West Lothian

West Lothian Economic Partnership

Key Economic Indicators

August 2010

An update from West Lothian Economic Partnership to help you understand the local economy.

There has been a fair amount of press coverage regarding the figures on long-term youth unemployment. The STUC have presented a report on the increase in 18-24 year olds who have been unemployed for 6 months or more - with West Lothian having the highest rate of increase in Scotland of 120%.

Youth unemployment is a significant challenge in West Lothian, however, the rate of increase figures don't tell the full story. Long term youth unemployment in West Lothian began to increase from January 2009 onwards but appears to have peaked at around 500 by April/May 2010. West Lothian's rate of increase has been greater than Scotland particularly over the last twelve months.

The level of youth unemployment is higher in West Lothian than the Scottish average. Currently, we have the 7th highest rate of youth unemployment across all Scottish Local Authorities and the third highest rate of long term youth unemployment (behind North Ayrshire and North Lanarkshire).

Key unemployment details include:

- The number of JSA jobless in West Lothian for July is 4,837. This is a decrease of 7 on the previous month.
- West Lothian's unemployment rate of 4.3% is higher than both the Scottish (4.0%) and Great Britain (3.6%) rates. West Lothian's unemployment rate ranks joint 10th highest with Renfrewshire.
- Youth unemployment (18-24 year olds) in West Lothian for July is 1,575. This is an increase of 60 on the last month.
- There were 743 notified Jobcentre vacancies in July - a net increase of 44 from June 2010. The ratio of job seekers to jobcentre vacancies stands at 7 jobseekers for every vacancy advertised in West Lothian jobcentres. In comparison, Scotland's ratio is 5.8:1, Great Britain is 4.3:1 with West Dunbartonshire having the highest ratio of 16:1 (16 jobseekers for every vacancy) of claimants to vacancies of Scottish local authorities.

Jobs and Investment

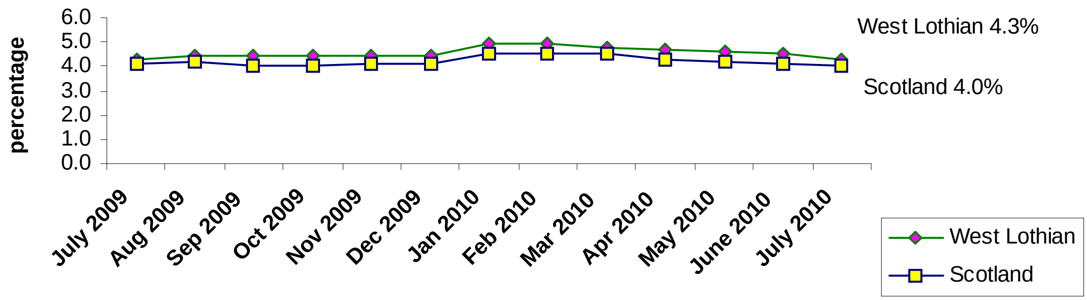
Here are some positive jobs, investment and business news items for the West Lothian area:

- **Glenmorangie**, who are constructing a £9 million bottling plant and office facilities in Livingston, have posted a pre-tax profit to the end of December 2009 of £12.7 million.
- Civil engineering company, **Jones Bros**, which has an office at Linlithgow, has announced record profits, up by 33% to £2 million.
- **Persimmon Homes** who have a major operation in Bathgate has flagged robust trading, saying the east coast of Scotland had proved more resilient than might have been expected following the financial crash of two years ago.
- Livingston based software developer **Craneware** expects to report their best year ever.
- **Cleaning Services Scotland** has expanded to new larger premises in Mill Road Industrial Estate, Linlithgow. The company has also been awarded a £70,000 contract with Heriot Watt University to clean halls of residence at Riccarton Campus.
- Bathgate based logistics firm **Redhead International** has announced the introduction of a new daily direct round trip service from Scotland to Ireland, as the company continues to meet increased demand for its freight services.
- Six enterprising young people from local businesses are in the running for a top business award from **The Prince's Scottish Youth Business Trust** (PSYBT). PSYBT and West Lothian Council have revealed the finalists for the 2010 awards, which showcase young business talent and profile the work of PSYBT.

