the economic value added from immediate suppliers and the wider supplier chain (for instance, the supplier of the supplier). Indirect impact is calculated using Type I multipliers.
3. **Induced impact:** the impact from spending by GPA's employees and by the employees linked to its supply chain. Induced impact is calculated using Type II multipliers.

Collectively these three impacts identify the total gross quantifiable impact of GPA's core aviation activities in the Scottish economy. The link between the three impacts is illustrated in Figure 2.5.

Figure 2.5: High level overview of GPA's direct, indirect and induced impacts

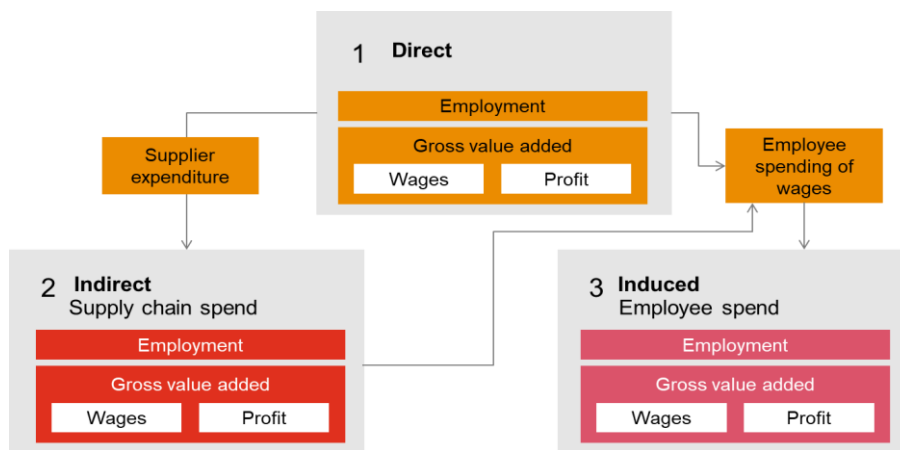
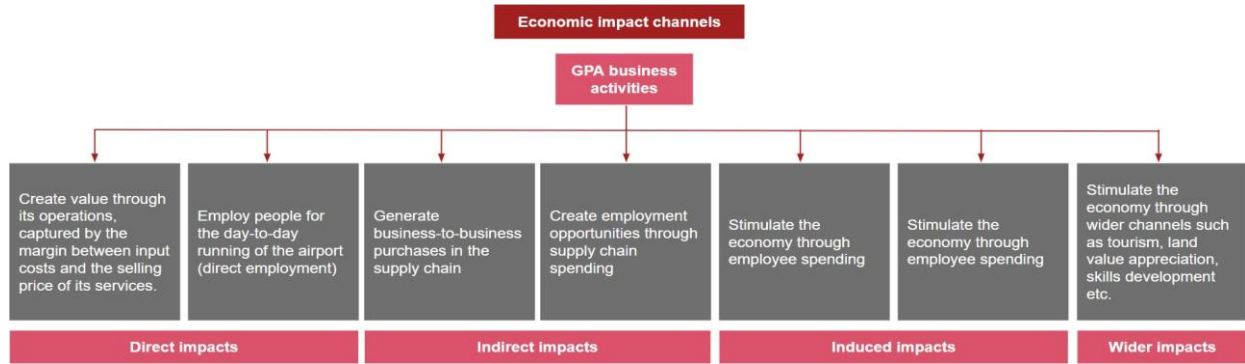


Figure 2.6 provides further detail in relation to the impact pathways through which GPA's activities translate into economic benefits in the local and wider economy. When assessing GPA's economic impact channels, it is important to understand that wider impacts are not part of the core impact estimates, but are included in the secondary and wider impact estimates.

Figure 2.6: Description of GPA’s economic impact channels



2.5.1 Estimating GVA impacts

This sub-section sets out the three-step approach undertaken to estimate the gross GVA impact of GPA’s core activities, as follows:

- Step 1 - Direct impact: the direct value added of GPA’s operations is calculated, using FY 2022-23 data from GPA’s financial accounts. This is estimated by aggregating GPA’s operating profit before interest and tax, consumption of fixed capital and total employee compensation. The result provides a direct GVA contribution of £14.8m, which represents value created by GPA through its direct business activities.
- Step 2 - Indirect impact: i.e. supply chain expenditure is estimated using the Type I multiplier from the SG’s IO table (2019).²⁷ This gives an indirect GVA contribution of £7.4m, representing GPA’s value created through supply-chain spending.
- Step 3 - Induced impact: i.e. employee spending impacts are estimated using the Type II multiplier from the SG’s IO table (2019) to estimate the total impact of GPA’s activities. This gives an induced GVA contribution of £4.4m, representing GPA’s value created through its employees’ spending.

On this basis the total estimated Scottish GVA contribution of GPA for FY 2023 is £26.6m. A detailed outline of this methodology is provided in Appendix 1, and the summarised results are presented in Table 2.3 below.

Table 2.3: Summary of GVA contributions

	Direct	Indirect	Induced	Total
GVA contribution	£14.8m	£7.4m	£4.4	£26.6
GVA Multiplier²⁸	N/A	1.5	1.8	N/A

²⁷ [Scottish Government 2019 IO Table](#). Note: Due to large structural changes in 2020 following the Covid-19 pandemic, the latest 2020 tables would not be reflective of a normal economic environment. Hence, to proxy post-pandemic impact modelling, the 2019 IO multipliers have been used.

²⁸ GVA multiplier is an economic metric used to assess the impact of a particular sector or activity on the broader economy. In this table, the metric is used to calculate the additional economic value added in indirect and induced terms, as a result of operations and spending at GPA.

2.5.2 Estimating employment impacts FY 2022-23

Information provided in GPA's financial statements suggest that the airport employed 291 FTEs. Using the same methodology as outlined in Section 2.5.1, GPA's direct, indirect and induced employment impact has been estimated as follows:

- Step 1: direct employment impact of GPA = 291 FTEs.
- Step 2: indirect employment impact of GPA using a Type I employment multiplier of 1.5 from the SG IO table, 2019 = 146 FTEs.
- Step 3: induced employment impact of GPA using a Type II employment multiplier of 1.8 from the SG IO table (2019) = 87 FTEs.

In total, this results in an estimated direct, indirect and induced employment impact of 524 FTEs in FY 2022-23, as summarised in Table 2.4 below. This impact underscores GPA's importance in the region, particularly in the context of the higher levels of unemployment and economic inactivity in South Ayrshire, compared to the rest of Scotland and Great Britain, as reported in preliminary analysis conducted by SG in Appendix 3. With GPA representing around 23% of the total employment in South Ayrshire's Transport and Storage Sector, which employed approximately 2,250 people in 2021.

Table 2.4: Summary of GPA direct, indirect and induced employment contributions, FY 2022-23

	Direct	Indirect	Induced	Total
Employment contribution	291	146	87	524
Employment Multiplier	N/A	1.5	1.8	N/A

3. Secondary aviation impacts

The GPA site is host to activities that extend beyond the core aviation activities described in Section 2 via the presence of businesses operating on the airport’s premises. These organisations include: search and rescue (SAR) services, MRO and aircraft component providers, and logistics via the rail link connection provided by ScotRail. Activities offered by these third parties utilise GPA facilities including hangar space and the airstrip, to generate secondary aviation related revenue for South Ayrshire and the wider area. These providers demonstrate both the attractiveness and versatility of GPA’s strategic offering to aerospace related operators and the clustering benefits generated by the airport, referred to as the ‘Aerospace Engineering and Aviation Cluster’ in this report (per Table 1.1). An overview of the key secondary aviation related organisations, by service type, is provided in Table 3.1 below:

Table 3.1: Key Secondary Aviation organisations

Organisation	Service Type
Bristow Helicopters	Search and Rescue services
Prestwick Aircraft Maintenance Limited, Storm Aviation, GE Caledonian, etc.	MRO and aircraft component providers
ScotRail	Rail services

Source: SG/GPA

For each of these organisations, qualitative and quantitative insights are presented, by service area, to understand their economic contribution to the region. This includes several case studies on key MRO and aircraft component providers and a summary of the employment and training impacts generated from these secondary activities in 2023.

