

# West Lothian Economic Strategy 2010 - 2020



## West Lothian is Scotland's Economic Hub



West Lothian's central location and excellent business and labour market connections make the area Scotland's economic hub. West Lothian is ideally located, with 60% of Scotland's population within a one-hour drive, making for easy access to customers, suppliers and workforce.

The area is strategically located between Edinburgh and Glasgow at the hub of the wealth creating, central Scotland metropolitan region, identified as key to Scotland's future economic growth.

The area's business base includes both SMES and multinationals with global connections and reputations. Over the last decade, it has become clear that global and technological change is a constant, and West Lothian has successfully demonstrated its capacity to respond to challenges and reinvent itself as a business location.

The economic strategy for 2010-2020 maps out how the West Lothian Economic Partnership intends to continue to build on this success over the next ten years. It sets out West Lothian's economic priorities, building on the key themes set out in the Scottish Government's economic strategy.

The strategy comes at a time when the global economy has been through an unprecedented recessionary period, although there are now signs that growth may be slowly returning. At this time, when accurate forecasts are difficult, the strategy must be flexible, and we must be prepared to refocus priorities when new opportunities arise or unexpected barriers have to be removed. The key priority is to support the acceleration of recovery in West Lothian.

In West Lothian we have built a reputation for enterprising behaviour. Our economic history is one of adapting to change and driving hard out of difficult times like these. As public sector funding will be at a premium for some time, this strategy focuses on hard priorities that will help to shape our economy towards a positive future.

The strategy has been produced by a strong partnership of local organisations and stakeholders. It provides a framework for improving the economic prospects of West Lothian people, communities and organisations. The strategy also provides a template for measuring our success in this joint endeavour. We cannot achieve our objectives for West Lothian in isolation. Some of the issues we face are beyond the power of local partners to address, and our focus throughout this strategy is on those areas where we can make a difference.

Equally, we recognise our place in the wider world – not least as part of the wider city regions in the east of Scotland and our strong connections to and synergies with both Edinburgh and Glasgow. Strengthening West Lothian's competitive position is important for West Lothian and for the wider Scottish economy.

### Key Strategic Drivers

- Develop the business base
- Maximise West Lothian's competitiveness as an investment location and respond positively to opportunity
- Realise the potential of young people

### Strategic Fit

West Lothian's Community Plan - Towards 2020 - was published in December 2009. Together with the Single Outcome Agreement the plan represents the shared vision of West Lothian's future between local and national government and a range of community planning partners. The Economic Strategy 2010-2020 aims to help deliver a number of key outcomes from the plan including:

- Making West Lothian the most attractive place in Scotland for doing business.
- Realising our full economic potential with more and better employment opportunities for our people.
- We live in well designed sustainable places where we are able to access the amenities and services we need.
- We value and enjoy our built and natural environment and protect it and enhance it for future generations.
- We have tackled the significant inequalities in our society
- Our citizens are better educated, more skilled and more successful.
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens.

# West Lothian's Economy

West Lothian's economy has reacted positively to constant change over the last thirty years, moving from one that was dominated by manufacturing, to strong growth in service sectors including financial services, retail and wholesale distribution. This diverse economy is reflected in the fact that no single business sector now has more than a quarter of employment.

## Achievements over the last 10 years

- West Lothian was named Scotland's First Capital of Enterprise in the Enterprising Britain 2005 competition.
- Net jobs grew twice as fast as the Scottish average, with 16,000 extra jobs created between 1999 and 2008.
- The highest net increase, of 30%, in VAT registered businesses between 1999 and 2007 for any local authority in Scotland.
- Livingston is Scotland's fastest growing retail centre and is now the fifth largest retail centre in Scotland.
- The percentage of young people going into higher education has increased from 26.5% in 2006-2007 to 34.2% in 2008-2009.
- Bathgate became the first Business Improvement District in Scotland in 2008.

## Key Economic Facts

- West Lothian has a population of about 171,040, the youngest and fastest growing in Scotland with an average age of 38 compared with 40 across Scotland.
- Levels of employment and economic activity are high in West Lothian; 82% of West Lothian's working age population are economically active, the second highest level of any Scottish local authority.
- There are 76,300 jobs based in West Lothian. Key sector strengths are in food and drink manufacture, distribution and logistics, construction, biotech and life sciences, financial services and retail.
- At 4.7%, unemployment in West Lothian is slightly higher than the 4.3% rate of Scotland.
- Educational attainment has improved in West Lothian over the last ten years with 97.8% of all pupils gaining a qualification in 2007-2008, in comparison with the Scottish average of 96.5%.
- Some 4,500 businesses are known to be operating in West Lothian (4,115 of which are VAT/ PAYE registered).
- An analysis of unfilled job vacancies shows that the rate of vacancies is slightly lower in West Lothian than in Scotland as a whole – 58 per 10,000 working age population for West Lothian, compared to 60 for Scotland.
- 60% of Scotland's population (some 3 million people and 54% of Scotland's businesses) are within one-hour travel time.