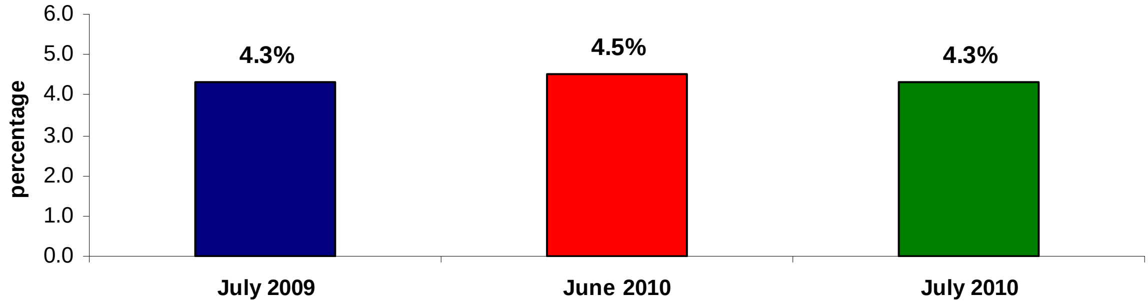
Unemployment

Unemployment in West Lothian stands at 4.3% (% is a proportion of resident working age people) in July 2010. The latest JSA claimant count figure shows a decrease of 7 on the previous month and now stands at 4,837. West Lothian's unemployment rate of 4.3% is higher than both the Scottish and Great Britain rates of respectively 4.0% and 3.6%.

Unemployment July 2010 (% JSA Claimants as a proportion of resident working age people)



West Lothian unemployment - % of claimants as a proportion of resident working age people)



Source: ONS claimant count rates

Unemployment - total JSA claimants (July 2010)			
	Males	**Females**	**Total**
West Lothian (numbers)	3,458	1,379	4,837
West Lothian (%)	6.2%	2.4%	4.3%
Scotland (%)	5.8%	2.3%	4.0%
Great Britain (%)	5.0%	2.1%	3.6%

Source: ONS claimant count with rates and proportions
Note: % is a proportion of resident working age people

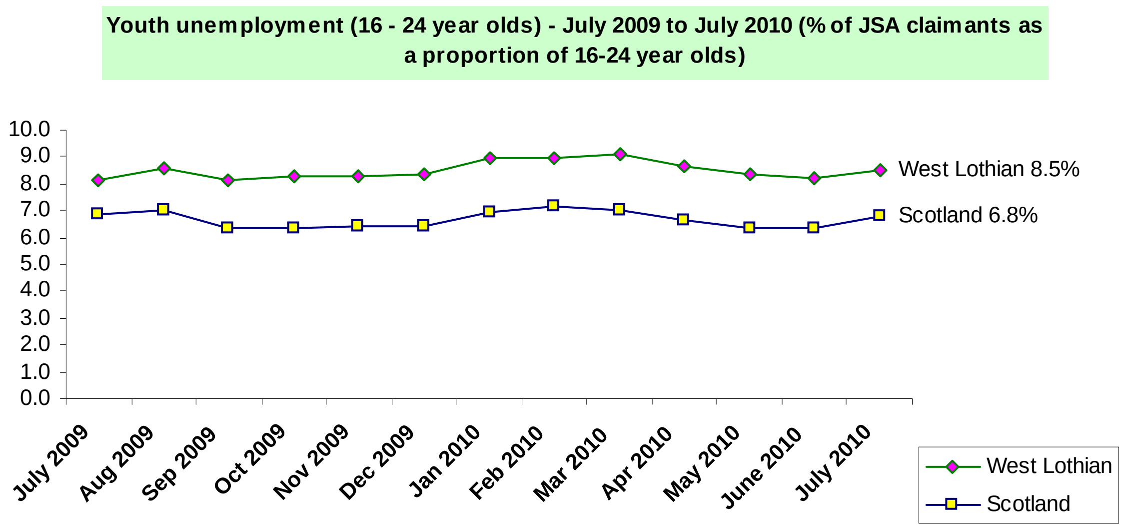
Included on page 10 is a breakdown of unemployment by local area within West Lothian based on the former 32 Scottish local authority wards. This shows that those wards with the highest rate of unemployment are Craigshill (8.4%), Armadale Central (8.3%), and Polkemmet (7.2%). Those with the lowest are Kingsfield (1.3%), Murieston (1.8%) and Preston (2.1%). In general, unemployment is higher in the southwest of West Lothian and lower in Linlithgow and the southeast of the area.