3.1 Search and Rescue services

GPA provides a base for SAR services at the airport to enable the safety and wellbeing of individuals in Scotland in emergency situations. The service is operated by Bristow Helicopters,²⁹ contracted by the Department for Transport (DfT) through HM Coastguard. The airport is one of four search and rescue bases in Scotland and is among the busiest bases across the UK.³⁰ This is facilitated by GPA’s versatile infrastructure offering, including the longest commercial runway north of Manchester, at 2,986 metres and a secondary runway spanning 1,905 metres which helps accommodate various types of aircraft for wider, non-commercial aviation activities. This infrastructure offering, especially the long runway, plays a key role in carrying out SAR services on site.

Furthermore, insights shared by Bristow Helicopters as part of the stakeholder engagement process for this work, highlighted several further factors as contributing to GPA being an ideal base for SAR operations, including: the consistent good weather conditions, lighter traffic compared to other airports in the region and 24/7 operations.

²⁹ Search and Rescue services at Prestwick, [BBC News](#)

³⁰ This is based on our stakeholder engagement with Bristow Helicopters.

Previously provided by HMS Gannet, the 24-hour military and civilian SAR service at GPA is considered to contribute to the health and well-being of residents by providing emergency services including the transportation of medical emergencies and equipment, particularly to remote regions, as confirmed via stakeholder interview in May 2024. A 2012³¹ study reported that the service provided by HMS Gannet employed a combination of around 100 military and civilian personnel and generated direct economic impacts of £3.7 million.

The SAR team operates from a purpose-built facility on the north side of the GPA site and is usually commissioned by the Joint Rescue Coordination Centre to provide both land and offshore services. The team utilises AWW189 helicopters for its operations and completes an average of 350 missions annually. As a fixed government contract, SAR services provide a steady revenue stream to GPA over the term of the contract.³² Additionally, it creates employment opportunities in the local area, with the SAR team consisting of 32 members, including pilots, administrators, and engineers, most of whom reside in the surrounding region. This is a reduction in the size of operation from around 100 people employed at HMS Gannet, with a mixture of military and civilian personnel, as reported in the 2012 economic impact study of GPA.³³ The team also relies on local businesses to provide secondary services such as aircraft cleaning and catering.

Bristow Helicopters expects to continue building a strong presence at the GPA site, with future growth plans over the next two years including: increasing the size of the SAR team to 55 members at the base by 2026, collaborating with Nova Systems to develop future technologies to improve helicopter systems and partnering with 2Excel Aviation to deliver a two-wing aircraft and fixed-wing hangar at the GPA site. These plans indicate Bristow Helicopters commitment to continue delivering SAR services from its base at GPA and leveraging the airport's unique strategic location and offer to diversify its operations.

3.2 Maintenance Repair and Overhaul (MRO) and aircraft component providers

The GPA site serves as the central hub for the Aerospace Engineering and Aviation Cluster in the Ayrshire region. Within this cluster, the Prestwick Aerospace³⁴ is a centre of excellence for MRO, aero structures, and design engineering services. With a highly skilled workforce and a well-established local supply chain, this hub caters to both local and international customers. Some of the largest global aerospace companies, such as BAE Systems, Spirit AeroSystems, and GE Aerospace, have operations in this hub, with an estimated 813 FTEs employed on-site at the airport. Among these, Prestwick Aircraft Maintenance Limited (PAML) is the largest employer, with approximately 600 FTEs, constituting 73% of other on-site employees (excluding those directly employed by GPA).

The presence of these MRO and aerospace component providers generates numerous economic benefits for both GPA and the wider region. Beyond their direct revenue contributions and support for ancillary services such as accommodation and catering, MRO and aerospace component providers serve as major aerospace and engineering employers in the area, offering a significant number of skilled jobs to aerospace engineers, technicians, and support staff. Moreover, their investments in training and apprenticeship programmes contribute to the development of local training facilities, further enhancing the

³¹ [Economic Impact of Glasgow Prestwick Airport, York Aviation, 2012](#)

³² Revenue generated from SAR services forms part of Aerodrome revenue in GPA's financial accounts, 2022-23

³³ [Economic Impact of Glasgow Prestwick Airport, York Aviation, 2012](#)

³⁴ [Prestwick Aerospace](#)

region's skills base. This is also vital to close the skills gap experienced in aerospace engineering roles by a majority of the organisations in the cluster.

To gain further insights regarding the activities of the MRO and aerospace component providers at Prestwick Aerospace, stakeholder interviews were conducted with PAML, GE Caledonian and Storm Aviation between April to May 2024. These sessions focused on understanding: key activities, the strategic role of GPA to their business and in the region, and the economic impact they generate in terms of employment and training provision in the region. Based on data provided by GPA, the estimated FTEs for the organisations interviewed for this report, and other businesses (both on-site and in the cluster) was 3,306 individuals in 2023.³⁵

The case studies below provide insights from these stakeholder interviews, offering a greater understanding of the activities of the MRO and aerospace component providers on the GPA site and the economic impact they generate.

Case Study 1: PAML

PAML, the maintenance provider for Ryanair, has been operating at the GPA hangar for over 20 years. With 6 bays, they offer a range of services including base aircraft maintenance, ad hoc specialised services, and line maintenance support to Edinburgh and Glasgow airports. A significant portion of their services are dedicated to on-site commercial flights at GPA.

At the GPA site, PAML currently employs a team of 600 FTEs and contractors and 20 international workers who have been seconded to the site. To retain this large team, PAML offers competitive salaries. Moreover, they actively contribute to skills generation and development in the local area, through their training and apprenticeship programmes. Further information in relation to these initiatives is provided in Section 4.2.

PAML's activities in the region are heavily reliant on GPA's commercial operations, particularly on the presence of Ryanair's on-site fleet of commercial aircraft. Although PAML acknowledges challenges related to the economic viability of operations at GPA, driven by high utility costs, (including rent and electricity), limited incentives, and the shortage of skilled workers in the region, they noted an on-going commitment to continue operating at the GPA site. Therefore, GPA plays a crucial role in facilitating PAML's ongoing operations in the local region, which, in turn, contributes to high-value skills generation and the creation of employment opportunities in the area.

³⁵ The number of FTEs employed and apprentices hired by MRO and aerospace component providers has been confirmed through data provided to GPA by organisations such as Storm Aviation, GE Caledonian and PAML. Later in this section, Table 3.2 highlights the total number of FTE and apprentices hired by aviation and non-aviation related organisations in 2023.

Case Study 2: Storm Aviation

Storm Aviation, the only independent full aircraft component provider based in Scotland and has been operating at GPA for over 8 years. A combination of commercial considerations and economic viability has meant they relocated their main base in the UK from Stansted to GPA in 2021.

Currently, Storm Aviation's team at GPA consists of 68 full-time employees and 20 contractors. However, similar to other aircraft component manufacturers in the region, they are facing a severe shortage of skilled engineers. To address this issue, they have contracted 12 engineers from the Philippines on a 12-month basis for their GPA site. In addition to creating employment opportunities in the local region, Storm Aviation is actively involved in skills development and upskilling. They collaborate with Ayrshire College and the local council to deliver training and apprenticeship programmes. Currently, they have 7 apprentices and plan to onboard 2 more over the next year.

In addition to their expansion plans at the GPA site, Storm Aviation is also interested in constructing new hangar facilities and training centres. Furthermore, they aim to grow their current team to 230 employees within the next 2 years.

Case Study 3: GE Caledonian

GE Caledonian is an aero engine facility operated by GE Aerospace since 1997. Located off the airport but clustered around the Prestwick Aerospace Campus, it benefits from the favourable weather conditions at Prestwick and the support provided by local colleges and universities, which offer training in the region. The facility is heavily reliant on GPA's aviation activities for the supply of materials. On average, it undertakes approximately 200 engine maintenance projects per year.

