

PROMOTING ECONOMIC GROWTH IN WEST LoTHIAN

West Lothian economic profile



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Cathy Muldoon
Executive Councillor for Development and Transport

Welcome to the latest West Lothian Economic Profile – a statistical overview on West Lothian. This edition provides the key facts for investors, businesses, entrepreneurs and all of us with an interest in the local economy.

West Lothian has one of the fastest growing and youngest populations in Scotland, reflecting the area's location and attractiveness as a place to invest, live, work and visit.

West Lothian is a superb location for business with a track record of attracting and supporting investment. The West Lothian Economic Growth Plan provides an integrated package of practical support to businesses, individuals and communities. Help is available to businesses that are planning to start-up, locate or expand in West Lothian – including funding, specialist advisory support and assistance with recruiting.

With Enterprise Area Status for the food and drink sector, West Lothian provides the ideal location for investment and growth for this priority sector.

Alongside the support that is available for business and employment, West Lothian Council is working proactively with house builders and social landlords to deliver more than 10,000 new homes in the area through our Core Development Areas.

This Economic Profile provides an overview on how West Lothian compares with other parts of Scotland, and a base-line to help monitor progress in growing our economy and promoting development.

I hope you find the West Lothian Economic Profile useful. If you would like to obtain more information or provide feedback, please contact us at:

www.westlothian.com/invest

Demographics

West Lothian's total population in mid-2015 was estimated to be 178,550, a further increase of 3,500 since the 2011 census. This is down from an average of 1,500 per year during the period 2001 – 2011, reflecting the reduction in housebuilding volumes since the economic downturn in 2008. The continued population growth is now driven more by the 'natural change' rate (more births than deaths in West Lothian), reflecting the younger population.

In the period 2001 - 2011 West Lothian had the highest 'natural change' rate (+4.1%) of any local authority in Scotland. The next highest was Shetland Islands at +1.7% while 18 of Scotland's 32 authorities had a negative rate.

Population change 2001 - 2011

	West Lothian		Scotland	
	2001	2011	2001	2011
Population	158,714	175,100	5,062,011	5,295,000
Female	51.7%	51.1%	51.9%	51.5%
Male	48.3%	48.9%	48.1%	48.5%
Child (0-15) population	34,901	34,210	971,906	887,180
Working age (16-64) population	101,736	117,190	3,148,065	3,517,720
Retirement age (65+) population	22,077	23,800	942,040	890,300
Households	64,900	73,400	2,192,250	2,372,780
% increase in Households	13.1%	13.1%	8.2%	8.2%
Household Size	2.43	2.36	2.27	2.19
Life Expectancy at Birth	72.4	76.2	72.9	75.8

Source: 2011 Census, National Records of Scotland

Projected population 2020 - 2035

	2020	2025	2035
Scotland	5,485,846	5,595,578	5,755,477
West Lothian	186,735	193,354	205,345

Source: National Records of Scotland

Continued population growth is expected as developments in West Lothian's Core Development Areas continue to progress over the next decade.

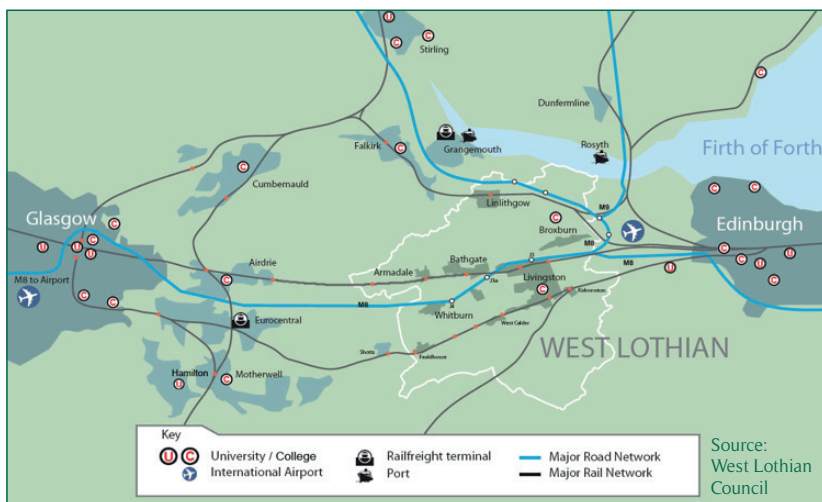
Fastest growing UK authorities 1991 - 2011

	1991	2001	2011	% change 1991 -2011
Scotland	4,998,567	5,062,011	5,295,000	5.93%
West Lothian	143,972	158,714	175,100	21.55%

Source: 2011 Census, National Records of Scotland

West Lothian had the 30th highest rate of growth amongst all UK non-metropolitan authorities (i.e. not including London boroughs and other large English city authorities). It is the only Scottish authority and one of only three outside the south of England to have seen this level of sustained population growth over the last 20 years. These areas typically feature strong and dynamic local economies and commuting to nearby cities.

West Lothian - Scotland's economic hub



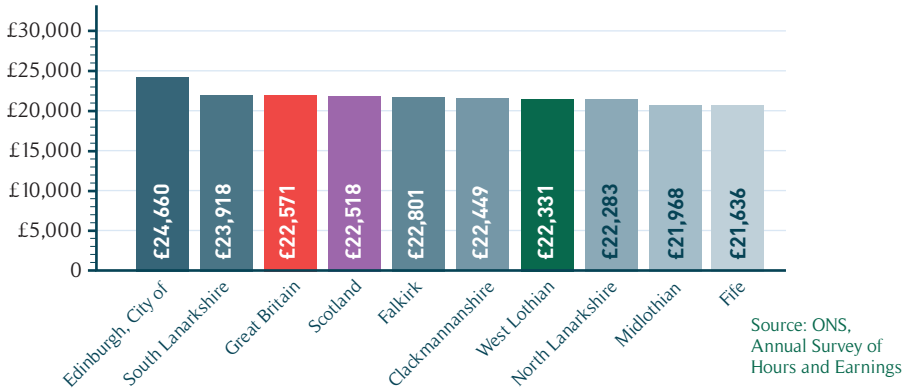
West Lothian is ideally located in central Scotland for ease of access to main transport routes, two large cities and neighbouring towns. In addition, its residents are within one hour's travel to more than half of Scotland's businesses, eight universities and at least ten regional colleges.

West Lothian is at the centre of Scotland's job market:

- Latest figures (2014) show an estimated 78,200 jobs based in West Lothian.
- There are 321,000 jobs in Edinburgh and another 404,500 in Glasgow.
- Falkirk and Stirling between them provide 108,500 jobs. There are a further 250,000 jobs in Lanarkshire.

