West Lothian Key Economic Indicators

West Lothian
Economic Partnership

January 2011

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

As expected, unemployment has risen slightly with seasonal recruitment tailing off, however, West Lothian continues for a third month to have an unemployment rate lower than the Scottish average; a rate not experienced for two years.

- The number of JSA jobless in West Lothian for December is 4,257. This is an increase of 84 on the previous month.
- West Lothian's unemployment rate of 3.8% is below the Scottish (4.0%) rate; but above the Great Britain (3.5%) rate. West Lothian's unemployment rate ranks joint 11th highest out of all Scottish local authority areas.
- Youth unemployment (18-24 year olds) in West Lothian for December is 1,225. This is an increase of 25 on the last month.
- There were 923 notified Jobcentre vacancies in December - a net increase of 116 from November 2010.
- The ratio of jobseekers to jobcentre vacancies stands at 5 jobseekers for every vacancy advertised in West Lothian jobcentres. In comparison, Scotland's ratio is 7.5:1, Great Britain is 5.1:1 with North Ayrshire having the highest ratio of 27.6 (28 jobseekers for every vacancy) of claimants to vacancies of Scottish local authorities

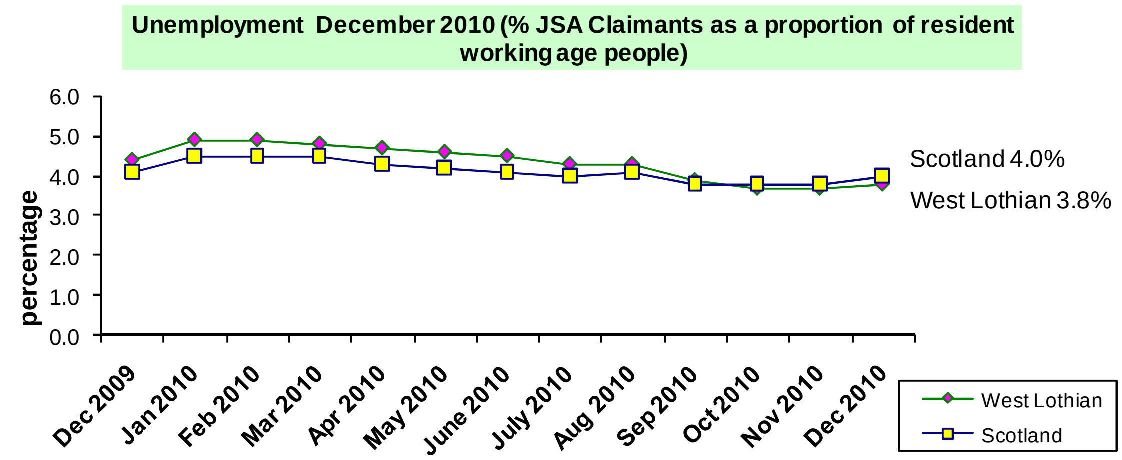
Jobs and Investment

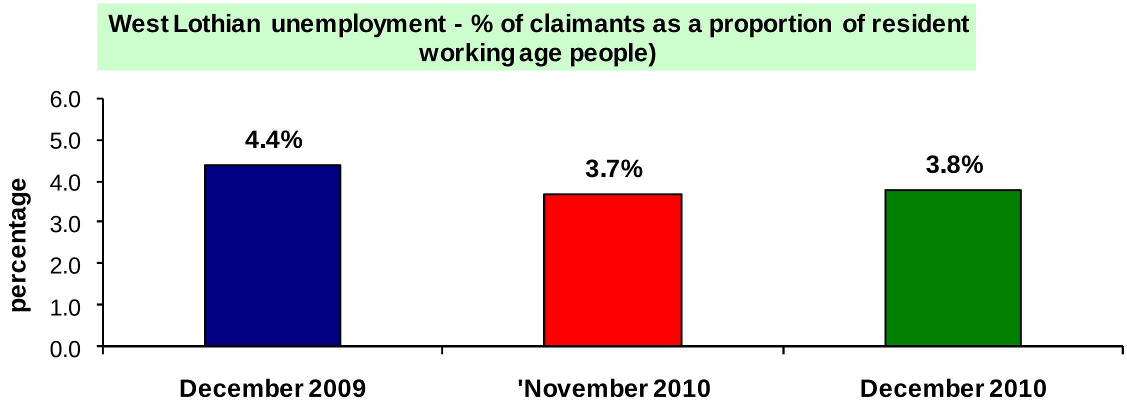
Here are some positive jobs, investment and business news items for the West Lothian area:

- Livingston-based LED technology firm **Design LED Products** has signed a licensing deal with Scottish Enterprise to develop the next generation of components for flatscreen TVs and computer monitors.
- The new £8m **Dobbies Garden Centre** under construction at Houstoun Mains, Livingston is on target for a spring opening date. The firm is currently recruiting in West Lothian and it is anticipated at least 120 new jobs will be created.
- Young new entrepreneurs in West Lothian are to benefit from a fundraising effort organised by West Lothian Chamber of Commerce. A cheque for £2,000 was presented in January to the **Prince's Scottish Youth Business Trust** to be used to support new business formation by young people in West Lothian.
- Linlithgow based **Truly Scrumptious Designer Cakes** were crowned Cake Designers of the Year 2010 at the VOWS awards last month. The Voted Outstanding Wedding Supplier (VOWS) Awards are voted for by brides and grooms to recognise excellent customer service in the wedding industry.
- Linlithgow luxury holiday cottage firm **Williamscraig Holiday Cottages** have been awarded four star status by Visit Scotland.
- Bathgate headquartered paintball firm **A1 Paintball** has become Scotland's first 5 star paintball venue. Visit Scotland inspectors judged the facilities at their site near Kirknewton to be amongst the best Activity Centres in Scotland.

Unemployment

Unemployment in West Lothian stands at 3.8% (% is a proportion of resident working age people) in December 2010. The latest JSA claimant count figure shows an increase of 84 on the previous month and now stands at 4,257. West Lothian's unemployment rate of 3.8% is lower than the Scottish rate of 4.0% although higher than the Great Britain rate of 3.5%.





Source: ONS claimant count rates

Unemployment - total JSA claimants (December 2010)			
	Males	Females	Total
West Lothian (numbers)	3,091	1,166	4,257
West Lothian (%)	5.5%	2.0%	3.8%
Scotland (%)	5.9%	2.1%	4.0%
Great Britain (%)	4.9%	2.1%	3.5%

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

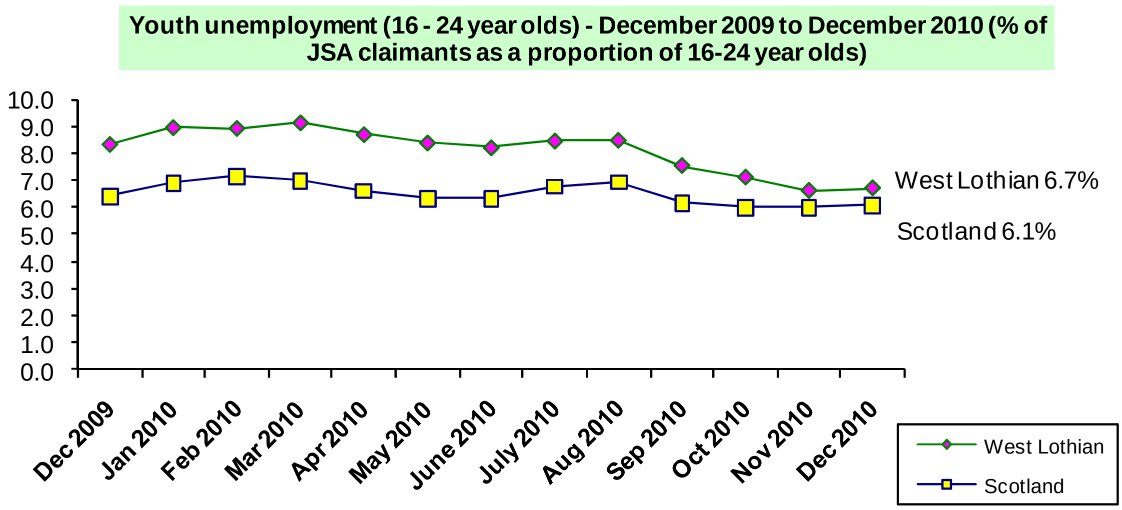
Included on page 10 is a breakdown of unemployment by local area within West Lothian based on the former 32 Scottish local authority wards. This shows that those wards with the highest rate of unemployment are Armadale Central (7.1%), Craigshill (7.0%), and Polkemmet (6.5%). Those with the lowest are Kingsfield (1.1%), Murieston (1.7%) and Preston (1.7%). 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 September. The number of people unemployed fell by 9,000 to 2.45 million (a rate of 7.7%). Meanwhile, the total number of people claiming JSA fell slightly in October by 3,700 to 1.47 million.