Currently, GE Caledonian employs 780 full-time equivalent (FTE) employees and has around 50 apprentices enrolled in its four-year apprenticeship programme. In addition to its commitment to skills development and generation in the region, GE Caledonian has also been involved in various sustainability initiatives, such as the development of a solar energy storage site and efforts to increase recycling and energy efficiency.

Looking ahead, GE Caledonian plans to expand their workforce by between 50 to 100 new staff members, increase the number of shop visits at the GPA site, and to collaborate on the Ayrshire Growth Deal, which aims to attract investment in aerospace innovation to the region.

3.3 Rail link connections

GPA is the only rail-connected airport in Scotland, with a dedicated rail station connected to the airport terminal via a walkway. GPA's rail connection service is provided by ScotRail and facilitates increased passenger traffic via improved accessibility to the airport. GPA confirmed that this service generated an annual revenue to offset the cost of operating and maintaining the station via an access fee paid by Scotrail for the use of the railway station.

The station is situated on the Glasgow Central to Ayr railway line and provides direct trains to Glasgow Central with two trains running every hour. GPA passengers using the railway benefit from half-price tickets, increasing the attractiveness of the airport to a wider catchment area than those who travel to the airport by road. Transport Scotland last reported 101,200 passenger journeys to and from the Prestwick Airport railway station in 2019/20.³⁶

3.4 Employment impacts

As highlighted throughout this section the secondary activities on the GPA site and wider cluster generate sizable employment impacts in the region, as summarised in Table 3.2 below.

Table 3.2: Estimated FTEs at the GPA site and in the Aerospace Engineering and Aviation Cluster, 2023

Company	Location	FTE
SAR services - Bristow Helicopters	On site	36
PAML/ Ryanair	On site	600
Storm Aviation	On site	68
Cargolux	On site	3
WH Smith/ SSP/ Duffry	On site	50
BP Fuel Farm	On site	20
Chambers of Commerce	On site	20
Border Force	On site	8
Police	On site	8
Total On Site		813
Spirit	Cluster	1,074
GE Caledonian	Cluster	780
Collins Aerospace	Cluster	318
BAE Systems	Cluster	250
Woodward	Cluster	71
Total Cluster		2,493
Grand Total³⁷		3,306

Source: FTE estimates from December 2023, SG Analysis, FTE estimates from April 2024 per stakeholder interviews conducted for this study

³⁶ ScotRail, [Transport Scotland](#)

³⁷ This total is based on the number of FTEs and apprentices in the table. It is noted that there are other businesses in the cluster for which data is not available.

These impacts include:

- 813 FTE employed across a variety of aviation-related roles at the GPA site.
- MRO and aerospace component providers, in particular, generate the majority of employment in and around the Aerospace Engineering and Aviation Cluster. Over 3,300 people³⁸ are employed in roles ranging from aviation engineers, manual workers, and aircraft mechanics in the wider aviation cluster. Of these, 2,493 FTE are employed across five organisations as shown in Table 3.2.
- Additionally, most MRO and aerospace component providers offer training and apprenticeship programmes that generate further employment impacts. On average, stakeholders interviewed for the purposes of this study confirmed employing over 200 apprentices and trainees in 2023.³⁹ The economic impacts of this are explored in detail in section 4.2 of the report.

Estimated GVA impacts generated from indirect employment at the GPA site in FY 2023 is provided in Table 3.3 below.⁴⁰ Given the GVA impacts have been estimated by applying GVA per head data from SG official business statistics, a range of impacts have been provided, as follows:

- Scotland and South Ayrshire level GVA per head by relevant sector (Aerospace, retail and average Scottish GVA - applied to non-aerospace and non-retail organisations) for 2021; and
- Scotland and South Ayrshire level GVA per head by relevant sector (as presented in the point above) adjusted to 2023 prices.

To avoid double counting,⁴¹ GVA impacts from training and apprenticeships are calculated in Section 4.2, under wider training impacts.

³⁸ [Prestwick Aerospace](#)

³⁹ This total number of apprentices and trainees is based on stakeholder interviews conducted for the purposes of this study. The economic impact of this is explored in detail in section 4.2 of the report

⁴⁰ A range for GVA per head is calculated for indirect employment at the GPA site by using 2021 GVA per head for Scotland across the Aerospace Sector (£43,719), Retail Sector (£35,043) and Scotland (£53,357) for remaining (non- Aerospace and non-retail) organisations. Additionally, 2021, GVA per head for South Ayrshire for the Transport & Storage sector (£62,632), Retail sector (£27,985) and average GVA per head for South Ayrshire (£38,861) for remaining non-Aerospace and non-retail organisations has been applied from the Scottish Annual Business Statistics, 2021.

⁴¹ In addition to avoiding double counting by considering training and apprenticeship related impacts in Section 4, there is potential some of these employment impacts may form part of the indirect GVA impacts identified in Section 2 of this report. Therefore these results should be considered in gross and not additional terms per the limitations set out in Section 1.4.1.

Table 3.3: Estimated GVA from employment at the Aerospace Engineering and Aviation Cluster, 2023

Company	FTE Estimate	GVA per head (2021) Scotland/ S.Ayrshire (£)	GVA from employment 2021(£,m)	GVA per head (2023) Scotland/ S.Ayrshire (£) ⁴²	GVA from employment 2023 (£)
SAR services - Bristow Helicopters	36	43,719 - 62,632	1.6 - 2.3	49,270 - 70,585	1.8 - 2.5
PAML/Ryanair	600	43,719 - 62,632	26.2 - 37.6	49,270 - 70,585	29.6 - 42.3
Storm Aviation	68	43,719 - 62,632	3 - 4.3	49,270 - 70,585	3.4 - 4.8
Cargolux	3	43,719 - 62,632	0.13 - 0.19	49,270 - 70,585	0.15 - 0.21
WH Smith/SSP/Duffry	50	27,985 - 35,043	1.4 - 1.75	31,538 - 39,493	1.58 - 1.97
BP Fuel Farm	20	27,985 - 35,043	0.6 - 0.7	31,538 - 39,493	0.63 - 0.79
Chamber of Commerce	20	38,681 - 53,357	0.77 - 1.1	43,592 - 60,132	0.87 - 1.2
Border Force	8	38,681 - 53,357	0.31 - 0.43	43,592 - 60,132	0.35 - 0.48
Police	8	38,681 - 53,357	0.31 - 0.43	43,592 - 60,132	0.35 - 0.48
Total On Site	813	n/a	34.3 - 48.7	n/a	38.6 - 54.8
Spirit	1,074	43,719 - 62,632	46.9 - 67.2	49,270 - 70,585	52.9 - 75.8
GE Caledonian	780	43,719 - 62,632	34 - 48.8	49,270 - 70,585	38.4 - 55

⁴² ONS Regional GVA data for Warehouse and transport support activities (SIC 52) in Scotland is used to calculate the overall change between 2021 and 2023 price levels to estimate GVA added per head in 2023. OBR GDP deflator data is used to estimate the change of 12.7% between 2021 and 2023.

Collins Aerospace	318	43,719 - 62,632	13.9 - 48.8	49,270 - 70,585	15.7 - 22.4
BAE Systems	250	43,719 - 62,632	10.9 - 15.7	49,270 - 70,585	12.3 - 17.6
Woodward	71	43,719 - 62,632	3.1 - 4.4	49,270 - 70,585	3.5 - 5
Total Cluster	2,493	n/a	109 - 156.1	n/a	122.8 - 176
Total	3,306	n/a	143.2 - 204.8	n/a	161.4 - 230.8

Source: SG Data, ONS Earnings & Hours Worked UK region by Industry (2021), Scottish Annual Business Statistics (2021), OBR GDP estimates (March 2024)

It can be concluded that with 813 FTEs employed indirectly at the GPA site and 2,493 FTEs in the wider Aerospace Engineering and Aviation Cluster, the airport's secondary aviation activities also play a key role in generating indirect GVA for the Scottish economy, estimated to generate between:

- £143.2m - £204.8m indirect GVA in 2021 prices (£34.3m to £48.7m on GPA site and £109m to £156.1m in the wider cluster); and
- £161.4m - £230.8m indirect GVA in 2023 prices (£38.6m to £54.8m on GPA site and £122.8m to £176m in the wider cluster).