## Key Principles

At a time of economic challenge, two key principles have underpinned the development of the strategy:

- Spheres of influence and the need to focus on actions where, at a local level, the partners can make a difference.
- The need to focus investment on a limited number of deliverable priorities.

## Our Priorities

- Enterprise and Business Development
- People and Skills
- Inclusion
- Business infrastructure, regeneration and visitor assets

## Monitoring Progress

Progress against the plan will be monitored through the Single Outcome Agreement (SOA) monitoring process. Key outputs in the SOA that relate to the Economic Strategy include:

- VAT/PAYE business stock and survival rates.
- Companies supported by Business Gateway and other initiatives.
- Median earnings levels for the workforce.

- Proportion of working age adults in work.
- Percentage of school leavers achieving a positive destination.
- Retail occupancy levels in town centres.

An Economic Review will also be published each year showing progress against these indicators as well as giving a summary of the economic conditions across West Lothian.

Creating a stronger entrepreneurial base is a vital component of a successful economy, as is increasing the number of knowledge based businesses and businesses in key sectors. Building on West Lothian's distinctive strengths to attract and retain such businesses will be as important as encouraging the full entrepreneurial spirit of our people to come through.

## Objective

### Supporting entrepreneurship

West Lothian needs a constant supply of new businesses and they must get every support to be both successful and sustainable.

#### Actions

- Equip would-be entrepreneurs with the skills to support and grow sustainable businesses.
- Expand incubation facilities and tie in with all partner support, including finance, legal, education etc.
- Promote programmes to increase the number of new local businesses formed – including high growth start-ups.
- Deliver entrepreneurial activities in schools and colleges.

## Objective

### Grow innovative, competitive and sustainable businesses

West Lothian must provide a supportive and aspirational environment for the businesses that are already here.

#### Actions

- Support businesses to develop new products, processes, markets and services.
- Support for local businesses in adopting innovation, new technologies and sustainable energy.
- Link businesses to expertise in education.
- Support the growth of a strong and diverse social economy sector.

## Objective

### Focus on key industries

West Lothian has a strong business base but supports the Scottish Government and Scottish Enterprise drive to assist key industries that have significant growth and high value added employment prospects.

#### Actions

- Attract professional business services to Livingston and traditional town centres.
- Promote the M8 corridor as the 'must have address' for key industries.
- Re-invent the Alba Campus as the place for business
- Join up West Lothian's offering to attract and support businesses in key industries.
- Involve businesses that may not recognise themselves as part of 'a sector'.



## Key partners for delivering Enterprise and Business Development activities:

Scottish Enterprise, West Lothian Council, West Lothian Chamber of Commerce, Federation of Small Businesses and West Lothian College

## People and Skills

Supporting and building upon the innovative nature of our people will be of the utmost importance in realising this strategy. We must ensure that all levels of education are adequately resourced and must continue to make the case for additional central support for our schools and colleges to meet our rising population. Youth unemployment has become a significant issue and a major waste of the talent and enthusiasm that young people can bring to our economy.

### Objective

#### Increased opportunity for school leavers

We must ensure that we continue to reduce the proportion of school leavers who leave school for a negative destination (i.e. those who do not move into employment, higher or further education, training or voluntary work). We will do this by continuing to create positive options for our young people.

#### Actions

- Develop routes into positive futures for all school leavers.
- Bring schools and business together and invite local business speakers (including parents) to inspire school pupils through 'selling the dream'.
- School/college partnerships are working – develop and build on this success.

### Objective

#### A focused workforce development plan

An informed workforce development system is critical in ensuring that skills and business demand are in harmony.

#### Actions

- Develop a sustainable mechanism that will link the supply of skills to demand.
- Establish a strong link between Scottish Enterprise key sectors and support this link into skills pipelines.

### Objective

#### Easy access to learning for business and enterprise

Education and training are recognised as important. Barriers to learning must be recognised, tackled and removed.