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 (6.7%) for December than Scotland (6.1%) of youth unemployment. Although both have followed a parallel trend in the last two years.

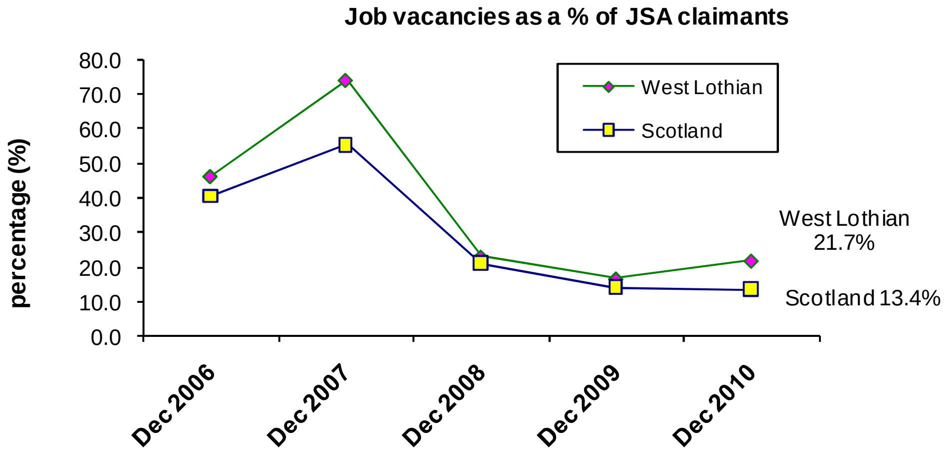


Source: ONS claimant count

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

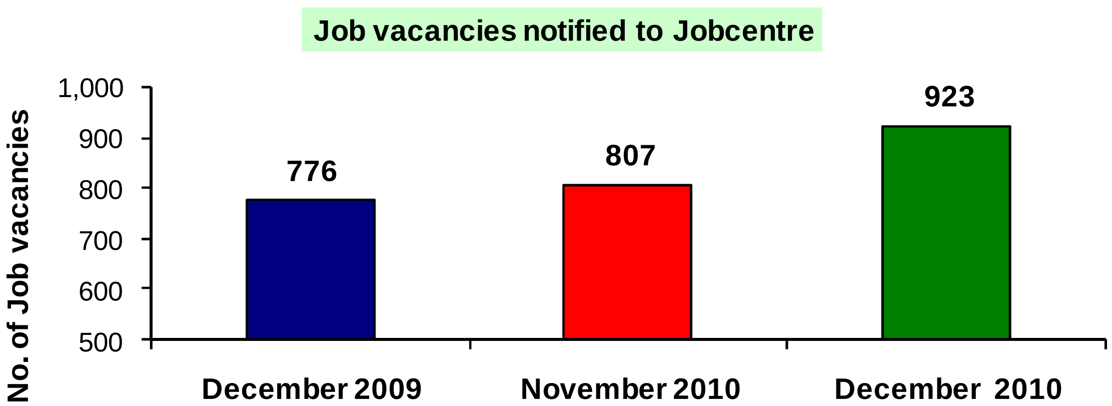
The number and type of Jobcentre Plus vacancies also provide a snapshot of the local labour market. It is estimated that Jobcentre Plus vacancies account for about a third of all available employment opportunities. In West Lothian the most common type of vacancies tend to reflect the main employment 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 December 2010 stands at 21.7% and Scotland's at 13.4%. This means there are currently 5 jobseekers for every vacancy advertised in West Lothian jobcentres.

