

Key Economic Indicators

July 2010

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

Compared to the previous month, the June unemployment rate in West Lothian dropped by 0.1% to 4.5%.

- The number of JSA jobless in West Lothian for June is 4,844. This is a decrease of 109 on the previous month.
- West Lothian's unemployment rate of 4.5% is higher than both the Scottish (4.1%) and Great Britain (3.8%) rates. West Lothian's unemployment rate ranks joint 9th highest with South Lanarkshire.
- Youth unemployment (18-24 year olds) in West Lothian for June is 1,515. This is a decrease of 30 on the last month.
- There were 699 notified Jobcentre vacancies in June - a net decrease of 12 from May 2010.
- The ratio of jobseekers to jobcentre vacancies stands at 7 jobseekers for every vacancy advertised in West Lothian jobcentres. In comparison, Scotland's ratio is 6.3:1, Great Britain is 4.2:1 with West Dunbartonshire having the highest ratio of 16.1:1 (16 jobseekers for every vacancy) of claimants to vacancies of Scottish local authorities.

Jobs and Investment

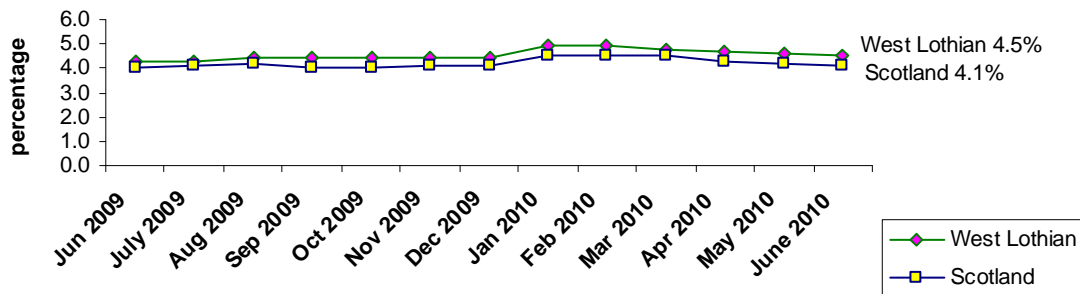
Here are some positive jobs, investment and business news items for the West Lothian area:

- Livingston firm **Touch Bionics** were recently presented with the Queen's Award for Enterprise by the Lord-Lieutenant. The firm was recognised for its achievements in the development and commercial success of the i-LIMB Bionic Hand.
- Broxburn-based **Ian Macleod Distillers** said profits after tax reached £2.2m in the latest financial year as a result of increased volume and margin. Turnover soared 18% to £26m thanks to increased sales to export markets, especially in the Middle and Far East.
- Renewable energy development company, **the Banks Group**, has secured the planning consent to build a waste to energy facility using Anaerobic Digestion (AD) technology near Bathgate. The £70 million AD plant will form part of the Pond Green Energy Park development.
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- **Star Net Geomatics**, who are based in Livingston, has been awarded the prestigious Business Innovation Award at the Global Telecom Business Awards.

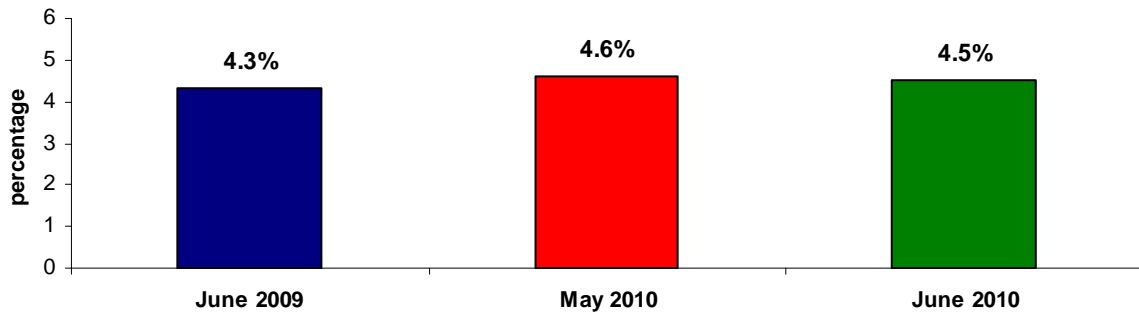
Unemployment

Unemployment in West Lothian stands at 4.5% (% is a proportion of resident working age people) in June 2010. The latest JSA claimant count figure shows a decrease of 109 on the previous month and now stands at 4,844. West Lothian's unemployment rate of 4.5% is higher than both the Scottish and Great Britain rates of respectively 4.1% and 3.8%.