The latest unemployment data for the UK based on the preferred government measure, is for the three months to June. The number of people unemployed fell by 49,000 to 2.46million (a rate of 7.8%). Meanwhile, the total number of people claiming JSA in July fell by 3,800 to 1.46million.

N.B. JSA based unemployment figures do not provide the full picture. The headline JSA figure, however, does help to indicate the latest trend or change at a national or local level and whether the economic down turn is beginning to bite. The Government's favoured method of measuring unemployment - the ILO method - does not readily translate into up to date local area estimates.

YOUTH UNEMPLOYMENT

Youth unemployment - 16 to 24 year olds includes the MC,MC group and it is therefore important that it is tracked. The following graph shows youth unemployment as a percentage of all 16 to 24 year olds, comparing West Lothian with Scotland. West Lothian has a higher proportion (8.5%) for July than Scotland (6.8%) of youth unemployment. Although both have followed a parallel trend in the last two years.

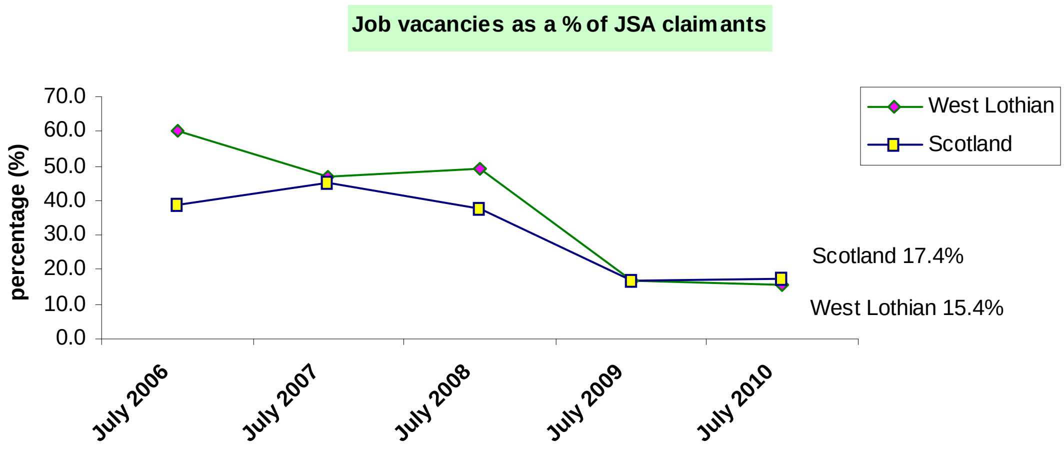


Source: ONS claimant count

N.B. Between 400 and 500, 16 to 17 year olds were registered unemployed with Skills Development Scotland most of whom will not be claiming JSA. Therefore, it is estimated that the total level of unemployment for 16 to 24 year olds is about 2,000.