#### Actions

- Promote learning benefits to business and make education and training 'easy to buy'.
- Be creative in attracting funding from partnership and European pots.
- Establish links between education and small businesses.
- Support enterprise through a knowledge transfer programme linking local colleges and potential partner universities.

## Inclusion



Whilst focusing on the area's strengths to take the economy forward, we retain the view that economic inactivity is something that is to be challenged at every turn. One of the barriers for many people is the inability to apply for jobs because of poor employability skills and changing this is at the heart of our inclusion agenda. We also want to give greater support to those that have fallen foul of the recession by supporting them back to work through a variety of routes. Finally, we intend to support ways of bringing back civic pride to our communities through positive action in our social housing policies.

### Objective

#### Improving core employability skills

A lack of core skills, including basic literacy and numeracy, represent a barrier to engagement for a significant number of people in Scotland and the UK. Our challenging – but achievable – target is to make West Lothian the best performing area in Scotland in terms of adult core employability skills by 2020.

#### Actions

- Support schools to ensure that all young people gain the skills, motivation and confidence to move into work or other positive destinations on leaving school.
- Prioritise the availability of post-school literacy and numeracy support that is focussed to meet the needs of job candidates and employers.

### Objective

#### Supporting employability and access to jobs

The short-term focus is getting people back into a job or wider opportunity through working with key employability partners.

#### Actions

- Promote government sponsored and national programmes.
- Utilise the community and voluntary sector better enabling the third sector to play a key role in an individual's journey into employment.
- Establish labour agreements with employers and investors to enable jobless individuals to access employment.

#### Key partners for delivering People and Skills activities :

West Lothian Council, West Lothian Chamber of Commerce, Oatridge College, Skills Development Scotland, West Lothian College and Jobcentre Plus.

#### Key partners in progressing Inclusion activities:

Jobcentre Plus, West Lothian Council, West Lothian Chamber of Commerce, Voluntary Sector Gateway West Lothian, West Lothian College, Oatridge College, Skills Development Scotland and other third sector partners.

# Business infrastructure, regeneration and visitor assets

West Lothian's location, rising population and 'quality of place' are leading to the construction of new housing and the formation of reshaped communities. We now need to achieve the greatest economic impact from this and maximise the potential to attract visitors.

## Objective

### Grow from 'living in' to 'working in' West Lothian

West Lothian has attracted a growing population to live in the area; a strong economy and infrastructure will encourage and enable more people to also work in the area.

#### Actions

- Focus planning efforts on including fibre optic infrastructure to be incorporated in all residential developments to better enable working at home.
- Lobby for wireless technology towards our 10 year vision of a Wireless West Lothian.
- Ensure availability of a wide supply of business sites and premises, particularly through public/private partnership working.
- Focus on embedding the current infrastructure plans to enable West Lothian to take advantage of opportunities as they emerge (e.g. waste, renewables, increase scale of shopping, external funding opportunities).

## Objective

### Create an integrated and sustainable transport infrastructure

West Lothian's location makes it the hub for the Scottish economy, but this must not mask the need to have a transport infrastructure that supports our rural areas, our business infrastructure and our environmental targets.

#### Actions

- Support West Lothian's Local Transport Strategy (2009) in its aim to underpin economic development and social inclusion by developing sustainable transport solutions.
- Explore alternatives for freight transport to free capacity on key transport arteries.
- Work to implement bus priority measures to maintain fast, reliable journey times.
- Maximise the economic development and regeneration potential of the Bathgate to Airdrie rail link.

### Key partners in progressing Business Infrastructure, Regeneration and Visitor

**Assets activities are:** Visit West Lothian, West Lothian Council, Visit Scotland, private sector partners, town centre management groups and Scottish Government.