4. Wider impacts

The impact of GPA's services extends beyond the airport's core and secondary activities in the form of spillover effects, with significant implications for the Ayrshire region and Scotland as a whole. As detailed in Section 1.3, these encompass a range of effects. These include: broader tourism, and training and apprenticeship impacts across the region, (including within the Prestwick Aerospace Campus), and the wider development initiatives undertaken by companies within the Aerospace Engineering and Aviation Cluster. These impacts have been assessed primarily through qualitative analysis within this section. This analysis is derived from literature review and stakeholder engagements, with the exception of tourism and training impacts, which have been estimated quantitatively.

This section first highlights the overall strategic economic and social impacts generated by GPA based on insights shared by representatives of South Ayrshire Council in case study 4. Followed by estimates of the broader tourism and training impacts generated from GPA's wider impacts, before proceeding to qualitatively consider wider aerospace related clustering impacts.

Case Study 4: South Ayrshire Council - Economic and Social Impacts generated by GPA

GPA is recognised as a crucial economic driver across various sectors in the South Ayrshire region. Besides acting as a gateway to tourism, GPA's strategic location and infrastructure attracts inward investment and business development into the local economy, stimulating economic activity in the region particularly, in the aerospace campus.

GPA supports the broader economic development and sustainability goals of the region through its involvement in various initiatives and projects. It actively participates in the Ayrshire Growth Deal, contributing to projects such as the Commercial Build programme and the Aerospace & Space Technology Applications Centre (ASTAC). These initiatives promote economic growth, foster innovation, and enhance the region's capabilities in aerospace-related sectors. GPA also supports Ayrshire College's efforts to gain CAA approved Part 145/147 accreditation, which would enhance the region's capabilities in aircraft maintenance and repair. It also supports pilot training programmes, offering valuable hands-on experience through access to its runway.

Additionally, it serves as a catalyst for the local tourism economy and as an essential hub for the region's supply chain. In particular, GPA's connectivity, both domestically and internationally, enhances the region's accessibility and facilitates trade and business travel. GPA's hosting of events like the annual Air Show also promotes the region's aviation heritage and capabilities, boosting tourism.

The Council also highlighted the risks associated with any potential changes in use or closure of GPA, including the impact foreign direct investment (FDI) opportunities, impeding accessibility, potentially affecting tourism numbers and undermining the local economy. Noting the impact of GPA's closure would extend beyond the local area,

resonating throughout the wider Scottish economy and potentially tarnishing Scotland's reputation as a business-friendly destination.

4.1 Wider tourism impacts

GPA's presence in Scotland supports increased tourism in the area, with Ryanair operating as the exclusive carrier at the airport, offering competitive prices and direct access to destinations not available at other Scottish airports.⁴³ Moreover, GPA is the only airport in Scotland with a dedicated railway station which further enhances its appeal to both inbound and outbound visitors. This tourism traffic contributes to wider economic benefits for the region of Scotland in the form of tourism spending and employment impacts in the sector.

A key driver of these tourism benefits in the local area is likely to be due to the presence of numerous golf courses across South Ayrshire, with five of the UK's top 100 courses and three open Championship venues among them. According to the latest golf tourism report released in 2016,⁴⁴ approximately two-thirds of golf visitors to the region were from the UK, while one-third came from overseas. The report also revealed that golf tourism contributed an economic value of £17.1 million to Ayrshire, supporting 437 jobs.⁴⁵

As presented in Table 4.1, tourism impacts have been estimated for three scenarios in addition to the baseline scenario, outlined in steps 1 to 3, in Appendix 2. These scenarios have been developed based on insights gathered during stakeholder interviews and an extensive literature review of passenger flows and expenditure patterns, which suggests the possibility of lower inbound travellers⁴⁶ and shorter duration of visitors' stays than standard estimates provided by the latest 2019 South Ayrshire fact sheet from VisitScotland.⁴⁷ In summary the following four scenarios have been presented:⁴⁸

- Baseline Scenario: assumes 20% of the total passengers travelling through GPA are inbound passengers and these inbound visitors spend on average 6.6 nights⁴⁹ in Scotland, resulting in an estimated tourism impact of £61m.
- Scenario 1: assumes a higher estimate of inbound passengers (30%) resulting in a tourism impact of £91m.
- Scenario 2: assumes a lower estimate of inbound passengers (10%) resulting in a tourism impact of £30m.
- Scenario 3: assumes baseline estimate of inbound passengers (20%) and a shorter duration of visitors' stays (3.3 nights), presenting an estimated tourism impact of £30m.

If an equal likelihood is assigned to all four scenarios mentioned above, the average impact of GPA's tourist spending on the Scottish economy is estimated to be approximately £53m for FY 2022-23.

⁴³ These include destinations such as Gran Canaria, Lanzarote and Murcia.

⁴⁴ Golf Tourism, [Visit Scotland](#)

⁴⁵ [South Ayrshire Council Golf Strategy \(2022 - 2032\)](#)

⁴⁶ Inbound travellers refer to passengers visiting Scotland via GPA for leisure and tourism purposes, generating economic activity.

⁴⁷ [Ayrshire and Arran factsheet, Visit Scotland 2019](#)

⁴⁸ These assumptions are made because data is unavailable on the proportion of passengers travelling through GPA who are overseas visitors versus Scottish residents travelling abroad. As explained earlier in section 2.1.3, these assumptions also factor in how GPA primarily serves 'sun-sea-sand' destinations.

⁴⁹ Average number of nights calculated using data from the International Passenger Survey 2023.

Table 4.1: Scenario analysis for tourism spending impacts, FY2022-23

Description	Baseline Scenario	Scenario 1	Scenario 2	Scenario 3
Scenario description	Inbound travellers account for 20% of GPA's total and inbound visitors spend on average 6.6 nights in Scotland	Inbound travellers account for 30% of GPA's total PAX	Inbound travellers account for 10% of GPA's total PAX	Inbound travellers account for 20% of GPA's total PAX and inbound visitors spend on average 3.3 nights in Scotland
Total number of passengers travelling through GPA	459,000	459,000	459,000	459,000
% of visitors	99.7%	99.7%	99.7%	99.7%
% of inbound travellers	20%	30%	10%	20%
Average spending per night	£100.6	£100.6	£100.6	£100.6
Average nights spent in Scotland	6.6	6.6	6.6	3.3
Tourism spending impacts	£61m	£91m	£30m	£30m

Source: PwC based on data from SG, VisitScotland, International Passenger Survey, GPA Financial Statements and stakeholder engagements

4.1.2 Tourism-related employment impacts, FY2023

For tourism-related employment impacts, it is estimated that GPA supports an estimated 1,830 tourist-related jobs in the Scottish economy. This is based on tourist-job per visitor ratio of 0.02 for Scotland⁵⁰ and is calculated as follows:

Figure 4.1: Calculating tourism-related employment

$$\text{Employment support of 1,830 tourist-jobs} = \text{No. of inbound visitors travelling through GPA of 91,525} \times \text{Scotland's ratio of tourist-job per visitor of 0.02}$$

To provide robustness in relation to these estimates, the following scenario analysis has been undertaken by adjusting the key inbound visitor numbers and tourist-job per visitor assumptions.