Job Vacancies

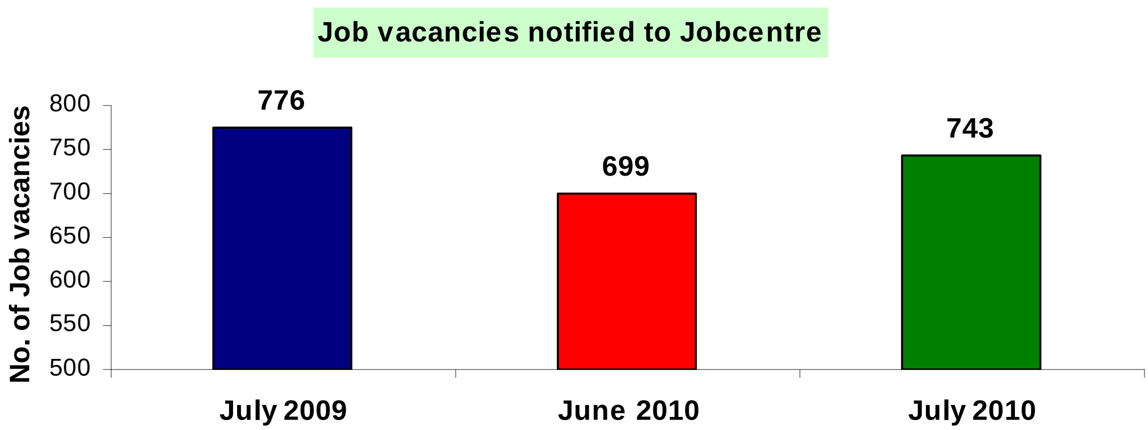
The number and type of Jobcentre Plus vacancies also provide a snapshot of the local labour market. It is estimated that Jobcentre Plus vacancies account for about a third of all available employment opportunities. In West Lothian the most common type of vacancies tend to reflect the main employment sectors e.g. business services, retail and manufacturing.



Source: ONS annual business inquiry employee analysis

The graph above compares the rate of job vacancies expressed as a percentage of the number of JSA claimants for both West Lothian and Scotland. West Lothian's rate for July 2010 stands at 15.4% and Scotland's at 17.4%. This means there are currently 7 jobseekers for every vacancy advertised in West Lothian jobcentres.

The actual number of West Lothian job vacancies for this July is 743. This is a net increase of 44 vacancies on the previous month.