The actual number of West Lothian job vacancies for this December is 923. This is a net increase of 116 vacancies on the month of November and a net increase of 147 vacancies on the previous December.



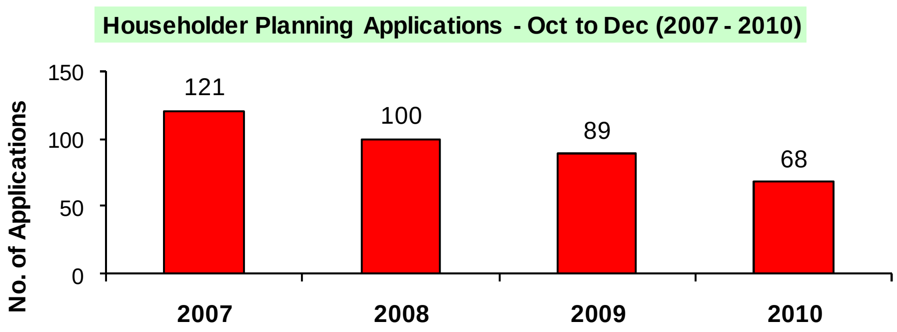
Source: Jobcentre Plus vacancies

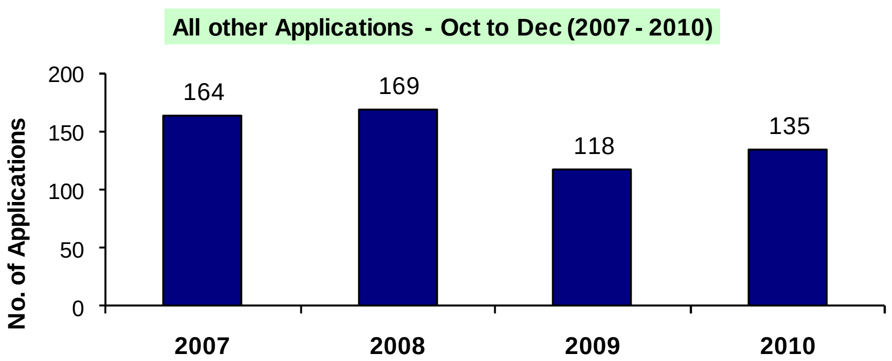
Planning Applications

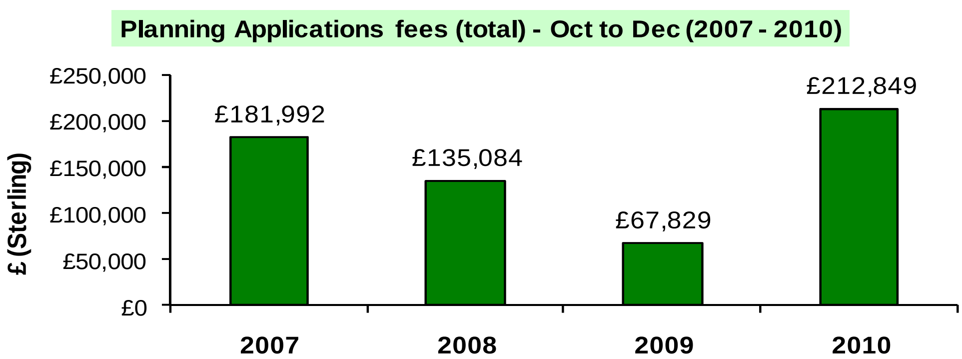
Planning applications provide another measure of the health of the local economy. The numbers of planning applications received indicate levels of business and consumer confidence, economic growth, development investment and development change.