⁵⁰ As per [VisitScotland 2022](#)

Table 4.2: Scenario analysis for tourism employment support, FY 2022-23

Description	Baseline Scenario	Scenario 1	Scenario 2
Scenario description	Inbound travellers account for 20% of GPA's total and inbound visitors spend on average 6.6 nights in Scotland	Inbound travellers account for 30% of GPA's total PAX	Inbound travellers account for 10% of GPA's total PAX
Total number of passengers travelling through GPA	459,000	459,000	459,000
% of visitors	99.7%	99.7%	99.7%
% of inbound travellers	20%	30%	10%
Tourist-job per visitor ratio	0.02 ⁵¹	0.02	0.02
Estimated tourist-job supported	1,830	2,746	915

Source: PwC based on data from SG, VisitScotland, International Passenger Survey, GPA Financial Statements and stakeholder engagements

As presented in Table 4.2, three scenarios have been estimated in addition to the baseline scenario. In summary the following scenarios have been presented for the FY 2022-23 period:

- Baseline Scenario: assumes 20% of the total passengers travelling through GPA are inbound passengers, with a tourist-job per visitor ratio of 0.02, resulting in the support of approximately 1,830 tourism jobs in the region.
- Scenario 1: assumes a higher percentage of inbound passengers and the same tourist-job per visitor ratio, resulting in the support of around 2,746 tourism jobs in the region.
- Scenario 2: assumes a lower percentage of inbound passengers and the same tourist-job per visitor ratio, resulting in the support of around 915 tourism jobs in the region.

If an equal likelihood is assigned to all four scenarios mentioned above, the average tourist-job supported by GPA's presence in the Scottish economy is estimated to be 1,830.

4.2 Wider training and apprenticeship impacts, FY 2022-23

The Ayrshire region faces a significant aviation-related skills gap, particularly in aerospace engineering, aircraft maintenance and air traffic control skills. The effects of the Covid-19 pandemic and Brexit on the labour market have further exacerbated this skills gap. In fact, this skills gap is not limited to Ayrshire alone, but pervades the wider aviation sector

⁵¹ This is calculated by dividing the number of tourism jobs supported by overseas visitors of 69,358 (30% of total number of sustainable tourism jobs) by the number of visitors of 3.2m in Scotland, giving a ratio of 0.02.

across the UK. To address these challenges, the UK government published the Future Aviation Skills Strategy in 2023.⁵² This strategy sheds light on the numerous obstacles faced by the aviation sector in the UK, including the aforementioned skills gap, the drive towards achieving net zero emissions, and the ever-evolving technological landscape. Importantly, the strategy also puts forth recommendations on how to effectively tackle these issues.

As a key employer in the region, GPA and the surrounding aerospace related businesses play a key role in organising and supporting skills generation programmes and initiatives, including working in collaboration with local colleges, universities and local authorities to address this issue. These programmes and initiatives, (including apprenticeship programmes, a 1-year School-College Partnership Programme and 12-weeks Reskilling and Upskilling Programmes), not only provide immediate employment opportunities to trainees and apprentices but also help upskill and retrain individuals with technical skills, ultimately creating more full-time employment opportunities in the region.

This section provides an analysis of the quantitative direct and indirect employment impacts, generated by the training services offered at GPA and surrounding aerospace-related businesses within the Cluster. The analysis is supplemented by insights from stakeholder interviews. Two key categories of training impacts have been identified, as follows:

1. Direct training: Pilot training provided at GPA; and
2. Indirect training: Apprenticeship opportunities provided by MRO and other aerospace businesses adjacent to GPA.

4.2.1 Direct training impacts

GPA offers Private Pilot License (PPL) training at the on-site Prestwick Flight Centre that typically requires 45 hours of flight time to complete. Primary research highlighted that approximately 23 individuals completed this training in 2022-23.⁵³ The potential employment impacts generated by this training in GVA terms for the year 2022-23 has been estimated by using a range of GVA per head data⁵⁴ in Scotland. Firstly, for the Aerospace Sector for 2021 (of £43,179) and secondly, GVA per head for South Ayrshire (of £62,632) as presented in Figure 4.2 below. As in section 3.4, ONS CPI data has been applied to estimate GVA in 2023 terms generating GVA per head of between £49,270 and £70,585.

Figure 4.2: Calculating direct employment impacts generated by training services



This approach estimates that GPA generates GVA between £993,120 - £1.4m in 2021 terms and £1.1m to £1.6m in 2023 prices, through the training of pilots, assuming all

⁵² [Future Aviation Skills Strategy 2023, Government of United Kingdom](#)

⁵³ Stakeholder interview conducted with GPA Management

⁵⁴ Per footnote 25.

trainees take up full time employment in Scotland in 2023, post completion of their PPL training.⁵⁵

4.2.2 Indirect training impacts

Additionally, as briefly explained in Section 3.2, MRO and related aerospace organisations based in the Aerospace Engineering and Aviation Cluster play an important role in providing training and skills development in the region. These businesses, alongside GPA, support this training in several ways, including by running dedicated apprenticeships, utilising access to the runway at GPA for training provision and collaboration with Ayrshire College for access to training materials. Furthermore, these businesses actively contribute to the college's Pre-apprenticeship Programme, which serves as a valuable pipeline for apprentices who are subsequently hired by local and regional aerospace companies. By directly employing apprentices from this programme, these businesses are not only supporting the initiative but are also establishing a clear pathway towards full-time employment. As a result, these training and apprenticeship programmes, mainly focused on aerospace engineering roles, help create high skilled and high value employment impacts in the local region over time.

In order to provide an indication of the estimated impacts from this investment in training and apprentices, the indirect apprenticeship impacts for the aerospace-related businesses in the Aerospace Engineering and Aviation Cluster in 2023 have been calculated. This calculation uses the following three-step process:

1. Number of apprentices has been estimated based on data collected as part of the stakeholder engagement process with four MRO and aerospace component organisations, providing an estimated number of 154 apprentices in 2023.
2. For cluster level impacts an assumption has been made that each of the remaining 15 aerospace-related organisations hire a minimum of 5 apprentices on an annual basis.⁵⁶ Resulting in a total number of 229 apprentices employed in the Aerospace Engineering and Aviation Cluster in 2022-23.⁵⁷
3. The indirect employment impacts generated by these apprenticeships has been estimated by assuming an average annual salary of £15,000 paid to apprentices and trainees enrolled in aerospace-related programmes in the area. This assumption is based on research conducted by Skyway, an initiative from South Ayrshire Council's Economy and Regeneration Service which aims to support individuals pursuing a career in the Aerospace and Space Industries.

Figure 4.3 below presents the steps to estimate the indirect employment impact generated by the total apprentices in the Cluster. An annual salary for year 1 apprentices of £15,000 is assumed which is applied to the total of 229 apprentices within the Cluster, generating an estimated indirect employment impact of £3.4m through these placements in 2022-23.

⁵⁵ The assumption that all trainees take up full time employment in Scotland, post completion of their PPL training is based on a combination of secondary research and stakeholder interviews. Shortage of trained pilots across the region and more widely across the country imply that there are opportunities for full time employment available for trainees post completion of their PPL training.

⁵⁶ Stakeholder interviews revealed a range of apprentices (between 5 and 65) hired by organisations based in the Cluster. A conservative view of 5 apprentices hired by each of the remaining organisations in the Cluster has been applied.

⁵⁷ It is recognised that the 79 apprentices figure in table 3.2 is limited to only a few organisations for which data is available. 229 apprentices are calculated based on an assumption made from our stakeholder interviews.

Figure 4.3: Calculating indirect employment impacts generated by training services

$$\text{Indirect employment impacts generated by training services} = \text{Annual salary for apprentices in the Prestwick Aerospace Cluster} \times \text{Number of apprentices hired in a given year in the Prestwick Aerospace Cluster}$$

Case Study 4 provides a deeper insight into the skills gap in the region and the wider benefits generated by the training and apprenticeships provided within the Aerospace Engineering and Aviation Cluster at Prestwick.

Case Study 5: PAML - Skills development

PAML are heavily involved in skills generation and development in the local area through their training and apprenticeship programmes to help address skills shortages in the sector. As the lack of a skilled labour force is a key barrier to their future growth.