# Sustainability at the centre

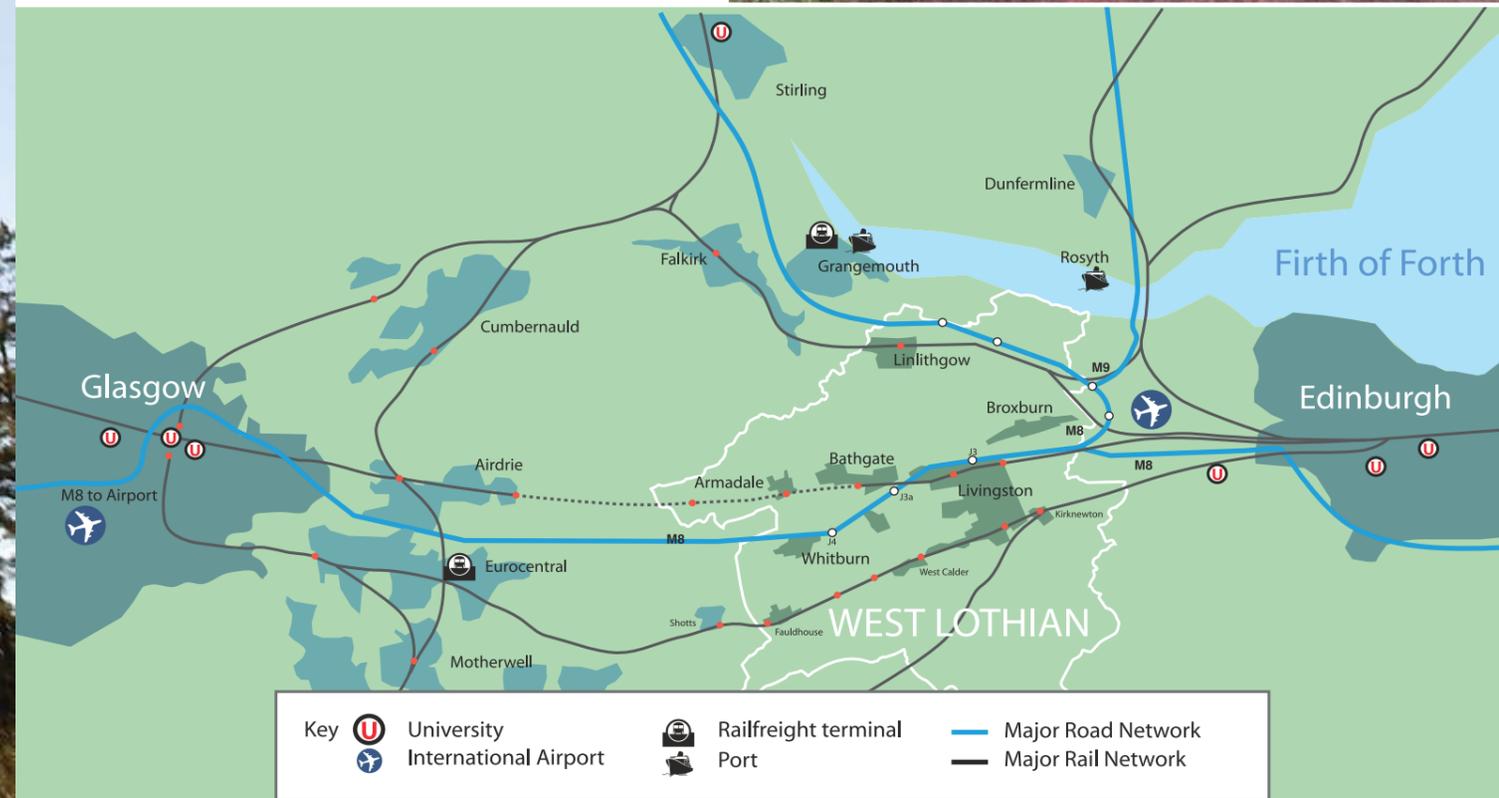
West Lothian embraces the principles of sustainable development. The Scottish Government defines this concept as:

"Development which secures a balance of social, economic, and environmental wellbeing in the impact of activities and decisions and which seeks to meet the needs of the present without compromising the ability of future generations to meet their own needs"

Sustainable development is at the heart of our strategy for 2010-2020, which includes:

- Promoting West Lothian as the optimum business location based on the shortest travel distance and cost for components, employees and access to markets.
- Investment in lower carbon transport options for commuters and commercial traffic – including the new rail connections.
- Investment in waste recycling technology to reduce landfill, reduce carbon emissions and produce bio fuel.

Unemployment, particularly amongst young people is the biggest waste of our most important resource – human talent. So our strategy aims to secure sustainable economic growth and extend employment, enterprise and skills opportunities to disadvantaged and under-represented groups and individuals.



This summary of the West Lothian Economic Strategy 2010-2020, together with a more detailed background document, can be found online at:  
[www.westlothian.com/economicstrategy](http://www.westlothian.com/economicstrategy).

If you have a view on how the West Lothian Economic Partnership is implementing the strategy, or if you would like to contribute your ideas, please contact:

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WEST LOTHIAN COLLEGE



West Lothian  
Chamber of Commerce

jobcentreplus  
Part of the Department  
for Work and Pensions

Visit Scotland

West Lothian  
Council