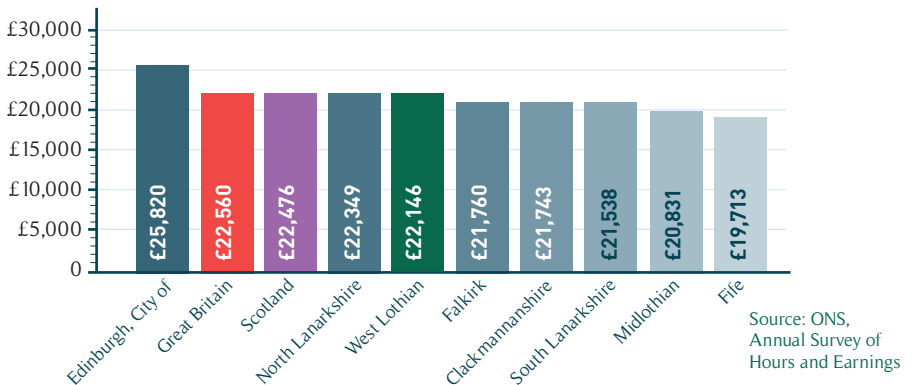
Income and Expenditure

Average gross annual earnings per resident in 2015



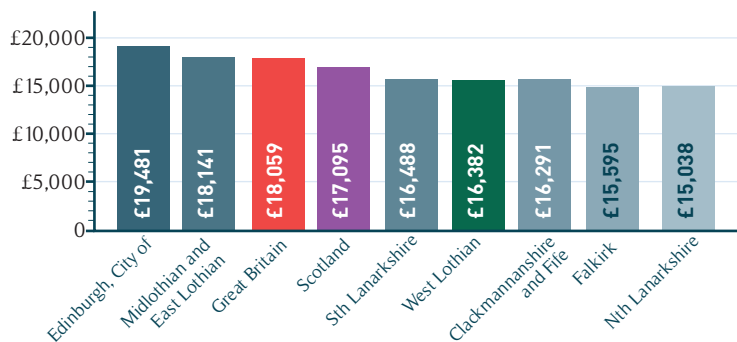
The average gross salary for West Lothian residents is below both the Scottish and Great Britain averages.

Average gross annual earnings by place of work in 2015



The average gross annual salary for jobs located in West Lothian is slightly below both the Great Britain and the Scotland averages. This is due to the strong presence of some relatively low paying sectors. However, the 'pay gap' between West Lothian and Scotland has narrowed in the last five years.

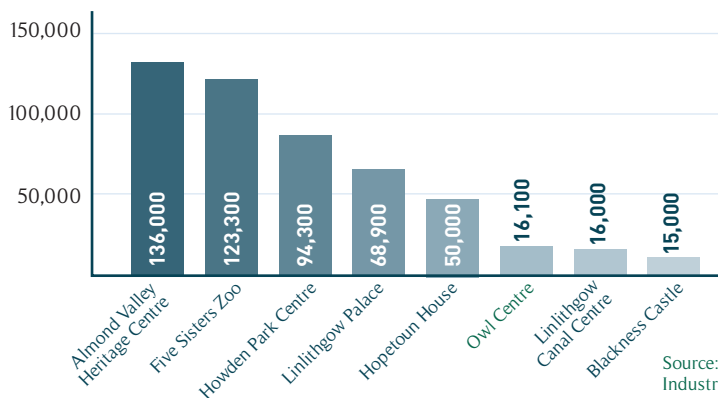
Disposable income per head in local areas 2014



Source: ONS, Annual Survey of Hours and Earnings

Tourism

Paid tourist attractions visitor numbers 2015



Source: Visit West Lothian Industry Update Spring 2016

- Visitor numbers to paid attractions in the area increased by 11.8% from 2014 to 2015. This increase can mainly be attributed to an increased offering of sites, more animal attractions and site capacity growth at the Five Sisters Zoo.
- Over the period 2010 to 2015, the percentage change in visitor numbers to West Lothian's paid attractions (excluding the Owl Centre, which opened in 2012) increased by almost 50%.

A blurred, low-angle shot of a crowd of people walking away from the camera in a modern, brightly lit hallway. The floor is highly reflective, creating clear reflections of the people and the bright light from the windows at the end of the hallway. The image has a soft, out-of-focus quality, emphasizing movement and a sense of a busy, contemporary environment.

Workforce and Education

Labour Market

Economic Status of West Lothian residents April 2015-Mar 2016

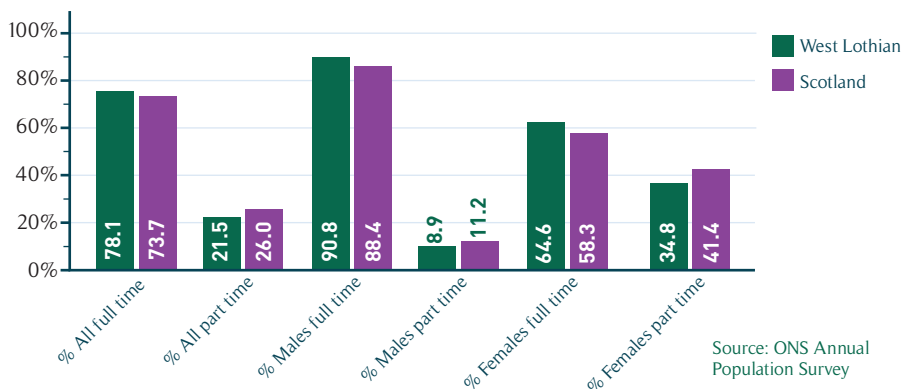
Status	West Lothian			Scotland		
	Male	Female	Total	Male	Female	Total
Economically active	83%	73%	78%	82%	73%	77%
In Employment	78%	69%	73%	76%	70%	73%
Employees	71%	65%	68%	65%	64%	65%
Self employed	7%	3%	5%	11%	5%	8%
Unemployed and seeking	5%	6%	5%	6%	5%	6%
Economically inactive	17%	27%	22%	18%	27%	23%
Further/Higher education	4%	4%	4%	6%	5%	6%
Looking after family/home	2%	7%	5%	1%	8%	4%
Long-term sick	7%	7%	7%	6%	6%	6%
Retired	2%	6%	4%	2%	5%	4%
Other	1%	2%	1%	1%	2%	2%

Source: ONS Annual Population Survey

- A slightly higher proportion of West Lothian residents are economically active (78%) in comparison with Scotland (77%).
- West Lothian has the same employment rate (73%) as the Scottish national average.
- West Lothian has more employees (68%) than the Scottish average (65%).
- There are less economically inactive (22%) in West Lothian than the Scottish average (23%).