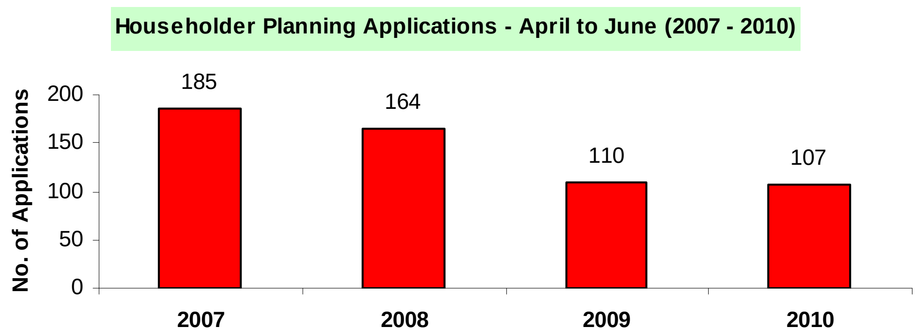
Source: Jobcentre Plus vacancies

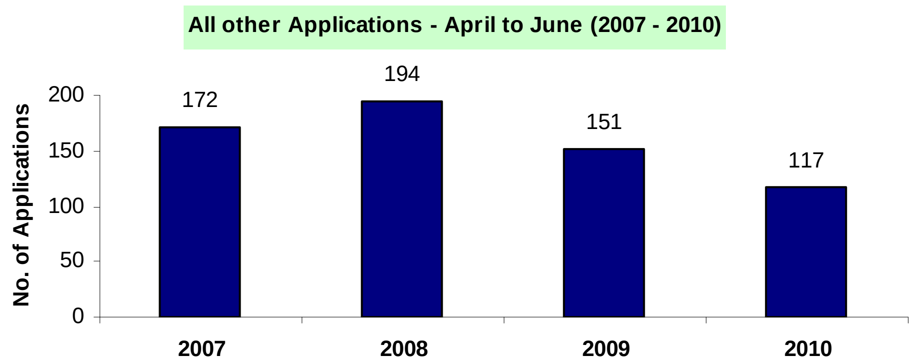
Planning Applications

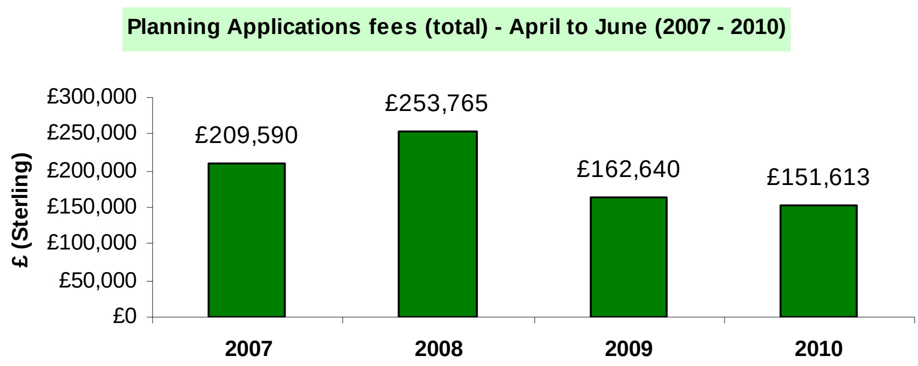
Planning applications provide another measure of the health of the local economy. The numbers of planning applications received indicate levels of business and consumer confidence, economic growth, development investment and development change.

The following charts split planning applications into two categories: householder and all other planning applications. Householder applications include house extensions, conservatories and garages. All other application types include listed building applications, advertisement consent, small-scale individual developments and applications by business and industry.

Because there is seasonal variance in development applications, the charts below focus on change over the period April to June for the last three years. Both types of applications have fallen since 2008, although appear to be levelling off in the last year. This trend is reflected in the application fees received over the same timescale; an early (although weak) sign of some recovery in the economy.



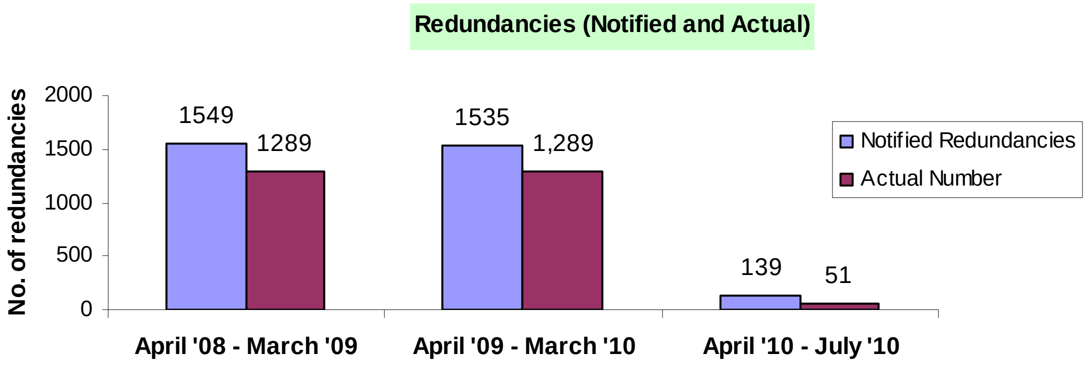




Source: West Lothian Council, July 2010

Redundancies

The level and rate of redundancies are important measures of the business situation. In the first four months of the new financial year (2010/2011) there were 139 notified redundancies of which there were 51actual or confirmed redundancies.



Source: Skills Development Scotland

N.B. Notified redundancy figures are gathered from firms legally obliged to notify BERR (Department for Business, Enterprise and Regulatory Reform) when proposing to dismiss 20 or more employees as redundant and from those firms who voluntarily notify redundancies of less than 20 employees.

Shop Occupancies

The table below shows the number of shop units occupied (excluding charity shops) as a percentage of total stock for each of West Lothian's six town centres. The percentage of charity shop units in each town is shown separately. A comparison is made between August 2010 (latest information available) and August 2009.

