West Lothian Economic Recovery and Growth Plan 2020 – 2023

October 2020 Version 2.0



SINCE IT WAS ESTABLISHED IN 2018, THE WORK OF THE JOBS TASK FORCE HAS HELPED FURTHER STRENGTHEN THE WEST LOTHIAN ECONOMY. WHILE THE WORK OF THE JOBS TASK FORCE WAS ALWAYS RECOGNISED AS IMPORTANT, IT IS EVEN MORE SO NOW DUE TO THE IMMEDIATE AND LONG-TERM ECONOMIC IMPACT OF COVID 19.

We have already seen multi-national companies such as Easyjet, British Airways, BP and Rolls Royce announce substantial redundancy plans. We should not underestimate the local impact of some of these decisions.

Many companies will struggle after the immediate public health crisis is over. It is not pessimistic, but instead realistic, to anticipate companies laying-off staff or cease trading. We will use the financial and non-financial resources of the Jobs Task Force partnership to try to mitigate some of the major economic challenges which we will face. The key priorities will be safeguarding local firms to help protect around 1,750 jobs. By doing so, we help protect household income and reduce negative outcomes. In addition to job safeguarding, and we should never lose sight of this, there will continue to be many firms who grow and invest in West Lothian. They will create more high-value jobs, offer supply chain opportunities, invest in Research & Development and pay higher amounts of corporation tax.

THE JOBS TASK FORCE WILL AIM TO HELP CREATE

500
NEW JOBS

The Jobs Task Force partnership will also prioritise support for local people to find new employment or training opportunities. In the new economy, there will be opportunities in sectors which are characterised by progressive practices – they pay higher rates of pay, offer family-friendly hours and offer careers not just a job.

On a broader front, while West Lothian has generally done better than most in headline employment

rates, there remain communities with lower levels of employment and income, We will also focus efforts through the Jobs Task Force on identifying opportunities for our communities.

The modern West Lothian economy has been developed over the past 35 years out of severe adversity. We now have a more diverse range of sectors including life sciences, technology, manufacturing and engineering and these are well-placed to progress during 2021 onwards. Our location advantages from motorways, rail and airport will be of even greater value as investors look for established infrastructure and services.

The Jobs Task Force partnership will play a vital part in the economic recovery of West Lothian. We should look forward with determination and optimism to longer-term, sustainable economic recovery.

Cllr Cathy Muldoon

Executive Councillor –

Development & Transport







#### **West Lothian Jobs Task Force (JTF)**

#### **Economic Recovery and Growth Plan 2020 – 2023**

This is our Partnership plan for collaborative working. The aim is to achieve 2019 levels of employment and GDP by March 2023.

#### **Main activities of JTF**

The work of the team includes the following:

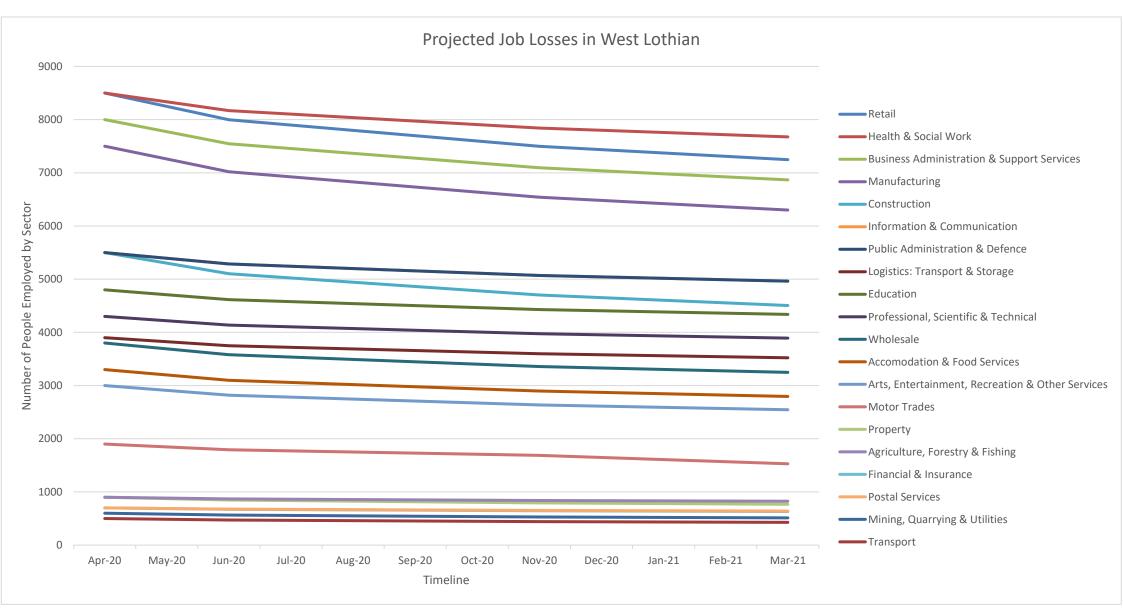
- Safeguarding 1,750 jobs
- Encourage training and upskilling in a further 1,500 jobs
- Help create 500 higher-value jobs
- Enable 40% of council procurement locally
- Share intelligence on current and future labour market issues
- Prioritise inclusive and sustainable economic change