Unemployment June 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 (June 2010)			
	Males	Females	Total
West Lothian (numbers)	3,538	1,306	4,844
West Lothian (%)	6.4%	2.5%	4.5%
Scotland (%)	5.8%	2.3%	4.1%
Great Britain (%)	5.1%	2.2%	3.8%

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

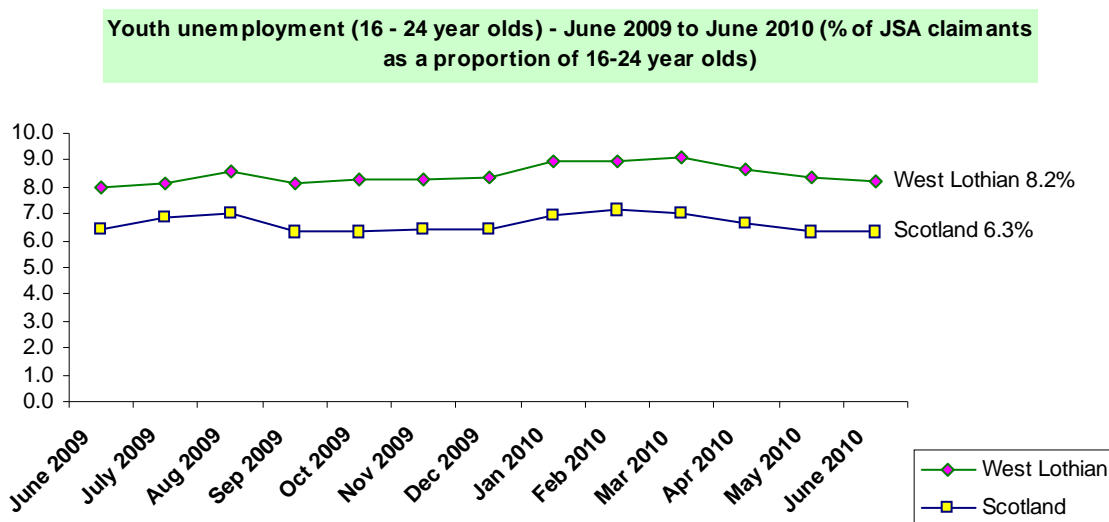
Included on page 9 is a breakdown of unemployment by local area within West Lothian based on the former 32 Scottish local authority wards. This shows that those wards with the highest rate of unemployment are Armadale Central (8.6%), Craigshill (8.4%), Boghall (7.5%) and Polkemmet (7.8%). Those with the lowest are Kingsfield (1.6%), Murieston (1.7%) and Preston (2.0%). 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 May. The number of people unemployed fell by 34,000 to 2.47million (a rate of 7.8%). Meanwhile, the total number of people claiming JSA in June fell by 20,800 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 (8.2%) for June than Scotland (6.3%) of youth unemployment. Although both have followed a parallel trend in the last two years.