Shop unit occupancy comparing August 2010 and August 2009 - expressed as percentage of total town centre shop units

Town Centre	August 2010 (%)		August 2009 (%)	
	Overall occupancy	Charity shops	Overall occupancy	Charity shops
Armadale	94.0	0.0	91.2	0.0
Bathgate	92.8	3.2	93.4	3.3
Broxburn	91.8	0.6	89.9	0.6
Linlithgow	98.7	2.0	96.0	2.0
Whitburn	85.3	1.7	87.1	1.7
Almondvale	88.4	0.6	87.1	0.6

Source: West Lothian Council, August 2010

Four towncentres have increased their overall shop occupancy in relation to this time last year. Only Bathgate and Whitburn experienced a decrease in shop occupancy in August 2010 when compared to their own benchmark figure for the same month in 2009.

House Completions

The number of house completions in the local economy is a useful barometer for measuring the house building industry's sensitivity to changing economic conditions.

The average monthly completions during the last three financial years has been as follows:

- 2007/08 - 80
- 2008/09 - 43
- 2009/10 - 51

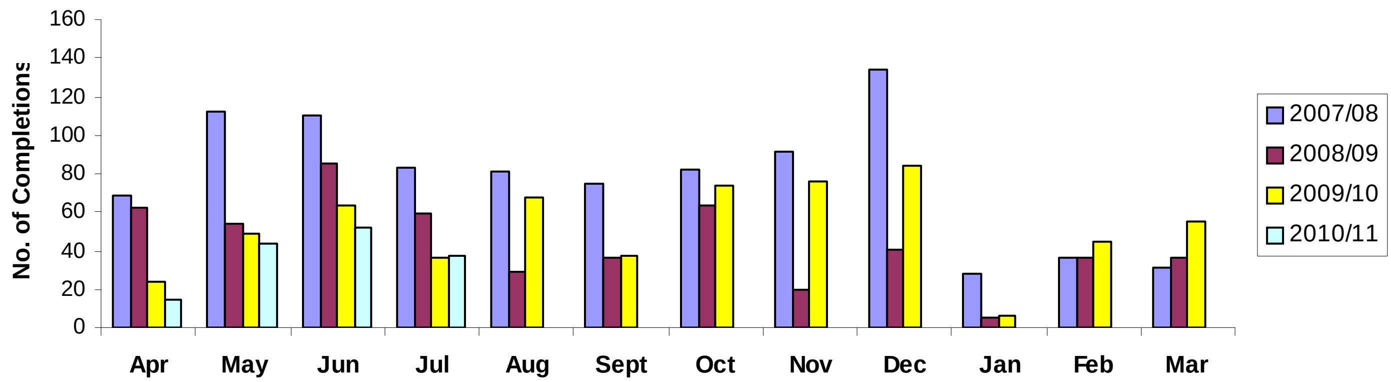
During 2008/09 there was a significant decline in the number of completions but during 2009/10 there was an improvement, partly as a consequence of the council house building programme and increased activity by Housing Associations.

Since the beginning of 2010, monthly completions have stabilised at an average of 50 per month.

The programmed number of completions for 2010/11 is 347. In the first three months of this financial year, 146 completions have been achieved. This compares with 81 for the same period last year.

It is anticipated that the rate of completions will slow down over the coming months due to the number of sites which have recently been completed or are nearing completion.