### Key Economic Metrics for West Lothian before/during/after Covid-19

- 1. West Lothian economy worth £4.5 Billion per annum in 2019
- 2. 78,000 jobs @ Feb 2020
- 3. In Nov 2019, unemployment rate at 2.8%, below Scotland and UK averages. Unemployment level for Sept is 6,835 residents. Rate for Sept is 5.8%,
- 4. 20,000 staff furloughed in April 2020, 27,600 staff furloughed in August 2020. 7,900 staff furloughed in Sept
- 5. UC rate 650% higher in April 2020 v April 2019
- 6. 29% council procurement locally @ March 2020 which was worth £67.8M

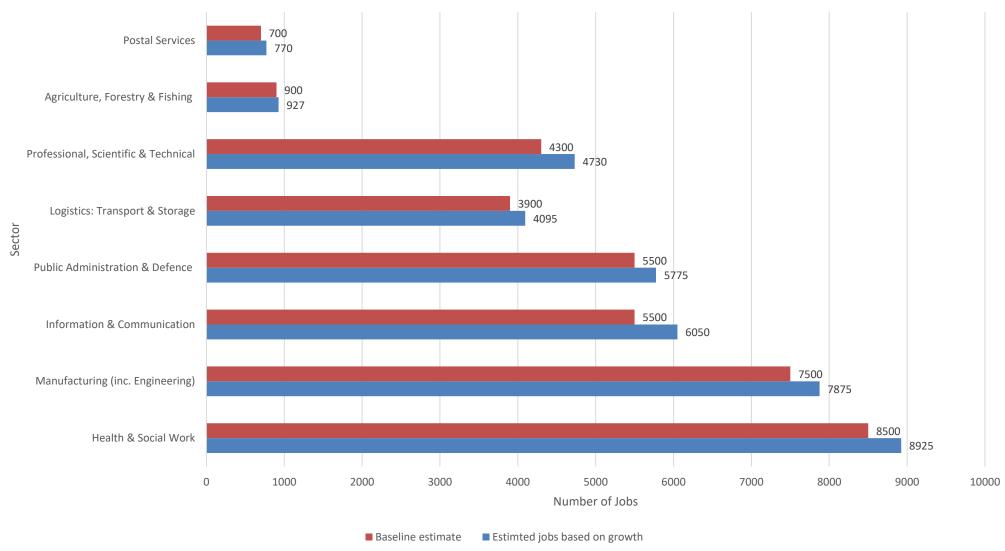
### **COVID-19 West Lothian Sector Job Loss Projections** (Figure table also included in Appendix 1)

Projected Job Losses by Most at Risk Sectors in West Lothian (by estimated % sector contraction).



### **COVID-19 West Lothian Projected Long Term Job Increases by Sector** (Figure table also included in Appendix 2)





### **Key Outcomes**

The Economic Recovery & Growth Action Plan will be characterized by two key outcomes:-

### > The safeguarding of at least 1,750 local jobs

Protect businesses, supply chains, families and communities. Help avoid negative outcomes, including extra pressure on Universal Credit/Rent arrears/other debt. Support will be targeted at those firms with the ability and viability to recover.