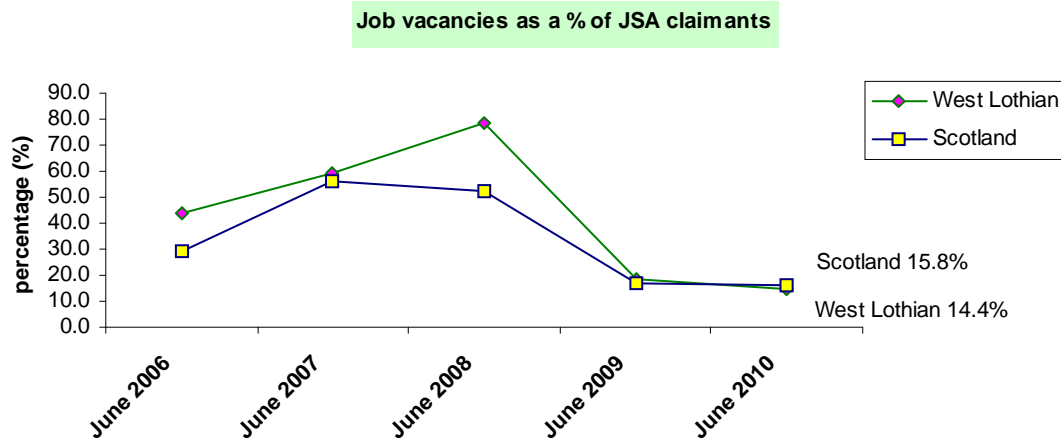


Source: ONS claimant count

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

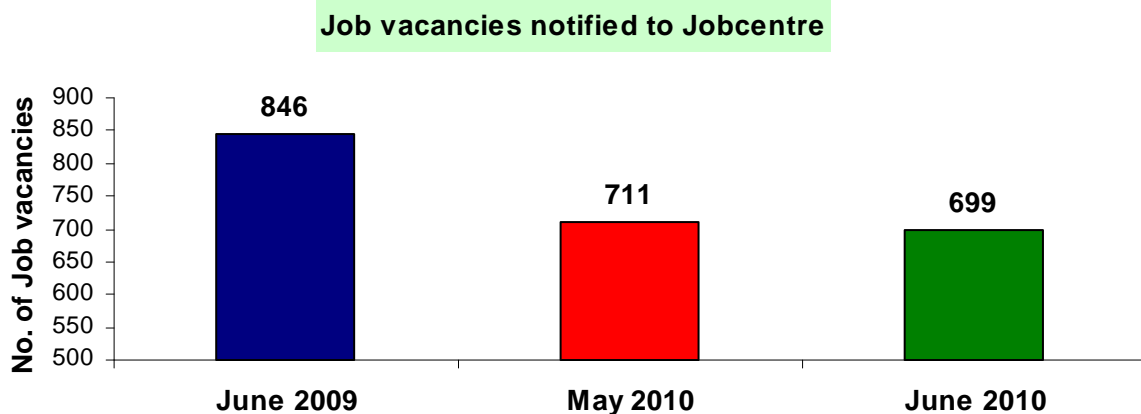
The number and type of Jobcentre Plus vacancies also provide a snapshot of the local labour market. It is estimated that Jobcentre Plus vacancies account for about a third of all available employment opportunities. In West Lothian the most common type of vacancies tend to reflect the main employment 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 June 2010 stands at 14.4% and Scotland's at 15.8%. 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 June is 699. This is a net decrease of 12 vacancies on the previous month.



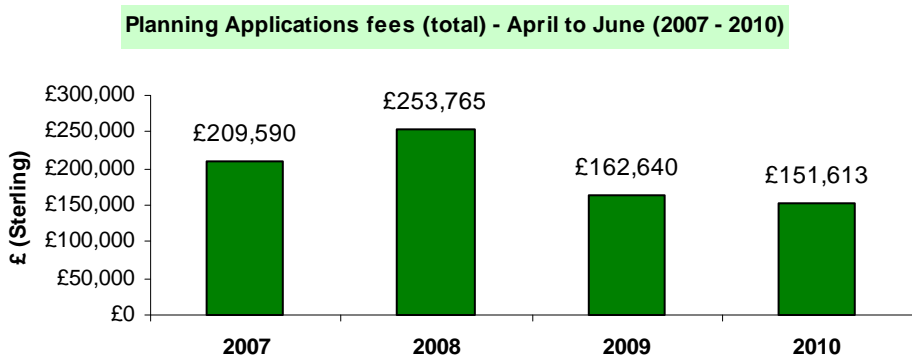
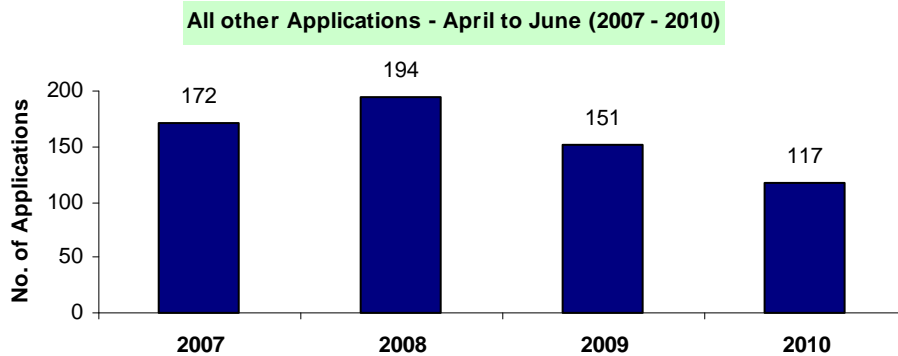
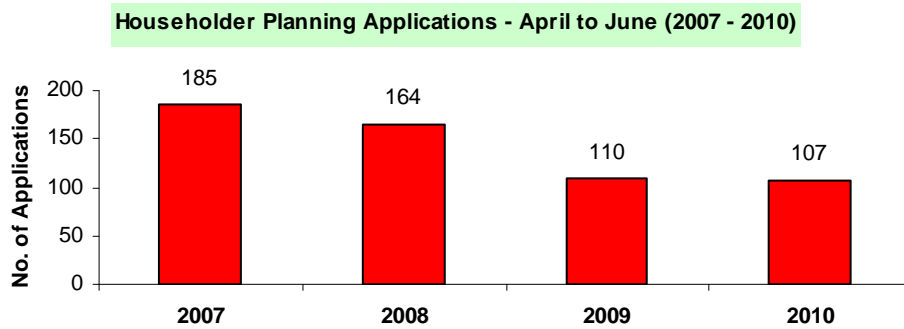
Source: Jobcentre Plus vacancies