Percentage of economically active (aged 16-64) in employment (April 2015 - March 2016)



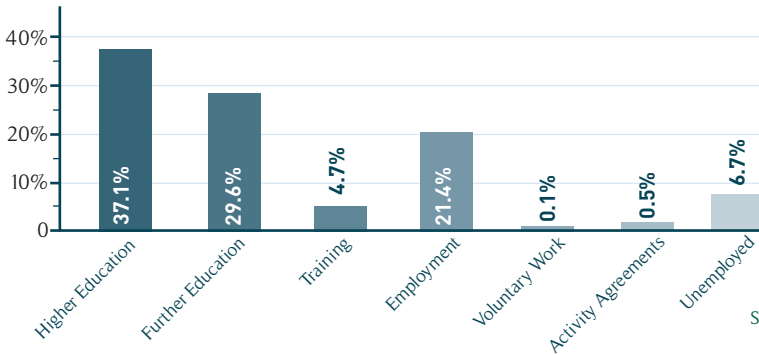
In general, a higher proportion of those who are economically active are in full time employment in West Lothian compared to Scotland. There are less in part time work in West Lothian compared to the Scottish average.

There is a significant gender gap in West Lothian – with almost 35% of females in part time employment in comparison to 9% males.



School Leaver Destination and Participation

Destination of leavers from publicly funded schools in West Lothian after nine months 2014/2015



Source: SDS 2015

The school leaver destination results provide an insight into whether young people are finding and sustaining a positive destination after leaving school. A number of years ago it became apparent that a significant number and proportion of young people were experiencing difficulties in finding positive destinations. This resulted in a concerted effort on the part of schools, the council, colleges and government agencies notably Skills Development Scotland. This has helped to transform the picture. The results for school leavers in the 2014-15 academic year indicate that 93.4% of students were in a positive destination in September/October 2015. The majority (66.7%) of school leavers had continued into further or higher education, whilst 21.4% had found employment (many through the route of a Modern Apprenticeship).

In 2007/08 West Lothian had been close to the bottom of the Scottish league table for progression into positive destinations. However, the latest results show West Lothian above the Scottish average.

People in employment* in West Lothian by industry (2014)

*employees, sole traders, sole proprietors, partners and directors.

Industry	West Lothian		Scotland	
	Number	Percentage	Number	Percentage
Health	9,300	11.9%	408,000	16.5%
Construction	9,200	11.8%	143,900	5.8%
Retail	8,800	11.3%	253,600	10.3%
Manufacturing	7,300	9.4%	188,900	7.6%
Business administration & support services	6,300	8.1%	196,500	7.9%
Information & communication	4,900	6.3%	62,600	2.5%
Wholesale	4,600	5.9%	75,300	3.0%
Education	4,500	5.8%	190,500	7.7%
Transport & storage	4,300	5.5%	104,300	4.2%
Professional, scientific & technical	4,100	5.3%	168,000	6.8%
Accommodation & food services	4,000	5.1%	182,700	7.4%
Public administration & defence	3,300	4.2%	146,600	5.9%
Motor trades	2,600	3.4%	46,500	1.9%
Arts, entertainment, recreation & other services	2,400	3.1%	104,600	4.2%
Financial & insurance	1,200	1.5%	86,600	3.5%
Mining, quarrying & utilities	500	0.7%	71,300	2.9%
Property	500	0.7%	30,600	1.2%
Agriculture, forestry & fishing**	200	0.3%	13,000	0.5%
Total	78,200	100.0%	2,473,500	100.0%

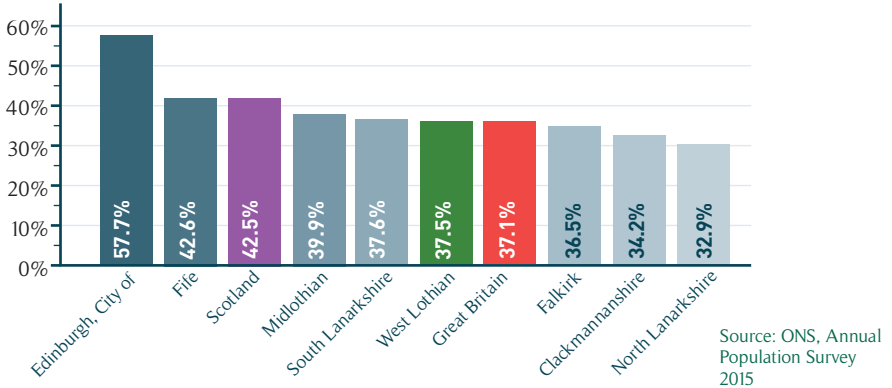
**Data excludes farm-based agriculture

Source: ONS BRES 2014

- Health, construction and retail are the three largest sectors in West Lothian.
- West Lothian's industry strengths relative to Scotland are currently in construction, manufacturing, business administration & support services, information & communication, wholesale, retail and transport & storage.
- The Scottish Government has identified six industrial sectors which provide particular opportunities for economic growth. West Lothian has a strong presence in food and drink, life sciences and tourism. West Lothian also has key strengths in enabling technologies such as electronics and precision engineering.

Qualifications

Comparison of proportion of working age (16-64 years) residents educated to degree level in West Lothian and selected areas.



West Lothian has a smaller percentage of working age residents educated to degree level or above compared with Scotland and slightly higher percentage compared with Great Britain. With more young people entering higher education, West Lothian's degree level population is increasing.

Qualifications (Jan 2015 – Dec 2015)

Industry	West Lothian		Scotland	Great Britain
	Number	Percentage	Percentage	Percentage
HND, Degree and Higher degree and above	43,000	37.5	42.5	37.1
Higher National Certificate	64,000	56.2	61.5	57.4
Higher	88,400	77.0	75.9	73.6
Standard Grade/Intermediate	99,900	87.1	85.1	84.9
Other qualifications	6,600	5.7	5.9	6.5
No qualifications	8,300	7.2	9.0	8.6

Source: ONS, Annual Population Survey 2015

According to recent figures, almost two-fifths of West Lothian's total working age population are qualified to HND and Higher degree (SVQ4 equivalent and above), comparative to the Scottish national level (42.5%).

Further and Higher Education

Entrants to higher education by local authority (2014/2015)

	2010-11	2011-12	2012-13	2013-14	2014-15	% change since 2013-14	% change since 2010-11
West Lothian	2,940	2,975	2,990	3,090	3,195	3.4	8.7

Source: Higher Education Statistics Agency and Scottish Funding Council

In 2014-15, 2,042 full-time and 3,569 part-time students enrolled at West Lothian College. The number of applicants outstripped supply by 2:1.