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 October to December for the last three years. Household applications have fallen since 2008, although these appear to be levelling off in the last year. The large increase in planning application fees received in Qtr 4, 2010 is due to a number of applications for large developments.



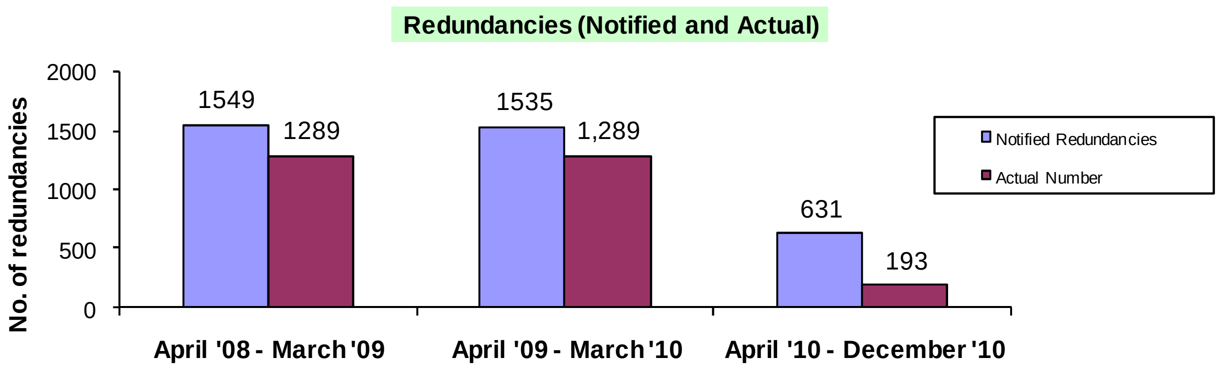




Source: West Lothian Council, January 2010

Redundancies

The level and rate of redundancies are important measures of the business situation. In the first nine months of this financial year (2010/2011) there were 631 notified redundancies of which there were 193 actual 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

To provide a better perspective of change in the town centres, we intend from next month to include in this part of the Key Economic Indicators report a mix of indicators on high street activity, which will cover business sectors, activities and employment as well as shop occupancy levels. The information will be presented on a quarterly basis.

Making a start, the new quarterly table on shop occupancies 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 the latest quarter (Oct-Dec 2010) and the same quarter from the previous year.

Shop unit occupancy comparing Quarter 4 — 2010 and Quarter 4 — 2009 - expressed as percentage of total town centre shop units

Town Centre	Quarter 4 — 2010 (%)		Quarter 4 — 2009 (%)	
	Overall occupancy	Charity shops	Overall occupancy	Charity shops
Armadale	94.1	0.0	89.7	0.0
Bathgate	93.5	3.2	93.4	3.3
Broxburn	90.6	0.6	89.9	0.6
Linlithgow	97.3	2.0	96.0	2.0
Whitburn	86.3	1.7	87.8	1.7
Almondvale	88.4	0.6	91.6	0.6

Source: West Lothian Council, December 2010

Four towncentres have increased their overall shop occupancy in relation to this time last year. Only Almondvale and Whitburn experienced a decrease in shop occupancy in the fourth quarter of 2010 when compared to their own benchmark figure for the same quarter 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