PAML offers several training and apprenticeship placements, including a 12-week training programme for aircraft mechanics. They currently have 72 apprentices across various departments, such as aircraft engineers and sheet metal workers. This apprenticeship programme is delivered in collaboration with Ayrshire College. PAML’s collaboration with GPA is crucial in delivering these programmes, particularly through its use of GPA’s training and aviation facilities.

PAML’s support in organising STEM events and airshows is also seen as important in encouraging skills development in the region. In summary, the provision of formal and informal training activities undertaken by PAML helps to generate immediate and future employment opportunities in the region.

4.3 Other Cluster Benefits

GPA also plays a substantial role in infrastructure development in the Ayrshire region, generating a “cluster effect”, where similar businesses congregate in close proximity to the airport. Drawing on qualitative insights gained through stakeholder engagement and desk based review of background literature, the following key categories of commercial activities have been identified:

1. Prestwick Aerospace Campus, encompassing companies within GPA's Cluster that engage in aircraft design, manufacturing, and maintenance.
2. Commercial spaces leased to both aviation-related and non-aviation companies.

This clustering stimulates aerospace and wider business innovation, knowledge and resource sharing as well as economic development within the region, as discussed further below.

4.3.1 Prestwick Aerospace Engineering and Aviation Cluster

GPA boasts the largest Aerospace Campus in Scotland⁵⁸ in the form of the Prestwick Aerospace Campus, which is home to world leading advanced engineering companies. International businesses such as Spirit AeroSystems, BAE Systems, Woodward, GE Caledonian, Collins Aerospace all have operations at Prestwick accessing a small yet

⁵⁸ [GPA Website Aerospace](#); [GPA Aerospace Skyway](#).

flexible and highly skilled aerospace and engineering workforce, with close links to further education providers. As previously noted in section 3.4, within GPA's Cluster, approximately 2,500 FTEs are employed (based on available data). The two largest employers in the Cluster are Spirit AeroSystems and GE Caledonian, employing around 1,074 and 780 FTEs respectively, collectively representing 74% of cluster employees. In addition to a designated Aerospace Enterprise Area, established engineering supply-chains and extensive road, rail, sea and air connections.

As the site owner, GPA plays a key role in enhancing partnership working across the Aerospace Campus, to add value to the constituent organisations via knowledge sharing and upskilling of the local workforce. With over 880 acres of vacant land, the airport is seeking to attract new aerospace and auxiliary service companies to the site, working closely with Scottish Enterprise, Ayrshire College and South Ayrshire Council to support further development of the Aerospace Campus on its site. This is further illustrated in the case studies below.

Case Study 6: Ayrshire College's ASTAC initiatives⁵⁹

Ayrshire College intends to establish an Aerospace and Space Technology Application Centre (ASTAC) at GPA and its airport terminal, in close partnership with GPA and South Ayrshire Council, pending successful commercial negotiations with the airport. This centre aims to facilitate the development and production of new flight technologies in Scotland, leveraging the existing aerospace supply chain, launch platforms, satellite payloads, and academic and industrial research within the Cluster. Additionally, a Visitor and STEM Hub will be integrated to drive technological innovation and skill development, positioning Ayrshire and Scotland as hubs for Aerospace and Space Technology.

The purpose-built multi-occupancy building will serve as a central location for the expanding Cluster, providing essential training and research facilities to foster growth and support aerospace and space businesses in Scotland and the UK. Collaborating with local and national higher and further education institutions such as the University of Glasgow, University of Strathclyde, University of the West of Scotland, and Ayrshire College, ASTAC will address business development and training needs in the Aerospace and Space sector.

By working alongside existing research and innovation initiatives, ASTAC will enhance advanced manufacturing techniques, productivity, and the sustainability of businesses within the sector. Moreover, the inclusion of a visitor/STEM hub will offer educational opportunities for students to explore career paths in aerospace and space industries, while serving as an innovative training facility for the local labour market and educators. Despite minor delays, Ayrshire College remains confident in the progress of development plans for the centre and is actively seeking funding opportunities, including from the Ayrshire Growth Deal, to support this project.

⁵⁹ Based on stakeholder engagement with the Ayrshire College and information from [Ayrshire College's website](#)

Case Study 7: Growth plans of aerospace component and fuelling companies within the GPA cluster

GE Caledonian is primarily focused on expanding its existing site and noted the possibility of leveraging GPA's freight services and storage facilities to accommodate the resultant increase in activity. It is seeking to foster partnerships with stakeholders from the local government to enhance its competitiveness and capture a larger share of Gen X maintenance contracts. GE Caledonian aims to significantly scale up its shop visits service, aiming to reach approximately 300 annual visits in the long term, which represents an increase of over 25 -30% based on current levels.

BP is exploring avenues to enhance its provision of Sustainable Aviation Fuel (SAF) at GPA. SAF, a renewable alternative to fossil jet fuel, can reduce greenhouse gas emissions by up to 80% over its life cycle without requiring modifications to existing aircraft. BP is working on producing SAF through co-processing at existing refineries and constructing standalone units dedicated to SAF production, supporting the aviation sector's transition to a lower-carbon future.

A key tenant, HMS Gannet was also interviewed as part of the stakeholder engagement process conducted for this report. To showcase the diverse nature of services offered at GPA. Details regarding the activities and expansion plans of HMS Gannet, are provided in Case Study 8.

Case Study 8: HMS Gannet's expansion plans

HMS Gannet, also known as RNAS Prestwick is a Royal Naval Search and Rescue Station and has been stationed at GPA since 1971. Positioned on the northern side of GPA, this site, previously leased, is now owned by the Ministry of Defence and functions as a forward operating base for the UK military.

Gannet's primary role is to support the protection of the UK's nuclear deterrent. The site encompasses an aircraft dispersal area, two hangars, an office complex, accommodation block, and several ancillary buildings. Additionally, there is a dedicated helo landing spot for helicopters.

Functioning as a forward operating base, Gannet offers facilities and office space to visiting military units such as the US and the Canadian military to facilitate their training operations. The site can accommodate approximately 60 individuals. The selection of a site adjacent to GPA as Gannet's location is largely influenced by its proximity to HM Naval Base Clyde. Moreover, the 24/7 operations at GPA enable extensive training activities that utilise the airfield. Over time, Gannet's infrastructure at GPA has expanded significantly.

Hence, the GPA site and wider Prestwick Aerospace Campus offers numerous benefits within the region, including amongst others:

- International Business Presence: which not only boosts the prestige of the Ayrshire region but also encourages knowledge and resource sharing among industry leaders within the field of engineering.

- Skilled workforce: given the current and planned training initiatives available, providing skilled engineers who benefit from higher wages compared to local average wage in the area. The Aerospace Campus therefore increases disposable income in the region and stimulates consumer spending and economic growth.
- A supportive ecosystem: that encourages collaboration and innovation between businesses within the Cluster as well as public-private partnerships with Scottish Government, Scottish Enterprise, Ayrshire College and South Ayrshire Council.

4.3.2 Leasing commercial spaces

Leasing of commercial spaces to aviation and non-aviation related businesses in and surrounding GPA offers various benefits to the region, including but not limited to:

- Leasing of commercial and retail spaces within the GPA terminal site including up to 50 businesses covering over 17,242 square feet⁶⁰
- Increased business activity in the region given the wide variety of companies located within the Prestwick International Aerospace Park.
- Enhanced competitiveness of the region, positioning it as a favoured destination for both aviation-related and ancillary businesses.
- Greater tax revenues for the local government resulting from the expansion of companies within the airport's Cluster, enabling more resources to be directed towards public services and community welfare programmes.

Thus, beyond the core and secondary benefits outlined in Sections 2 and 3, GPA provides substantial wider benefits to the local area and the Scottish economy of which the tourism and training impacts have been quantified. This indicates that in FY 2023, GPA contributed to:

- Approximately £61m of tourism expenditure in the region which supports an estimated 1,830 tourism jobs across Scotland; and
- An estimated 23 pilots and 229 apprenticeships with an estimated direct economic impact of between £1m to £1.4m (in 2021 prices) and indirect economic impact of £3.4m respectively.