### > The creation of at least 500 new, higher-value jobs

Enable those sectors which can recover, grow and prosper to create sustainable and inclusive opportunities for the West Lothian economy and our citizens. Support targeted at firms with the opportunity, ability and credibility to generate jobs.

	WEST LOTHIAN  JOBS TASK FORCE								
What	Why	How	Who	When	Measures of success				
Track economic forecasts through reliable sources	To help monitor local, national and UK economic conditions  To anticipate future economic conditions  To help inform the decisions of the JTF	Bank of England Fraser of Allendar KPMG	Scottish Enterprise  Skills Development Scotland  West Lothian Council	May 2020 onwards	JTF partners have common access to reliable and regular economic forecasts				
Research and interpret sector trends	To help monitor local, national and UK economic conditions  To anticipate future economic conditions	Desk research using published economic data Sharing intelligence with economic	Scottish Enterprise  Skills Development Scotland  West Lothian Council	May 2020 onwards	Collaborative sharing of data and information  Proactive support to local firms — preventing or minimising job losses				

What	Why	How	Who	When	Measures of success
	To get-ahead of challenges where possible  To help inform the decisions of the JTF	partners	Chamber & FSB		
	decisions of the str				
Enable supply chain	Protect supply chain and economic activity	Bring together local firms to	Scottish Enterprise	June 2020 onwards	Supply chain disruption is minimised
development	Protect current jobs	create community and	SMAS		Supply chains are enhanced
	Help create more jobs	mutual benefit	CeeD		Profits and jobs are protected
		Build capacity through access to supply chain expertise	West Lothian Council  FSB and Chamber		New job opportunities in supply chain and logistics
Gather	To help monitor local	Secure access to	Skills Development	June 2020 onwards	Common insight to scale of furlough and
intelligence on Furlough and	economic conditions	HMRC data	Scotland	3411C 2020 011Wal d3	Universal Credit support in West Lothian
Universal Credit rates across West Lothian	Gain perspective on Scotland and UK		Scottish Enterprise  West Lothian Council		Anticipate and prepare response to possible job losses
	conditions and trends				Develop support to protect jobs

What	Why	How	Who	When	Measures of success
	To anticipate future economic conditions				
Increase the level of local procurement by West Lothian Council to 40% per annum	Support local businesses, communities and jobs	Build capacity in local economy so firms can bid for council contracts  Consider the local weighting in procurement assessment  Include consideration of third sector organisations.	West Lothian Council  Supplier  Development  Programme  FSB and Chamber	June 2020 onwards	Build on current level of local procurement which is 29% which is valued at £67.8M  Aim to achieve 40% local procurement by 2022/23, which is valued at £?M
Ensure PACE support is delivered in the most effective way	Minimise the negative impact of job losses on staff  Protect existing jobs	Collaborative working, with strategic agreement on who is	Skills Development Scotland West Lothian Council	May 2020 onwards	Employees who lose their job are directly helped to secure new employment within 3 months.  Contribute to safeguarding 1,750 jobs

What	Why	How	Who	When	Measures of success
	which remain  Provide consistent and quality support to enable employees to achieve their next career goal	responsible for what.  Further, intense collaboration between the enterprise bodies, local government, SDS and education sector; prepare for an increase in demand in the short to medium term.	DWP West Lothian College		Employees who want to retrain are linked to trade, college and university providers
Develop the "Invest In West Lothian" brand	Showcase the current economic strengths of the area Help attract future investment and jobs	Develop a credible and corporate brand which is supported by economic facts and forecasts  Proactively pursue future Foreign Direct Investment opportunities	West Lothian Council Scottish Enterprise West Lothian College	June 2020 onwards	Professionally-developed brand and website  Brand recognition among stakeholders, business community and introducers e.g. property agents