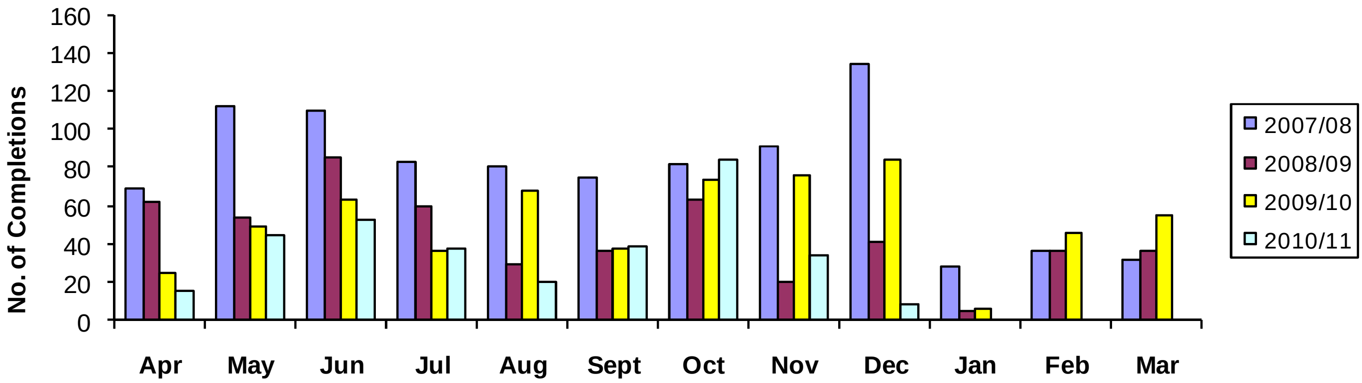
During 2008/09 there was a significant decline in the number of completions but during 2009/10 there was an improvement, partly as a consequence of the council house building programme and increased activity by Housing Associations.

The average number of completions per month over the last 12 months currently stands at 35.

The programmed number of completions for 2010/11 is 347. In the first nine months of this financial year, 370 completions have been achieved so the number of completions during 2010/11 will exceed expectation. The 370 completions so far this financial year compares with 457 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



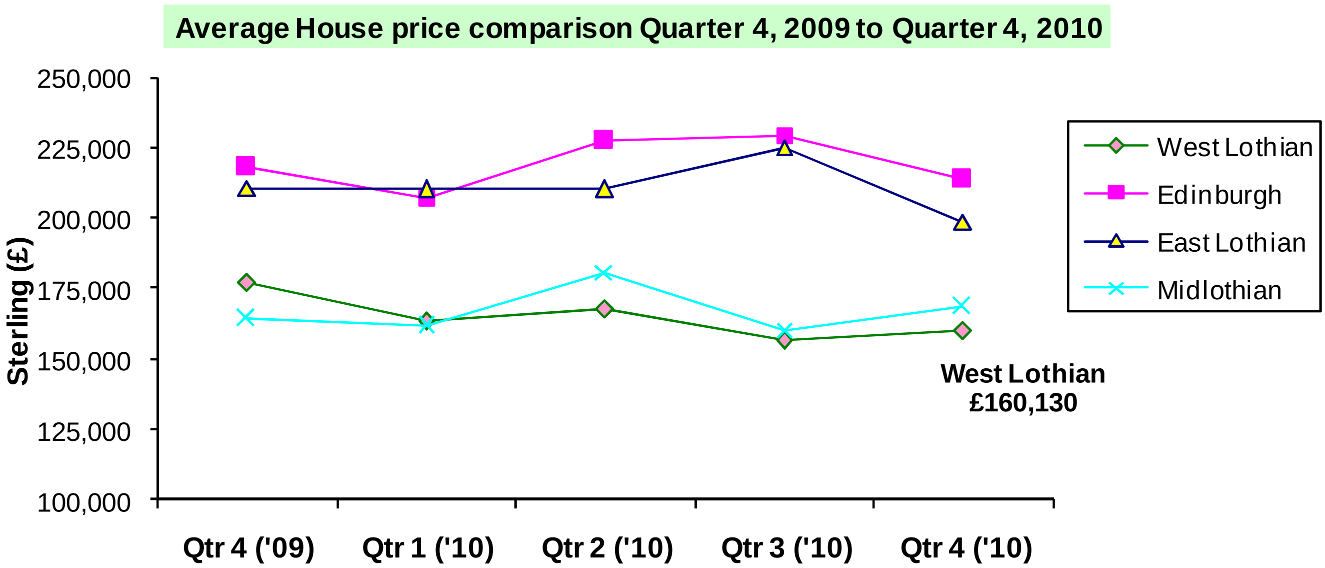
Source: West Lothian Council, January 2011