Source: West Lothian College, 2016

Students gaining higher education qualifications by central belt local authorities (2014/15)

	2010-11	2011-12	2012-13	2013-14	2014-15	% change since 2013-14	% change since 2010-11
North Lanarkshire	3,725	3,950	4,115	4,455	4,485	0.7%	20.4%
West Lothian	1,880	2,025	2,045	2,175	2,165	-0.5%	15.2%
South Lanarkshire	3,845	3,910	4,140	4,490	4,415	-1.7%	14.8%
Falkirk	1,630	1,650	1,610	1,650	1,645	-0.3%	0.9%
Midlothian	780	845	785	795	730	-8.2%	-6.4%
Clackmannanshire	595	545	555	585	550	-6.0%	-7.6%
City of Edinburgh	6,365	6,175	6,215	5,940	5,830	-1.9%	-8.4%
Fife	4,785	4,620	4,595	4,400	4,375	-0.6%	-8.6%

Source: Higher Education Statistics Agency and Scottish Funding Council

Over the last five years, West Lothian has continued to see an increase in the number of students enrolling for higher education. Students achieving final qualifications have also increased steadily over the same period, most notably showing the second highest positive percentage change over the last five years.

Level of qualification obtained by students from West Lothian or higher education courses at Scottish Institutions (2014-15)

	All levels	Postgraduate		First Degree	Sub-degree	
		Research Postgraduate	Taught Postgraduate		HNC/HND	Other Sub-degree
2014-15	2,165	20	230	760	800	355
2013-14	2,175	15	215	800	695	455
2012-13	2,050	20	225	760	625	420
2011-12	2,025	20	195	750	700	365

Source: Higher Education Statistics Agency and Scottish Funding Council

The number of students achieving sub-degree levels qualifications such as HNC/HND qualifications has increased over the last 4 years. Those achieving first degree qualifications have consistently held around 750 – 800 qualifiers. There has also been a marked increase in the number of taught post-graduates since 2011.

West Lothian College Student Destination 2014/15

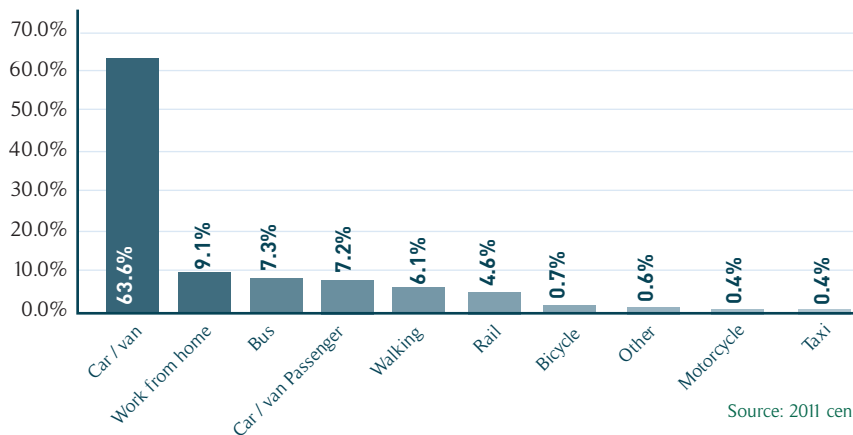
Around three quarters (72%) of West Lothian College Higher National (HN) students went into further study after graduating. A quarter (25%) of Higher National (HN) students have gone on to secure a job after graduating, of which 23% were in full time employment, and 2% were in part-time employment. 3% of graduates were not in employment.

Source: West Lothian College, 2016



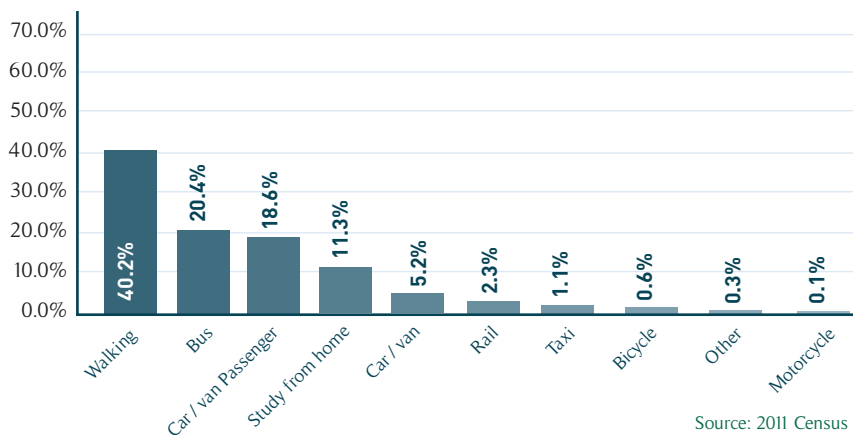
Travel and Commuting

Principal method of commuting to work by residents of West Lothian



Source: 2011 census

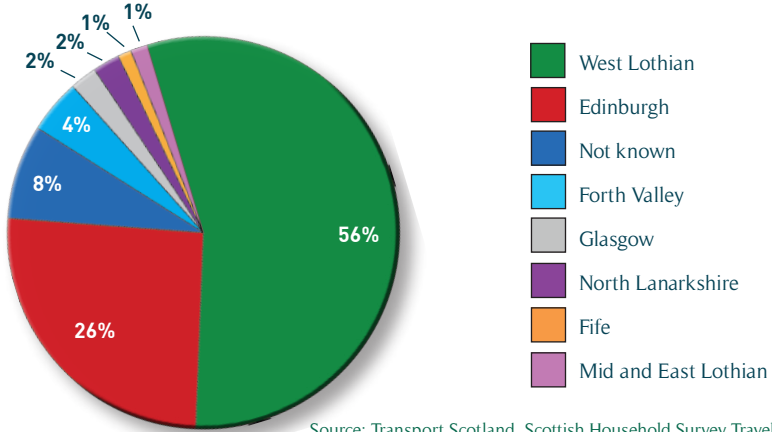
Principal method of travel to place of study by students in West Lothian



Source: 2011 Census

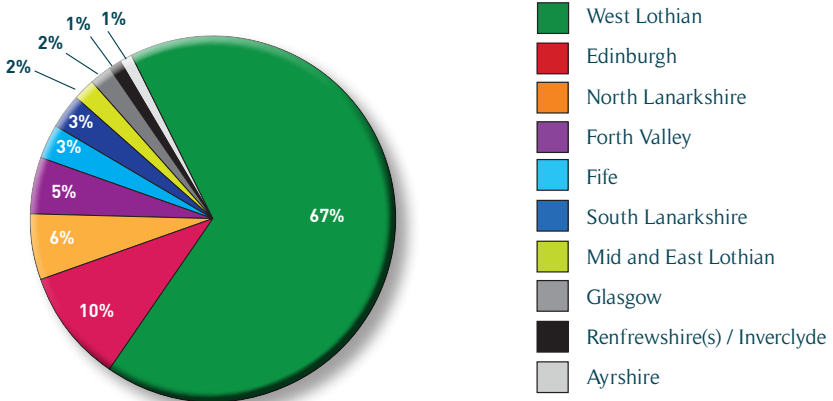
- Almost 64% of adults in West Lothian travel to work by car whereas 40% of students resident in West Lothian walk to their place of study. This suggests that schools and colleges in West Lothian are ideally situated for pupils.