House Completions 2007/08, 2008/09, 2009/2010 and 2010/11



Source: West Lothian Council, August 2010

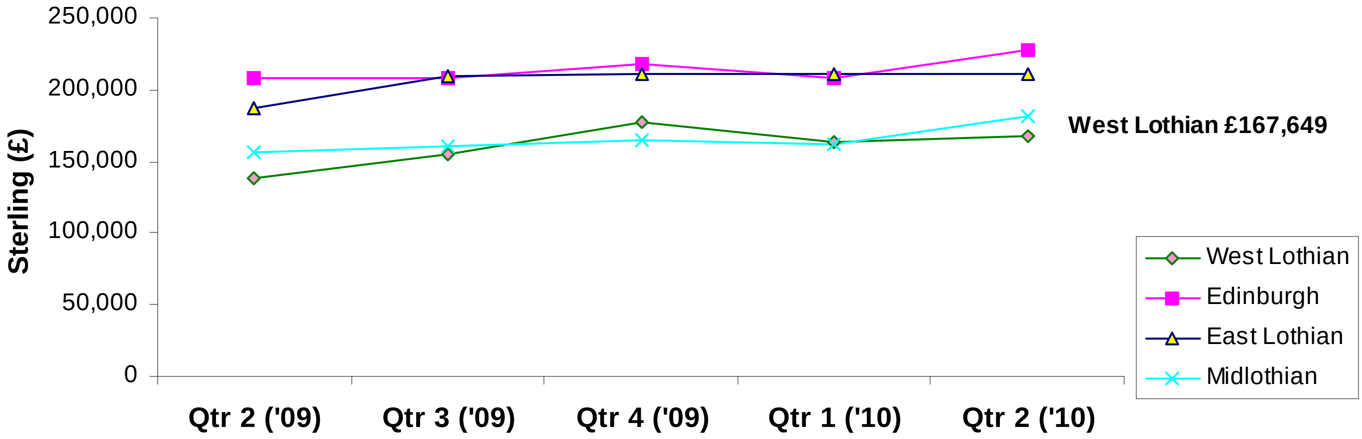
House Prices

House prices and the housing market are also seen as a barometer to the state of the economy. Housing is the biggest component of most household's wealth. Therefore it has a big impact on the economy. For example, a fall in house prices will reduce consumer confidence. This leads to lower levels of spending; people will be more reluctant to undertake risky investments and borrowing.

House prices in the Lothians showed strong growth during the second quarter of 2010 with annual inflation of between 12% and 20% across the region. In the second quarter (April - June) of 2010, the average selling price of a property in West Lothian increased by over 20% to £167,649 compared to the same quarter in the previous year.

The large rises recorded in the Lothians followed falls in price at this time last year, meaning that average house prices in East Lothian and Midlothian are now back in line with levels witnessed in 2008. Prices in West Lothian remain below the peak value of £191,755 recorded in Q2 2008 but were broadly in line with levels witnessed over the last nine months.

Average House price comparison Quarter2, 2009 to Quarter 2, 2010



Edinburgh Solicitors Property centre (ESPC), July 2010

Comparator Indicators

MONTHLY COMPARATOR INDICATORS

A number of monthly key indicators have been chosen to compare with a number of benchmark local authorities. Both national areas of Scotland and Great Britain have also been included to set comparisons in context. The following table includes indicators on unemployment, youth unemployment and job vacancies.

	JSA Claimants as a % of working age residents (1)	% of 16 to 24s claiming JSA (2)	Ratio* of jobseekers to job vacancies (3)
Clackmannanshire	5.0%	9.5%	10.0:1
Edinburgh, City of	3.1%	4.4%	4.2:1
Falkirk	4.0%	7.3%	5.6:1
Fife	4.4%	7.1%	5.2:1
Midlothian	3.6%	7.0%	4.9:1
North Lanarkshire	5.4%	9.6%	8.0:1
South Lanarkshire	4.4%	7.5%	6.1:1
West Lothian	4.3%	8.5%	6.5:1
Scotland	3.6%	6.8%	5.8:1
Great Britain	4.0%	5.5%	4.3:1

Sources:
(1) ONS claimant count
(2) ONS claimant count/ONS mid-year (2009) population estimates
(3) ONS claimant count/Jobcentre Plus vacancies

***** for example**,** there are about seven (6.5:1) jobseekers for every vacancy advertised in West Lothian jobcentres.

ANNUAL COMPARATOR INDICATORS

Similarly, a number of annual indicators have been chosen to compare with the same local authorities and Scotland and Great Britain. The following tables include indicators on population, earnings and VAT registered firms.