⁶⁰ List of tenants provided by GPA, December 2024.

Technical appendices

Appendix 1: GVA Impacts Methodology

GVA impacts, FY2023

To estimate the GVA impacts generated by GPA, a three-stage approach has been adopted as described below:

Step 1 - estimating GPA's direct economic contribution

GPA's financial accounts data for FY 2022-23 has been used to calculate the airport's direct GVA contribution, estimated at £14.77m, as below.

$$\begin{array}{|c|} \hline \text{Direct contributions to GVA} \\ \hline \text{of } \mathbf{£14.77 \text{ m}} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Operating profit before} \\ \text{interest and tax of } \mathbf{£0.84 \text{ m}} \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Consumption of fixed capital} \\ \text{of } \mathbf{£2.57 \text{ m}} \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Employee compensation} \\ \text{of } \mathbf{£11.36 \text{ m}} \\ \hline \end{array}$$

Step 2 - estimating the economic contribution of supplier spending

The economic contribution of supplier spending is estimated at £7.39m using the Type I multiplier from the 2019 Scottish Government's Input-Output model, applied as a proxy for post-pandemic multipliers, calculated as below:

$$\begin{array}{|c|} \hline \text{Indirect contributions to} \\ \text{GVA of } \mathbf{£7.39 \text{ m}} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Direct contributions to GVA} \\ \text{of } \mathbf{£14.77 \text{ m}} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Type I GVA Multiplier of } \mathbf{1.5 \text{ minus } 1} \\ \hline \end{array}$$

Step 3 - estimating the economic contribution of employee spending

The economic contribution of employee spending is estimated at £ 4.43 m using the 2019 Scottish Government's Input-Output model's Type II multiplier, as per below:

$$\begin{array}{|c|} \hline \text{Induced contributions to} \\ \text{GVA of } \mathbf{£4.43 \text{ m}} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Direct contributions to GVA} \\ \text{of } \mathbf{£14.77 \text{ m}} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Type II GVA Multiplier of } \mathbf{1.8 \text{ minus Type I GVA Multiplier of } 1.5} \\ \hline \end{array}$$

Together, the direct, indirect, and induced impacts represent a comprehensive quantifiable GVA impact of £26.6m from GPA's core activities on the Scottish economy in FY 2022-23.

Appendix 2: Tourism GVA Impacts Methodology

Tourism spending impacts, FY2023

To estimate the tourism spending in the Scottish economy linked to GPA, a four-stage approach has been adopted as described below:

Step 1: Estimation of inbound visitors arriving in Scotland via GPA

Based on a total of 459,000 passengers for FY 2023, it is estimated that 20% of these passengers travelling through GPA are inbound, with 99.7% being visitors.⁶¹ The remaining 80% constitute outbound passengers, with 0.3% classified as business passengers. This calculation yields an estimated count of 91,525 inbound tourist visitors arriving in Scotland via GPA, as outlined below:

$$\begin{array}{|c|} \hline \text{No. of inbound visitors coming to Scotland through GPA of } \mathbf{91,525} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Total number of passengers travelling through GPA of } \mathbf{459,000} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{\% of inbound passengers of } \mathbf{20\%} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{\% of visitors of } \mathbf{99.7\%} \\ \hline \end{array}$$

Step 2: Estimation of visitor expenditure in Scotland

According to data from the International Passenger Survey,⁶² the average visitor spend per visit in Scotland from overseas European visitors⁶³ in 2019 was £550. ONS Consumer Price Inflation data⁶⁴ is used to calculate the overall change between 2019 and 2023 price levels. It is estimated that a change of 20.7% occurs between 2019 and 2023. This implies that the £550 estimate from 2019 would be £664.

Step 3: Estimating spending in Scotland by inbound visitors travelling through GPA

Based on step 1 and 2 above, the spending in Scotland by inbound visitors travelling through GPA is estimated at £61m in FY 2023, as follows:

$$\begin{array}{|c|} \hline \text{Spending in Scotland by inbound visitor travelling through GPA of } \mathbf{£ 61m} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{No. of inbound visitors travelling through GPA of } \mathbf{91,525} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Average visitors spend of } \mathbf{£664} \\ \hline \end{array}$$

Step 4: Scenario analysis

Given uncertainties related to the assumptions underlying the above analysis, a scenario analysis has been undertaken by adjusting the key inbound visitor numbers and expenditure related assumptions made in Steps 1 and 2 above, as illustrated in Table 4.1.

⁶¹ This is based on our stakeholder engagement with GPA and on research conducted by the UK's Department of Transport in 2016, [framework-economic-impact-of-airports](#).

⁶² Estimates of overseas residents' visits and spending in the UK, International Passenger Survey, [ONS](#)

⁶³ Expenditure data for all overseas visitors is used in the calculation to understand a well-rounded view of the tourism spend in Scotland facilitated by GPA. Additionally, pre-pandemic data from 2019 has been used and uplifted to 2023 data to gain a complete picture of tourism spending that was not impacted by the impacts of the pandemic.

⁶⁴ ONS, [Consumer Price Inflation](#)

Appendix 3: Profile of South Ayrshire and Neighbouring Local Authorities

This appendix, provided by SG at the time the research was undertaken to inform the analysis in this report, sets out the socio-economic context of GPA and the wider Ayrshire region. It is key to understanding the context of the economic impact analysis conducted.

Population

South Ayrshire (the local authority area where GPA is located) had a population of 112,500 in 2021, which was 2.1% of Scotland's population (ONS Population estimates).⁶⁵

Labour Market Jan 2023 - Dec 2023

While Prestwick itself is relatively prosperous, the employment rate in South Ayrshire is the second lowest in all of Scotland. This is driven by higher economic inactivity, with higher proportions of the long-term sick (42.7% vs 31.6% in Scotland overall) and retired (23.5% vs 14.1%) among the working-age population (aged 16-64). South Ayrshire has a marginally higher rate of unemployment than across Scotland as a whole.

	East Ayrshire		North Ayrshire		South Ayrshire		Scotland	Great Britain
	%	Rank of 32 LAAs (highest)	%	Rank of 32 LAAs (highest)	%	Rank of 32 LAAs (highest)	%	%
Claimant count rate (April 2024)	3.8	5th	4.4	2nd	3.4	7th	3.1	3.8
Unemployment rate (model based, 16+)	3.2	19th	3.5	8th	3.7	6th	3.5	3.7
Youth Unemployment rate (16-24)	*	*	22.4*	*	19.4*	*	10.2	12.6
Employment rate (16-64)	71.2	23rd	70.3	26th	65.2	31st	74.7	75.8

Source: Annual Population Survey

Notes: * Youth unemployment data is for Jan 2021 - Dec 2022, as it is the most recent non-disclosive data. Youth unemployment rate rank / East Ayrshire data is not provided as youth unemployment rate estimates are not reliable for many LAAs.

Earnings

Median weekly full-time earnings for employees who live in South Ayrshire were 7.3% higher than the Scottish average in 2023 (£753 in South Ayrshire compared to £702 in

⁶⁵ Unless otherwise stated or indicated by a footnote, local authority data is taken from Nomis and its connected ONS sources: <https://www.nomisweb.co.uk/reports/lmp/la/1946157432/report.aspx>

Scotland as a whole) (ONS Annual Survey of Hours and Earnings, 2023). East and North Ayrshire meanwhile had medians of £709 and £702 respectively.⁶⁶

The percentage of all employees (18+) who work in South Ayrshire with hourly pay below the Living Wage, at 17.9% in 2023, was higher than the figure for Scotland as a whole, at 10.1%. The South Ayrshire figure is also higher than the percentage of employees earning below the living wage in neighbouring East and North Ayrshire, with figures of 14.7% and 10.4% respectively (Scottish Annual Survey of Hours and Earnings, 2023).⁶⁷

Employment by sector

The service sector accounted for 81% of total employment in South Ayrshire in 2022 (84% in Scotland), while manufacturing accounted for 11% (7% in Scotland). East and North Ayrshire in comparison have service sectors that compose 84 and 79% of the total employee jobs (ONS Annual Population Survey, Jan – Dec 2023).