Areas of employment for workers living in West Lothian



- West Lothian has an estimated 77,000 jobs and 4,565 registered firms in the area. Source: ONS BRES 2014, ONS Business Demography 2014

Place of residence of workers employed in West Lothian



West Lothian is not a self contained labour market. There are significant levels of out-commuting and 33% of jobs based in West Lothian are occupied by in-commuters. 26% of residents travel to Edinburgh for work confirming West Lothian is ideally located for commuters. 67% of workers in West Lothian also reside in the area which demonstrates the level of employment opportunities.

Travel time to cities/airports/ports

Destination	Miles	Travel time by car
Edinburgh City	16	32 mins
Glasgow City	35	45 mins
Edinburgh Airport	12	23 mins
Glasgow Airport	43	52 mins
Glasgow Prestwick Airport	66	1hr 18 mins
Rosyth Port	19	30 mins
Grangemouth Container Port	25	36 mins

Source: AA Route Planner

- 60% of Scotland's population and 54% of businesses are within one hour's drive of West Lothian.

Source: West Lothians Economic Strategy 2010-2020

Travel Connections

Air

Edinburgh Airport is located 10 minutes drive from West Lothian. Glasgow Airport is less than an hour away. Frequent worldwide connections are also available via London Heathrow, Frankfurt, Amsterdam and Dubai.

Direct flights from Edinburgh Airport operate to:

- 122 worldwide destinations
- 24 UK locations
- 83 European locations
- 6 destinations in North America

Direct flights from Glasgow Airport operate to:

- 120 worldwide destinations
- 30 UK locations
- 65 European locations
- 12 destinations in North America



Telecommunications

West Lothian Council is investing £2.5m as part of the £264m Step Change programme for digital infrastructure investment that brings together funding from Local Government, Holyrood, Westminster and Brussels.

This investment will increase the availability of Superfast Broadband (15Mbps or higher) from the 73% of West Lothian premises served by commercial Superfast Broadband providers, to an estimated availability of 99.4% of all premises (residential and commercial). Delivery of the upgrade in West Lothian commenced in 2016 and will be completed by mid 2018.

Once the upgrade is complete West Lothian will have the highest level of Superfast Broadband availability of any local authority in Scotland and one of the highest levels in the UK.

Exchange	Properties by Exchange		LLU	Cable	Providers	FTTC	Ofcom
	Residential	Non Residential					
Livingston Station	12359	513	Yes	Partial	9	Most Premises	Market 3
Bathgate	11270	480	Yes		7	Most Premises	Market 3
Livingston Bridge	10622	447	Yes	Partial	5	Most Premises	Market 3
Broxburn	6713	287	Yes	Partial	5	Most Premises	Market 3
Linlithgow	6195	281	Yes	Partial	5		Market 3
Whitburn	5458	163	Yes		5	Most Premises	Market 3
Armadale	4989	123	Yes		5	Most Premises	Market 3
Mid Calder	4517	115	Yes	Partial	5	Most Premises	Market 3
Fauldhouse	2737	67	Yes		3		Market 2
West Calder	2645	136	Yes		3		Market 2
Winchburgh	1284	26	Yes	Partial	2		Market 2
Stoneyburn	1624	40			1		Market 1
Philpstoun	818	32			1		Market 1

Source: West Lothian Council / BT

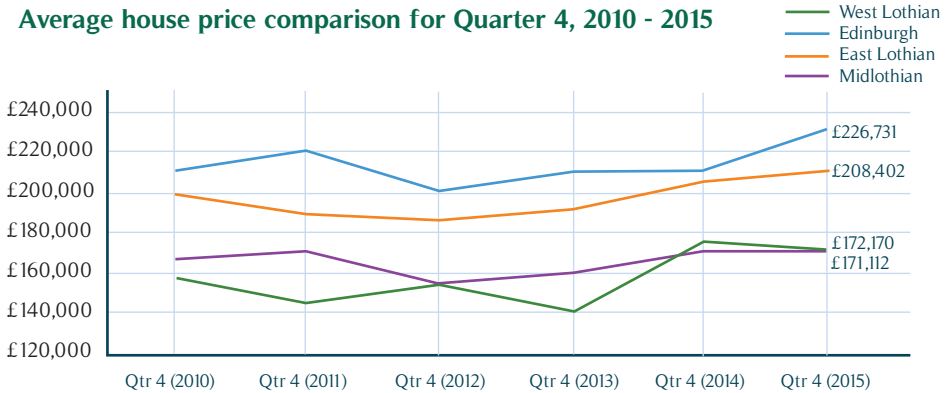
LLU - Local Loop Unbundling - allows multiple operators to offer Broadband from an exchange.

FTTC - Fibre To The Cabinet. Provides enhanced speeds for locations further from the exchange.

Ofcom Market classification - Market 3 is fully deregulated, Market 2 partially deregulated, Market 1 only served by one provider.

Housing Market

Average house price comparison for Quarter 4, 2010 - 2015



Source: Edinburgh Solicitors Property Centre (ESPC)

- Over the last five years the average house price has increased for West Lothian by 8%, from £160,130 to £172,170. The other local authorities increased their average house prices to varying degrees over the same period, for example, Edinburgh (6%), East Lothian (5%) and Midlothian (2%).
- Since 2010, West Lothian's average house price has been consistently lower than the neighbouring council areas until 2014, when West Lothian reached its highest average house price of £173,906 overtaking Midlothian's £170,356.

Housing tenure of households in West Lothian (1999/2000 to 2014)

	1999/2000	2001/2002	2003/2004	2005/2006	2007/2008	2009/2010	2012	2014	
West Lothian	Owner Occupied	63	63	69	67	66	68	65	67
	Social rented	35	34	28	29	26	23	22	22
	Private rented	1	2	3	4	6	8	12	10
	Other	1	1	1	1	1	2	1	2
	Total	100	100	100	100	100	100	100	100
Scotland	Owner Occupied	62	64	65	66	66	65	63	60
	Social rented	31	28	27	25	23	22	23	24
	Private rented	5	6	7	8	9	11	13	14
	Other	2	2	2	2	2	2	2	2
	Total	100	100	100	100	100	100	100	100

Source: Scottish Household Survey

- The private rented sector in West Lothian has grown from 1% in 1999/2000 to 10% in 2014 an increase of nine percentage points.
- The owner occupied sector had increased from 63% in 1999/2000 to 68% in 2009/2010 but has subsequently dropped to 67% in 2014.
- The social rented sector decreased from 35% in 1999/2000 to 22% in 2014.
- In 2014, the tenure breakdown in West Lothian shows a larger owner occupied sector.