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.

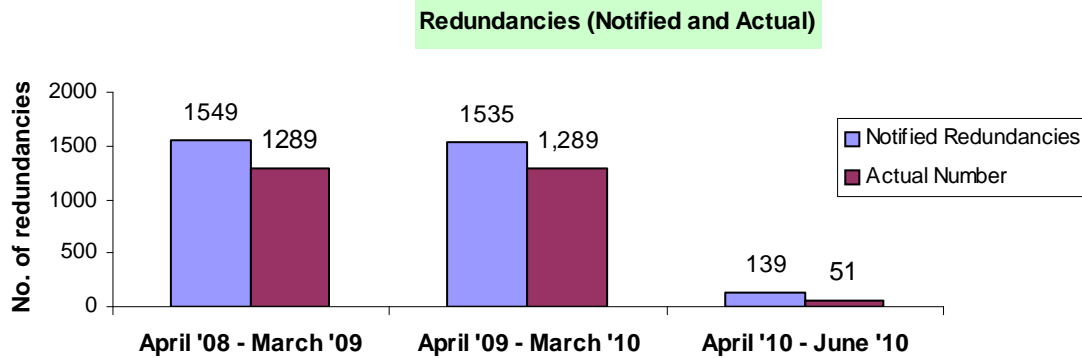
Because there is seasonal variance in development applications, the charts below focus on change over the period April to June for the last three years. Both types of applications have fallen since 2008, although appear to be levelling off in the last year. This trend is reflected in the application 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 three months of the new financial year (2010/2011) there were 139 notified redundancies of which there were 51 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

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 July 2010 (latest information available) and July 2009.

Shop unit occupancy comparing July 2010 and July 2009 - expressed as percentage of total town centre shop units				
Town Centre	July 2010 (%)		July 2009 (%)	
	Overall occupancy	Charity shops	Overall occupancy	Charity shops
Armadale	95.5	0.0	91.2	0.0
Bathgate	92.1	2.9	93.0	3.3
Broxburn	91.8	0.6	85.8	0.6
Linlithgow	98.0	2.0	95.3	2.0
Whitburn	85.3	1.7	87.8	1.7
Almondvale	88.4	0.6	87.1	0.6

Source: West Lothian Council, July 2010

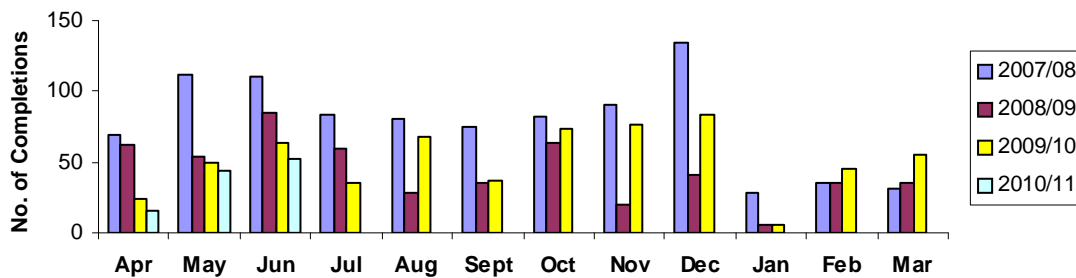
Four towncentres have increased their overall shop occupancy in relation to this time last year. Only Bathgate and Whitburn experienced a decrease in shop occupancy in July 2010 when compared to their own benchmark figure for the same month in 2009.

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. Comparing monthly house completions over the financial years 2007/08, 2008/09, 2009/10 and 2010/11, numbers have been smaller during 2008/09 compared to the previous period up until January 2009 - when notably there were only five, the lowest number of completions since records began in April 2006. However, monthly completions have rallied to an extent since February 2009. Indeed in March 2009, the number of completions exceeded the previous March by five.