What	Why	How	Who	When	Measures of success
For a summary and	Hala materials	Curant average aut	Chille Development	luna 2020 annuarda	Tasin and constill 4 500 into a direct prout
Encourage and enable training	Help protect jobs	Grant support from SDS, SE and	Skills Development Scotland	June 2020 onwards	Train and upskill 1,500 jobs – direct grant support that we can track and audit
and upskilling for	Enable firms to be more	WL Council	Scotianu		support that we can track and addit
those in work	productive	WE COUITCII	Scottish Enterprise		
and unemployed	productive	Access to the	Scottish Enterprise		
and unemployed	Duild canability for staff		West Lathian Callaga		
	Build capability for staff to move into new	right courses – vocational and	West Lothian College		
	and/or higher-value	academic	West Lothian Council		
	employment	academic	West Lotillan Council		
		Creation of adult			
		apprenticeship			
		opportunities			
		(esp.social care			
		sector and local			
		businesses)			
		Colleges short			
		course provision			
		targeted at			
		furloughed staff			
		and those seeking			
		to retrain.			
		Expanded Flexible			
		Workforce			
		Development			
		Fund (FWDF) to			
		encourage			
		employers to:			
		invest in work-			
		based learning to			

What	Why	How	Who	When	Measures of success
		increase productivity; including small businesses.			
		Seek to secure a Centre for Workplace Transformation in West Lothian.			
		See Logan Review of Scotland's			https://www.gov.scot/binaries/content/do
		technology ecosystem			cuments/govscot/publications/independen t-report/2020/08/scottish-technology- ecosystem-review/documents/scottish- technology-ecosystem-review/scottish- technology-ecosystem- review/govscot%3Adocument/scottish-
					technology-ecosystem-review.pdf
Provision of employability support to all	To ensure all young people leave education to a positive destination	Profiling of all school leavers and their	West Lothian Council Skills Development	June 2020 onwards	All school leavers receive employability support and career guidance on transition
school leavers to ensure they progress onto a	aligned to their career potential	preferred destination on leaving school.	Scotland West Lothian College		Percentage of summer 2020 school leavers progress onto a positive destination
positive destination	To reduce the level of unemployment for young people in West	Profiling to include the identification of	west totiliali college		Uptake of supportive interventions e.g. UK Government 'Kick Start' and The Young Persons Guarantee.

What	Why	How	Who	When	Measures of success
	Lothian	those at risk of			
		progressing to a			
		negative			
		destination			
		Targeted			
		employability			
		interventions for			
		all young people			
		who do not have			
		secured			
		destination on			
		leaving school			
		Creation and			
		delivery of a wide			
		range of modern			
		apprenticeships			
		including trade			
		and non-trade			
		apprenticeships			
		within council			
		Service areas.			
		Encourage			
		businesses in			
		West Lothian to			
		employ			
		apprentices.			
		Scottish			
		Guarantee:			

What	Why	How	Who	When	Measures of success
		businesses work			
		in partnership			
		with local			
		authorities and			
		other agencies,			
		offering secure			
		employment to			
		16-25 year olds,			
		paid at the Living			
		Wage. Access to			
		training, apprenticeships			
		with possibility of			
		progression.			
		ргодгеззют.			
		UK Kickstart			
		Scheme to create			
		high quality 6-			
		month work			
		placements			
		aimed at 16-24			
		on Universal			
		Credit and			
		deemed to be at			
		risk of long-term			
		unemployment.			

Identify new	To ensure that local	The council	West Lothian Council	August onwards	Development of new infrastructure
Infrastructure	viable housing and	should continue			projects, and continued support of existing
projects for West	infrastructure projects	to engage with	UK Government		projects.
Lothian,	do not decline as a	Scottish			
supported by	result of a lack of	Government, and	Scottish Government		Awarded funding through capital
capital	available capital. It	to apply for any			investment streams.
investment	could also include	available	Scottish National		
funding from UK	investment in the	government	Investment Bank		
and Scottish	provision of education,	funding that will			
Government.	and in the support of	support			
	community-led projects.	infrastructure			
		delivery and			
		economic			
		recovery.			
		Identify key			
		infrastructure			
		projects for mid			
		to long term			
		development. Tie			
		in with Green			
		Investments and			
		revised / relaxed			
		Planning and			
		Regulation			
		frameworks.			
Curan	The concention Office	The account 17	Mark Lathie Co	A	The courself Climate Change States
Green	The emerging Climate	The council's	West Lothian Council	August onwards	The council's Climate Change Strategy and
Investments	Change Strategy needs	Climate Change	Community Bloom		Carbon Management Plan, and associated
(including	to recognise challenges	Strategy / Carbon	Community Planning		action plans.
Natural Capital)	and opportunities	Management	Partnership		CDD Climata Characa Astica Disc
	presented by COVID-19	Plan are to be			CPP Climate Change Action Plan.
	and the aftermath of	reviewed. Actions			
	the pandemic in terms	necessary to			
	of carbon reduction.	progress both are			
		laid out.			