Commercial Property

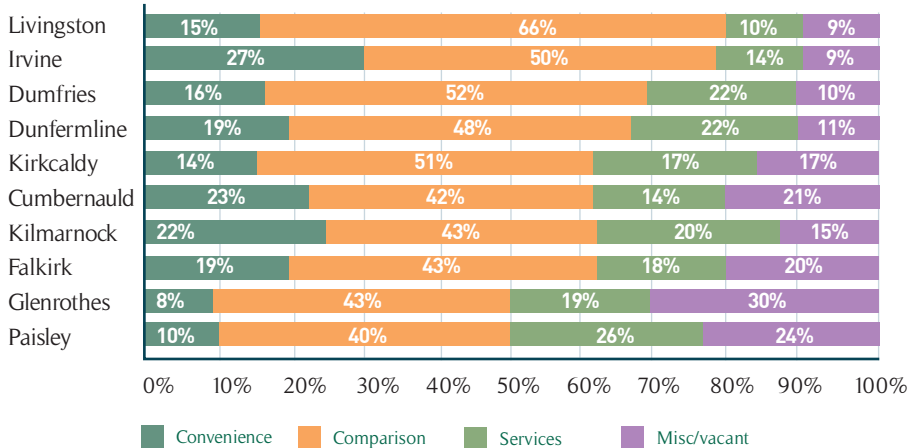
West Lothian average property prices

Warehousing / Distribution	£3 - £5 per sq ft
Manufacturing / Industrial	£4 - £6 per sq ft
Office Accommodation	£8 - £15 per sq ft
Research & Development, Innovation	£15 - £20 per sq ft

Source: West Lothian Council / Commercial Property Agents

- In West Lothian, the industrial sentiment is positive with steady rental growth, and high levels of take-up.
- the retail sector remains focused on prime streets, shopping malls and retail parks. This activity is helping to re-energise and expand existing locations.
- Livingston is a hub for high specification offices with several recently completed developments close to town centre.
- Modern industrial estates like Oakbank Park and Starlaw Park offer high quality environments attractive to technology based manufacturers, distribution and life sciences firms.
- Alba, Kirkton and Eliburn campuses provide a variety of development opportunities in a high quality environment for technology businesses and others.

Scottish Town Centre Retail Property Mix 2015



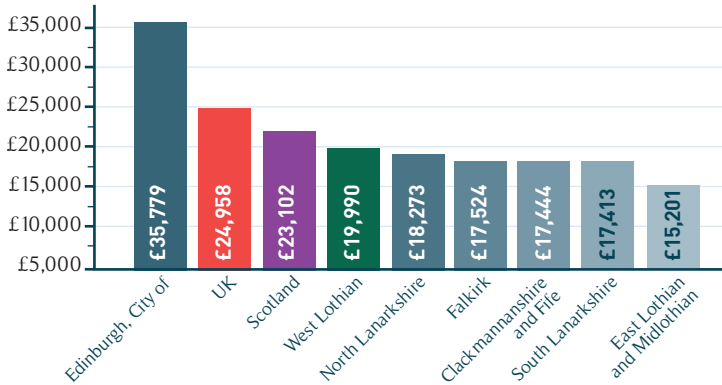
Comparison : durable goods Convenience : non-durable goods

Source: GVA James Barr Scottish Town Centre and Retail Trends 2015

- Livingston shows a high proportion of convenience and comparison retail relative to other town centres, reflecting the presence of The Centre and Livingston Designer Outlet.
- Livingston remains a draw for out-of-town specialist retail shopping.
- The Centre in Livingston comprises more than 1 million sq. ft. of retail space and leisure floorspace making it the third largest indoor shopping centre in Scotland and the 26th largest in the UK.
- When the 300,000 sq. ft. of space in the adjacent Livingston Designer Outlet centre and 150,000 sq. ft. of ASDA Livingston are taken into account, Livingston Town Centre comprises the largest indoor shopping location in Scotland and the 10th largest in the UK.
- Livingston Town Centre ranked 4th position out of all retail venues in Scotland (Venuescore 2014-15, Javelin Group, September 2014) in terms of quality, diversity and choice after Glasgow, Edinburgh and Aberdeen.

Economic Output

GVA Per Resident 2014



Source: ONS 2015

GVA Per Job 2014



Source: ONS 2015

Gross Value Added (GVA) is a measure of the level of productivity within a local economy. The Office for National Statistics produces local GVA data for individual local authorities or combination of local authority areas where one or more area is small in scale.

West Lothian's GVA per resident in 2014 was estimated to be £19,990, whilst the GVA per job was £44,867. Both of these estimates are slightly below the Scottish level but higher than the estimates for comparator non-city local authority areas.

GVA by Industry 2004 - 2014

West Lothian	2004		2014		Net Change 2004 to 2014	
	(£m)	%	(£m)	%	(£m)	%
Distribution; transport; accommodation and food	699	24%	924	26%	225	32%
Public administration; education; health	429	15%	612	17%	183	43%
Production	654	23%	521	15%	-133	-20%
<i>of which: Manufacturing</i>	580	20%	471	13%	-109	-19%
Construction	224	8%	403	11%	179	80%
Business service activities	213	7%	358	10%	145	68%
Real estate activities	140	5%	251	7%	111	79%
Information and communication	195	7%	211	6%	16	8%
Financial and insurance activities	150	5%	123	3%	-27	-18%
Other services and household activities	124	4%	112	3%	-12	-10%
Agriculture, forestry and fishing	61	2%	27	1%	-34	-56%
All industries	2,890	100%	3,541	100%	651	23%

Source: ONS 2016

Total output in 2014 for West Lothian was estimated to be £3.54 billion. The economy has grown significantly since 2004, though the economy has changed considerably in that period with a net reduction in the value of production including manufacturing, being offset by growth in other sectors notably construction, business services and health and public administration.