Encouragingly, in the last seven months of the previous financial year (2009/10) the number of house completions has exceeded that of the same period in the previous financial year. For example, there were 84 completions in December 2009 compared with 41 the previous December. In context, however, the previous financial year experienced the onset of recession.

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



Source: West Lothian Council, July 2010

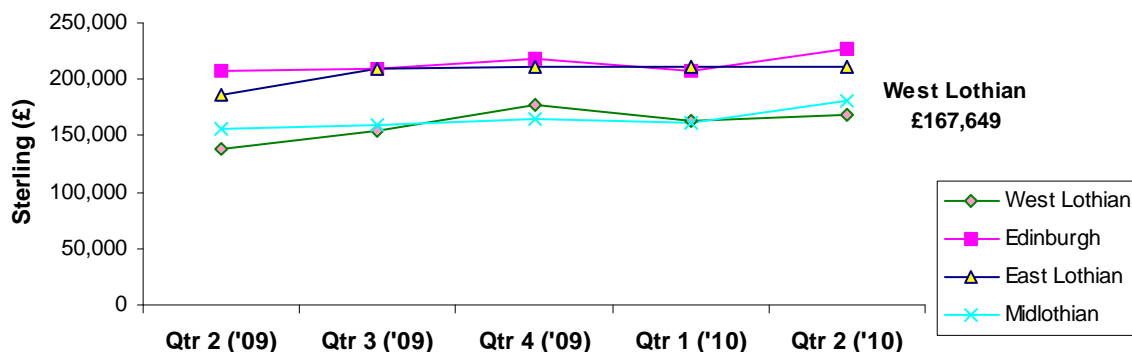
House Prices

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	5.2%	8.7%	5.4:1
Edinburgh, City of	3.3%	4.3%	4.7:1
Falkirk	4.3%	7.3%	7.3:1
Fife	4.4%	6.5%	7.4:1
Midlothian	3.7%	7.0%	7.4:1
North Lanarkshire	5.6%	9.0%	8.3:1
South Lanarkshire	4.5%	7.2%	5.8:1
West Lothian	4.5%	8.2%	6.9:1
Scotland	4.1%	6.3%	6.3:1
Great Britain	3.8%	5.4%	4.2:1

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 (6.9:1) 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	Area covered by ward	Male JSA claimants	Female JSA claimants	Total JSA claimants	
		number	number	number	rate
Armadale Central	Armadale	166	66	232	8.6
Craigshill	Livingston	196	62	258	8.4
Boghall	Bathgate	133	55	188	7.5
Polkemmet	Whitburn	150	60	210	7.4
Blackburn	Blackburn	166	53	219	6.7
Ladywell	Livingston	162	42	204	6.5
Croftmalloch	Whitburn	135	56	191	6.3
Newland	Bathgate	119	51	170	6.2
Durhamtoun	Bathgate	106	42	148	6.1
Almond	Whitburn, East Whitburn	130	43	173	5.9
Dedridge	Livingston	149	58	207	5.9
Armadale West	Armadale and Blackridge	154	35	189	5.8
Breich Valley	Stoneyburn, Addiewell and Longridge	145	43	188	5.6
Fauldhouse	Fauldhouse, Breich	123	53	176	5.5
Limefield	West Calder	108	41	149	5.0
Deans	Livingston	111	59	170	4.8
Howden	Livingston	128	39	167	4.6
Easton	Bathgate/Armadale	90	39	129	4.4
Middleton	Broxburn	104	27	131	4.4
Houstoun	Uphall, Pumpherston	98	31	129	4.3
Strathbrock	Broxburn	86	41	127	4.3
Knightsridge	Livingston	107	53	160	4.1
Oatridge	Winchburgh and surrounding area	95	29	124	4.1
Carmondean	Livingston	104	36	140	3.8
Linhouse	Kirknewton, Wilkieston	86	31	117	3.5
East Calder	East Calder	67	27	94	2.9
St Michael's	Linlithgow	57	28	85	2.9
Calderwood	Mid Calder	64	22	86	2.6
Kirkton	Livingston	56	29	85	2.4
Preston	Linlithgow	53	24	77	2.0
Murleston	Livingston	48	13	61	1.7
Kingsfield	Linlithgow, Philpstoun	41	18	59	1.6
West Lothian		3,537	1,306	4,843	4.8

Source: ONS claimant count - July 2010

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

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West Lothian
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