Qualifications

In 2023, 49.4% of people between the ages of 16-64 in South Ayrshire were qualified to the equivalent of first-year degree level (RQF4) or greater. This is lower than the Scottish average of 55.1%. 11.2% of this age demographic in South Ayrshire had no qualifications, which is higher than Scotland's rate of 8.2%. (ONS Annual Population Survey, Jan – Dec 2023).

	East Ayrshire		North Ayrshire		South Ayrshire		Scotland		Great Britain	
	#	%	#	%	#	%	%	%	%	%
RQF4 and above	35,300	51.9	41,800	54.3	30,500	49.4	55.1	47.3		
RQF3 and above	46,100	67.8	53,700	69.7	43,600	70.5	73.7	67.8		
RQF2 and above	55,300	81.1	65,900	85.6	52,500	85.1	87.1	86.5		
RQF1 and above	56,500	83.0	66,800	86.7	53,100	86.0	87.9	89.0		
Other Qualifications	3,000	4.4	#	#	#	#	3.9	4.6		
No Qualifications	8,600	12.6	7,400	9.6	6,900	11.2	8.2	6.5		

Source: ONS annual population survey Jan – Dec 2023

Notes: Numbers and % are for those of aged 16-64; # = Sample size too small for reliable estimate

GVA

GVA in South Ayrshire was £2.359 billion in 2021, 1.6% of the Scottish total (Sub-Scotland Economic Statistics, January 2024).⁶⁸ GVA per hour worked was £33.20, lower than the average across Scotland (£37). This is also slightly lower than all East and North Ayrshire, who collectively earn £33.50 per hour (ONS Subregional Productivity, June

⁶⁶ The Living Wage, as defined by the Living Wage Foundation for 2023, is £10.90 outside London. This is different to the UK Government's National Living Wage of £10.42 for the same period.

⁶⁷ [Annual survey of hours and earnings: 2023 - gov.scot](https://gov.scot/annual-survey-of-hours-and-earnings-2023)

⁶⁸ [Sub-Scotland Economic Statistics Database - gov.scot](https://gov.scot/sub-scotland-economic-statistics-database)

2023).⁶⁹

Deprivation

In terms of deprivation, there is a mixed picture across the region. According to the Scottish Index of Multiple Deprivation 2020, 18.3% of South Ayrshire's 153 datazones were found in the 20% most deprived datazones in Scotland. This is a significantly better performance in terms of deprivation than East and North Ayrshire (at 39.8% and 31.3% respectively) (Scottish Index of Multiple Deprivation 2020).⁷⁰

Business performance

In 2021, the business start-up rate, at 38 per 10,000 resident adults in South Ayrshire, was below the rate for Scotland as a whole, at 41 (ONS Business Demography 2022).⁷¹ In 2019, business expenditure on R&D per head in South Ayrshire, at £85, was below the figure for Scotland, at £258. South Ayrshire outperformed East and North Ayrshire, at £298 and £43 respectively (Business Enterprise Research and Development Scotland 2019).⁷²

Small businesses

In 2023, small enterprises (i.e. firms with less than 50 employees) accounted for 42% of private-sector employment in South Ayrshire, compared to 37% in Scotland as a whole. This is lower than East and North Ayrshire, at 44% and 49% respectively (Sub-Scotland Economic Statistics Database, January 2024).

Commuter Flows – South Ayrshire

Shown below are the commuter flows data for South Ayrshire and other local authorities in 2023, showing that almost three quarters of employees in South Ayrshire also live in South Ayrshire, with approximately one quarter of employees in South Ayrshire commuting from another LA. This is slightly lower than the Scottish average of 77.6% of employees who work in the LAA that they live in.

Local Authority Area (LAA)	Number of People Working in the LAA	% of those working in the LAA that live in the LAA	% of those working in the LAA that live out-with the LAA
East Ayrshire	51,100	72.0%	28.0%
North Ayrshire	49,500	76.6%	23.4%
South Ayrshire	43,500	74.5%	25.5%
Aberdeen City	178,000	64.7%	35.3%

⁶⁹ Office of National Statistics,

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/regionalandsubregionalproductivityintheuk/june2023/relateddata>

⁷⁰ SIMD (Scottish Index of Multiple Deprivation)

⁷¹ Office of National Statistics, <https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/datasets/businessdemographyreferencetable>

⁷² Government of Scotland, <https://www.gov.scot/publications/business-enterprise-research-and-development-2019/>

Dundee City	81,500	66.1%	33.9%
City of Edinburgh	366,600	76.4%	23.6%
Glasgow City	445,600	58.7%	41.3%
Dumfries and Galloway	62,500	92.9%	7.1%

Source: ONS Annual Population Survey (Jan – Dec 2023)

Sector Employment – South Ayrshire and Bordering Local Authorities (LAs)

Shown below is the distribution of employment as a percentage of total employment across all sections of the Scottish economy for South Ayrshire and other selected areas. Employment in South Ayrshire is notably more common in Wholesale and retail trade; repair of motor vehicles and motorcycles (section G), Manufacturing (section C), Accommodation and Food services (Section I) and Human health and social work activities (section Q) compared to the rest of Scotland. Employment in South Ayrshire is particularly less common in Administrative and support service activities (section N) compared to Scotland as a whole.

	East Ayrshire		North Ayrshire		South Ayrshire		Scotland		Great Britain	
	#	%	#	%	#	%	%	%		
B: Mining & Quarrying	125	0.3	150	0.4	0	0.0	1.0	0.2		
C: Manufacturing	3,000	7.5	4,500	11.0	5,000	11.1	6.9	7.6		
D: Electricity, Gas, Steam & Air Conditioning Supply	200	0.5	400	1.0	50	0.1	0.8	0.4		
E: Water Supply; Sewerage, Waste Management & Remediation Activities	350	0.9	600	1.5	225	0.5	0.7	0.7		
F: Construction	2,500	6.2	3,000	7.3	2,250	5.0	5.7	4.9		
G: Wholesale & Retail Trade; Repair of Motor Vehicles & Motorcycles	5,000	12.5	7,000	17.1	7,000	15.6	12.9	14.0		
H: Transportation & Storage	1,250	3.1	1,250	3.0	2,250	5.0	4.1	5.0		

	East Ayrshire		North Ayrshire		South Ayrshire		Scotland		Great Britain	
	#	%	#	%	#	%	%	%		
I: Accommodation & Food Service Activities	3,500	8.8	4,000	9.8	5,000	11.1	8.4	8.0		
J: Information & Communication	500	1.2	350	0.9	450	1.0	3.2	4.6		
K: Financial & Insurance Activities	400	1.0	400	1.0	500	1.1	3.3	3.3		
L: Real Estate Activities	350	0.9	600	1.5	600	1.3	1.3	1.9		
M: Professional, Scientific & Technical Activities	1,750	4.4	1,750	4.3	2,250	5.0	7.4	9.1		
N: Administrative & Support Service Activities	3,000	7.5	3,000	7.3	2,000	4.4	8.1	9.0		
O: Public Administration & Defence; Compulsory Social Security	3,000	7.5	2,500	6.1	2,250	5.0	6.5	4.7		
P: Education	3,000	7.5	3,500	8.5	4,000	8.9	8.8	8.6		
Q: Human Health & Social Work Activities	10,000	25.0	6,000	14.6	8,000	17.8	15.7	13.5		
R: Arts, Entertainment & Recreation	1,500	3.8	1,500	3.7	1,500	3.3	3.0	2.4		
S: Other Service Activities	500	1.2	600	1.5	800	1.8	1.6	2.0		

Source: ONS Business Register and Employment Survey 2022 (provisional)

Notes: % is a proportion of total employee jobs excluding farm-based agriculture. Employee jobs exclude self-employed, government-supported trainees and HM Forces. Data excludes farm-based agriculture.

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