Business Base

West Lothian's largest private sector employers by headcount

Rank	Employers	Sector	Headquarters	Employees
1	Sky Television	Service	Livingston	4,000
2	Tesco	Retail & Distribution	Livingston	2,200
3	Mitsubishi Electric	Manufacturing	Livingston	900
4	Q2 Solutions	Manufacturing	Livingston	850
5	ASDA WAL*MART	Retail	Livingston	800
6	Morrisons	Retail	Bathgate, Livingston	700
=7	Johnson & Johnson Medical	Manufacturing	Livingston	500
=7	Schuh	Manufacturing & Retail	Bathgate, Livingston	500
=9	Jabil Circuit	Engineering	Livingston	400
=9	SEH Europe	Manufacturing	Livingston	400

Source: West Lothian Business Directory / Bureau van Dijk FAME

- Sky is the largest private sector employer, at Kirkton Campus, providing UK-wide corporate back office and customer support services.
- Other major employers include retail, engineering and hi-tech sectors such as life sciences and electronics.
- The two largest employers in West Lothian are in the public sector (West Lothian Council and NHS Lothian).

Registered enterprises in West Lothian by employee size band and sector* (2015)

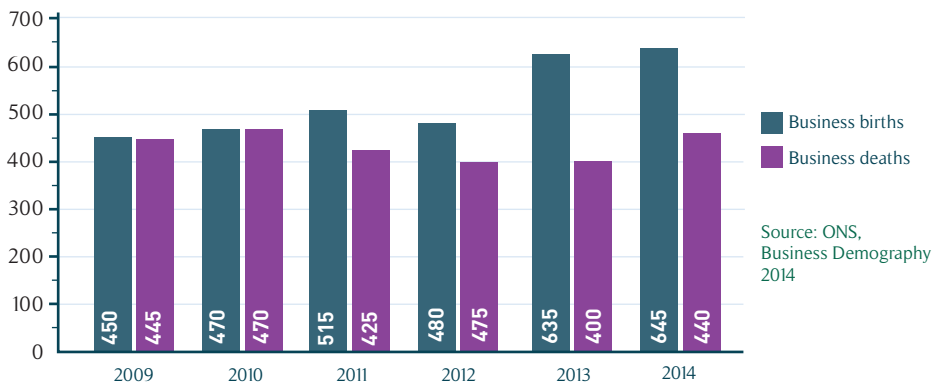
Sector	0-49	50-249	250+	Total
Wholesale, retail and repair	660	70	190	915
Professional, scientific and technical activities	745	15	5	765
Construction	530	20	15	565
Information and communication	405	10	15	425
Administrative and support service activities	295	20	45	365
Accommodation and food service	280	5	35	320
Manufacturing	240	35	35	305
Transportation and storage	220	10	20	255
Other service activities	190	5	10	205
Human health and social work	165	15	30	210
Primary industries and utilities	155	5	10	170
Real estate activities	120	5	5	130
Arts, entertainment and recreation	105	5	10	120
Financial and insurance services	40	0	15	60
Education	40	5	5	50
Total	4,195	225	440	4,860

Source: Scottish Government, Businesses in Scotland 2015

*Totals may not equal the sum of the constituent parts due to rounding.

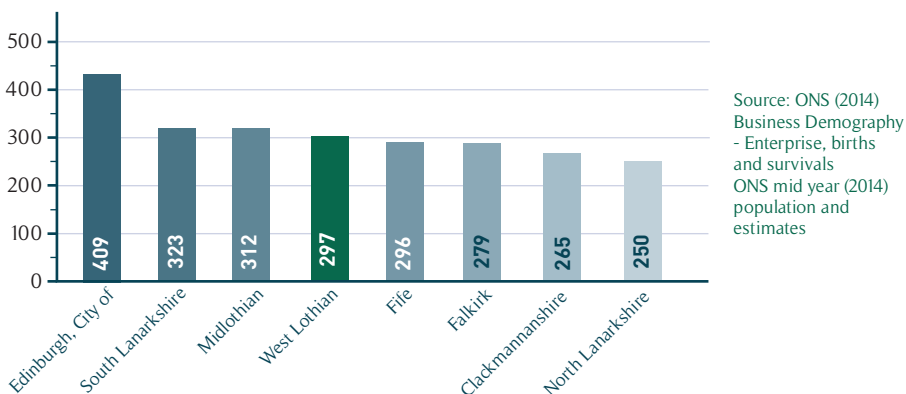
- Retail and wholesale has the largest representation by registered businesses, many in the regional shopping centre at The Centre and Designer Outlet in Livingston.
- Scientific, technical and professional businesses are the next largest employers, representing the strong presence of electronics and life sciences sectors.
- Construction and information communication technologies (ICT) are also still strong sectors.

Business births and deaths in West Lothian (2009 - 2014)



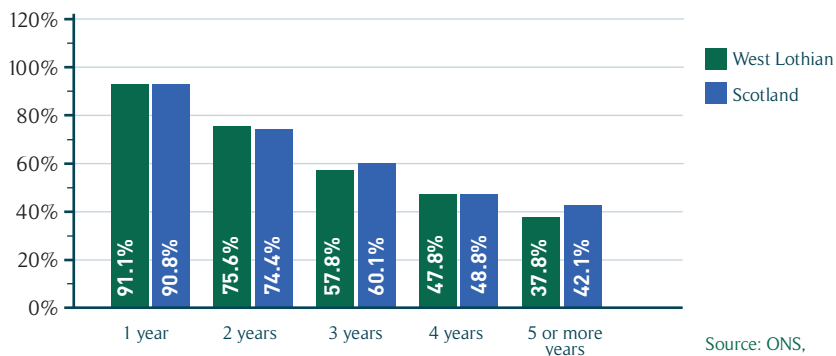
- Business births showed gradual improvement in numbers, with a notable rise in 2013 – 2014.
- Business failures were most prevalent following the financial crisis of 2008, directly linked to weaker domestic sales and tougher credit conditions. Later, we see a reduction in the number of failures as the economy recovered.

Business density (VAT / PAYE registered businesses per 10,000 adults) in central belt local authorities (2014)



- Outside of Edinburgh, West Lothian has the third highest business density per 10,000 adult population.
- Comparative with South Lanarkshire and Midlothian, the majority of registered businesses are SMEs.

Survival rates of businesses in West Lothian and Scotland (Businesses formed in 2009)



Source: ONS,
Business Demography
2014

- The chart shows the progression of business survival over the five year period from 2009 to 2014.
- By 2011, three in five businesses had survived to their third year.
- Reaching the fifth year, over a third of businesses which started up in 2009 were still operating.
- Survival rates for West Lothian are similar to those for Scotland.

Hotspots for investment

West Lothian is one of Scotland's hotspots for investment in Business Research and Development. The latest statistics reveal spending on Business Research and Development (R&D) in West Lothian is £683 per head of population compared to the Scottish average of £169. West Lothian's success is driven by long-term investment by firms across key sectors including Life Sciences, Manufacturing and Food & Drink production.