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.

The latest figures reveal house prices in most areas across East Central Scotland fell during the last three months of 2010. An annual decline of 2% in Edinburgh took the average price in the City to £213,685. West Lothian and East Lothian saw annual drops of 9.7% and 5.6% respectively. The sharper fall in West Lothian follows a 14.5% rise in late 2009 with prices in the area still higher than two year's previous. Midlothian was the only area to observe an annual increase with a 2.4% rise bringing the average to £168,345.

Analysts explain that the sharp rises seen in West Lothian and Midlothian this spring proved to be a short term spike with prices for this most recent period back in line with the sort of figures that have been seen over most of the last two years.



Edinburgh Solicitors Property Centre (ESPC), January 2011

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	5.5%	9.5%	16.9:1
Edinburgh, City of	3.0%	4.0%	3.9:1
Falkirk	4.6%	7.7%	14.9:1
Fife	4.3%	6.4%	9.2:1
Midlothian	3.8%	7.3%	7.7:1
North Lanarkshire	5.2%	8.1%	10.8:1
South Lanarkshire	4.3%	7.2%	9.2:1
West Lothian	3.8%	6.7%	4.6:1
Scotland	4.0%	6.1%	7.5:1
Great Britain	3.5%	5.4%	5.1:1

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 four (4.6:1) 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 (December 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
Armadale Central	Armadale	150	49	199	7.1
Craigshill	Livingston	167	57	224	7.0
Polkemmet	Whitburn	136	59	195	6.5
Boghall	Bathgate	110	56	166	6.2
Blackburn	Blackburn	155	46	201	5.9
Durhamtoun	Bathgate	111	39	150	5.9
Croftmalloch	Whitburn	127	50	177	5.6
Newland	Bathgate	108	52	160	5.6
Fauldhouse	Fauldhouse, Breich	118	56	174	5.2
Ladywell	Livingston	124	49	173	5.2
Armadale West	Armadale and Blackridge	112	45	157	4.7
Almond	Whitburn, East Whitburn	102	35	137	4.5
Howden	Livingston	135	36	171	4.5
Dedridge	Livingston	119	41	160	4.4
Breich Valley	Stoneyburn, Addiewell and Longridge	114	35	149	4.2
Houstoun	Uphall, Pumpherston	98	28	126	4.0
Deans	Livingston	101	41	142	3.9
Limefield	West Calder	81	35	116	3.8
Middleton	Broxburn	82	36	118	3.8
Knightsridge	Livingston	98	48	146	3.7
Easton	Bathgate/Armadale	73	30	103	3.4
Oatridge	Winchburgh and surrounding area	79	28	107	3.4
Carmondean	Livingston	91	33	124	3.3
Strathbrock	Broxburn	78	23	101	3.3
Linhouse	Kirknewton, Wilkieston	69	36	105	3.1
St Michael's	Linlithgow	57	25	82	2.7
Calderwood	Mid Calder	64	17	81	2.3
East Calder	East Calder	55	20	75	2.3
Kirkton	Livingston	47	18	65	1.8
Murieston	Livingston	45	17	62	1.7
Preston	Linlithgow	54	14	68	1.7
Kingsfield	Linlithgow, Philpstoun	31	12	43	1.1
West Lothian		**3,091**	**1,166**	**4,257**	**4.0**

Source: ONS claimant count - January 2011

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

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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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