	Population (2009)		Earnings (2009)	
	Number	% change on previous year	Gross weekly pay (£)	% change on previous year
Clackmannanshire	50,540	0.1	427.4	0.5
Edinburgh, City of	477,660	1.3	518.3	2.2
Falkirk	152,480	0.6	462.8	1.0
Fife	363,460	0.4	465.0	-0.2
Midlothian	80,810	0.3	425.9	6.1
North Lanarkshire	326,320	0.2	430.1	-1.2
South Lanarkshire	310,930	0.3	498.3	5.0
West Lothian	171,040	0.9	424.7	0.8
Scotland	5,194,000	0.5	472.2	2.0

Sources:
ONS Claimant Count/ONS mid year (2009) population estimates
ONS annual survey of hours and earnings—resident analysis

	VAT registered firms		
	Stock at end of year (2007)	% change on previous year	Per 10,000 of population
Clackmannanshire	945	5.6	185
Edinburgh, City of	13,760	4.1	288
Falkirk	2,950	6.7	194
Fife	7,500	3.1	207
Midlothian	1,820	2.8	225
North Lanarkshire	5,710	6.0	175
South Lanarkshire	7,265	4.8	234
West Lothian	3,630	7.1	212
Scotland	141,895	3.6	273
Great Britain	1,964,920	3.0	318

Sources: BERR - VAT registrations/deregistrations by industry/ONS mid year (2009) population estimates

WARD UNEMPLOYMENT (July 2010)

The following table is a breakdown of unemployment by ward, and the area of West Lothian covered by each ward, and based on the old 32 ward scheme (up to date data for the current Multi-member Wards is not yet published by DWP).

WARD AREA		Male JSA claimants	Female JSA claimants	Total JSA claimants	
	Area covered by ward	number	number	number	rate
Craigshill	Livingston	213	55	268	8.4
Armadale Central	Armadale	166	67	233	8.3
Polkemmet	Whitburn	146	69	215	7.2
Boghall	Bathgate	134	55	189	7.1
Blackburn	Blackburn	151	63	214	6.2
Ladywell	Livingston	152	52	204	6.1
Newland	Bathgate	122	51	173	6.1
Croftmalloch	Whitburn	135	53	188	5.9
Durhamtoun	Bathgate	99	45	144	5.7
Armadale West	Armadale and Blackridge	143	45	188	5.6
Dedridge	Livingston	148	54	202	5.6
Fauldhouse	Fauldhouse, Breich	129	60	189	5.6
Almond	Whitburn, East Whitburn	121	46	167	5.5
Limefield	West Calder	113	40	153	5.0
Breich Valley	Stoneyburn, Addiewell and Longridge	125	46	171	4.9
Oatridge	Winchburgh and surrounding area	107	33	140	4.5
Howden	Livingston	120	44	164	4.4
Deans	Livingston	101	55	156	4.3
Middleton	Broxburn	97	35	132	4.3
Knightsridge	Livingston	110	55	165	4.2
Easton	Bathgate/Armadale	87	36	123	4.0
Houstoun	Uphall, Pumpherston	91	36	127	4.0
Strathbrock	Broxburn	86	37	123	4.0
Carmondean	Livingston	108	41	149	3.9
Linhouse	Kirknewton, Wilkieston	74	33	107	3.1
East Calder	East Calder	64	32	96	2.9
St Michael's	Linlithgow	58	24	82	2.7
Calderwood	Mid Calder	61	27	88	2.5
Kirkton	Livingston	56	33	89	2.5
Preston	Linlithgow	56	26	82	2.1
Murieston	Livingston	51	14	65	1.8
Kingsfield	Linlithgow, Philpstoun	33	17	50	1.3
West Lothian		**3,457**	**1,379**	**4,836**	**4.6**

Source: ONS claimant count - July 2010

West Lothian Economic Partnership operates as the economic development arm of the Community Planning process.

West Lothian Key Economic Indicators is produced by West Lothian Council on behalf of West Lothian Economic Partnership

West Lothian
Economic Partnership

You can find economic information about West Lothian at any time on West Lothian Council's business website at www.westlothian.com/Home/wl_economy/facts_figures/. If you need help with interpreting this data, or require additional statistics or economic information, please contact Kenny Wheeler, Economic Development Officer with West Lothian Council, on 01506-777945 or at kenny.wheeler@westlothian.gov.uk

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