- **Stevenswood**, the Livingston-based manufacturer of windows, doors, conservatories and kitchens, plans to open 10 new trade outlets this year after announcing a 23% increase in sales. The company, which employs 158 people, grew its total sales to £13.1 million in the 12 months to 31 October 2015 up from £10.7 million in its previous financial year. Despite investing heavily in its cost base over the period, the business remained profitable with pre-tax profits of more than £500,000. Stevenswood's growth has been fuelled by a £3.5 million investment in February 2015 which included £85,000 from the Economic Growth Plan allowing the company to recruit 60 new staff.
- **Express Microbiology**, which is based in Linlithgow, has been awarded £45,000 from the West Lothian Growth Plan. The company will use the money to help pay for a new chemistry lab in the town which will create new jobs. Their goal is to expand their operation in microbiology and environmental testing to include chemistry testing. The business was set up by Dr Jennifer Newton in 2003 and specialises in the testing of food and environmental samples. It now employs around 40 staff, with customers across the UK and Europe. They plan to employ an additional 10 - 15 staff.
- **Krafty Brew** has taken over Linlithgow's Star and Garter Hotel, with company owner John Ward recently becoming majority shareholder in the hotel. The business was previously based at Stewartfield Industrial Estate in Edinburgh. The company has installed a new brewery alongside the hotel and sponsors live music events, with the aim of increasing footfall into the iconic hotel. The brewery produces bespoke products for corporate clients, as well as allowing individuals and parties to brew their own beer on-site. Krafty Brew anticipates the venture will boost tourism in Linlithgow.

Winchburgh Core Development Area is one of the largest mixed-use developments in the country, with over 3,400 houses planned to be delivered. Covering 870 acres this £1 billion development is creating a new town centre with retail, commercial and leisure facilities, and will include two secondary schools (one denominational and one non-denominational) on a joint campus.

Located to the north east of West Lothian, and bounded on the north by the M9, Edinburgh - Stirling motorway (where there will be a new motorway junction), Winchburgh will also benefit from proximity to the new Forth Crossing. As well as a new motorway junction there is also a new railway station planned.

The re-opened electrified rail link to Edinburgh and Glasgow complete with new stations at Armadale and Blackridge has helped to drive investment in the west of West Lothian. The Southdale development in Armadale already has 300 homes occupied along with a new ASDA supermarket, a Marstons Inn, an Arnold Clark car showroom and a new primary school. When complete, the development will comprise 1,000 houses and 50 hectares of employment land.

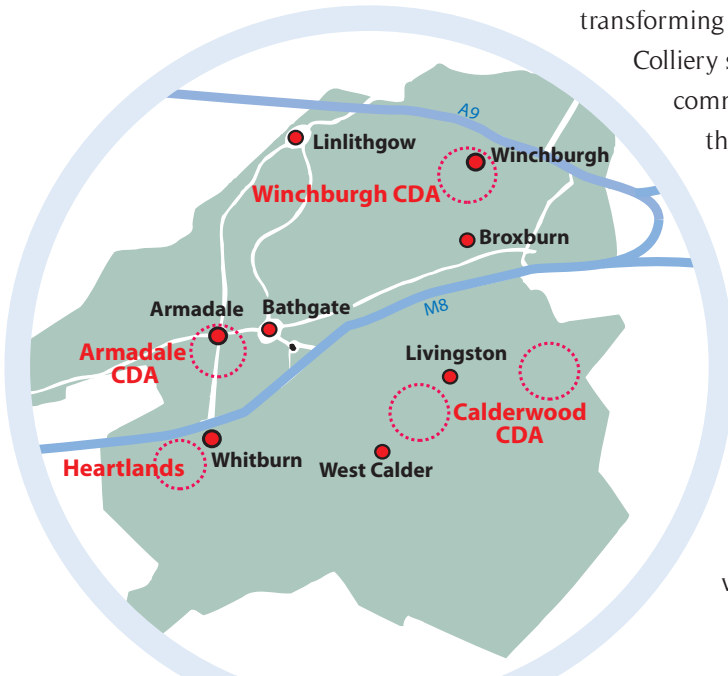
Also in the west is Heartlands - which will significantly increase the size of Whitburn. Comprising 2,000 new houses and 100 acres of employment land, Heartlands is one of the largest land rehabilitation projects in the UK,

transforming the former Polkemmet

Colliery site into a whole new

community. The opening of the new junction 4A on the M8 gives the development direct access to Scotland's motorway network. 300 homes have already been constructed.

The business park at Heartlands is also taking shape. Already fully serviced with gas, electricity,



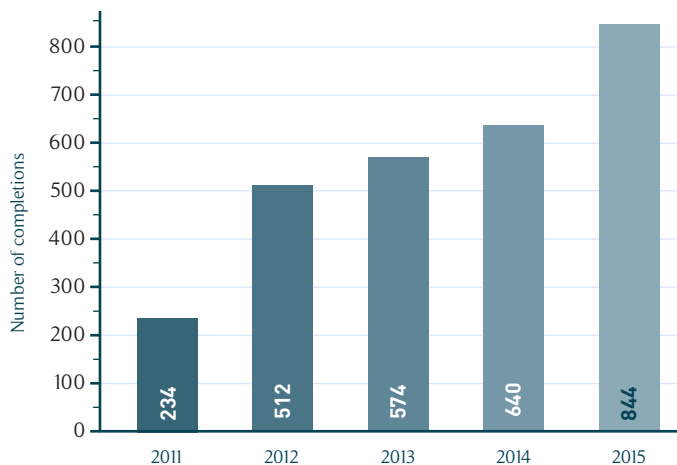
water, SUDS and communications, occupiers are starting to move in, with Oil States UK having developed a 27 acre site that will provide them with both a new European Headquarters and a major manufacturing facility. The serviced site and proactive planning authority mean that the project has been able to progress rapidly from concept to construction. Other occupiers are expected soon with negotiations ongoing with both retailers and leisure providers.

The Calderwood and Gavieside Core Development Areas around Livingston and East Calder will see a further 5,000 houses delivered as well as new primary and secondary schools along with land for town centre and business uses.

The new Strategic Development Plan for Lothian, the Borders and south Fife, will set the direction and priorities for the south east of Scotland for the next 20 years. It covers the period until 2032. The SDP identifies West Lothian as the location for an additional 1,750 new homes, over and above the 22,300 already in the approved plans.

Following the impact of the credit crunch and the subsequent recession, by 2009 house completions in West Lothian had more than halved. The Council, in partnership with housebuilders, have worked to re-energise the housebuilding sector resulting in the number of house completions significantly increasing in 2012. In 2015 completions are close to matching the numbers achieved before the economic downturn.

Total house completions 2011 - 2015



Source: West Lothian Council



West Lothian economic profile

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