	To develop a working partnership approach to achieving net zero carbon; improved engagement with communities, business and third sector to enable them to take a leadership role; nature-based solutions, carbon off-setting and energy generation.	Ensure that economic growth is progressed in most sustainable way possible.  Opportunities for green investment are maximised.  Work with Community Planning Partnership through the Climate Change Action Plan to build sustainable, nature rich, net zero carbon community.  Protect, restore and enhance natural capital in West Lothian.			
Sector Engagement	Care Sector - wide ranging measures will be required to reevaluate the recruitment, retention	Creation of adult apprenticeship opportunities within social care introduced in	West Lothian Council Voluntary Sector Gateway West Lothian	August onwards	Voluntary Organisations budget and process review for 2021/22 funding (with revised approach).  Participatory Budgeting.

and pay	of its 2020/21 to		
workfor	rce. support the	Community Planning	Support funding which can be tracked.
	recruitment ar	nd Partnership	
	retention		Training and upskill programmes –
	challenges with	n Social care sector	motoring uptake of modern apprenticeship
	the sector loca	lly.	and third sector training.
		West Lothian College	
Third Se	ector - has Voluntary Sect	or	
demons	strated the Gateway West		
ability to	o both deliver Lothian (VSGW		
vital ser	vices and working closely	y	
training	to further with the counc		
_	e capacity in the Harness and bu	uild	
commu	nity. There is a on increased		
large ro	le for the third number of		
sector ii	n delivering volunteers in		
commu	nity support community.		
services	and demand is Continue to wo	ork	
likely to	increase going with VSGWL to	)	
forward	develop the		
	directory of		
	community		
	support/resou	rce	
	hub.		
	Scenario plann	ing	
	document to h	elp	
	third sector		
	organisations		
	plan for the		
	future. Conside	er	
	resilience and		
	sustainability o	of	
	third sector: fo	r	
	capacity and		
	funding. Suppo	ort	
	third sector		

		moving forward as current funding ends.  Participatory Budgeting to ensure communities have a say in services being funded in their communities.			
People, Place and Community – Place based solutions creating Community Wealth.	Place-making through Planning. A wider place- making approach to ensure we are building sustainable places focused on community needs.  Creation of Community Wealth, using Centre for Local Economic Strategies (CLES) model:  build on current levels of local procurement  financial investment working for local places  fair employment and just labour markets  socially productive use of land and property	A collaborative, participative approach to services, land and buildings, looking at how places are designed e.g. access to local jobs, access to cheap and reliable public transport, how local services and facilities are accessed, adapt to climate change.  Investigate ways in which local communities can have a say in decisions that	West Lothian Council Community Planning Partnership West Lothian Health & Social Care Partnership West Lothian College Voluntary Sector Gateway West Lothian	August onwards	CPP's draft new Local Outcomes Improvement Plan. One of the three key focus areas is 'Sustainable Places' which includes actions around ensuring affordable housing, tackling homelessness, developing and implementing place- making approaches.  The draft LOIP outcome: "West Lothian delivers sustainable, inclusive and diverse economic growth enabling businesses to create good quality jobs that everyone can access", recognising the need for inclusive, sustainable growth.

affect them.
Use of 'Anchor
Institutions'
approach to
secure local
employment,
procurement,
land use
(housing/green
spaces),
environmental
sustainability,
partnership.

What	Why	How	Who	When	Measures of success
Safeguard current jobs	Protect businesses, supply chains, families and communities  Avoid negative outcomes, including extra pressure on Universal Credit/Rent arrears/other debt	Grant support from WL Council and Scottish Enterprise.  Targeted at those firms with the ability and viability to recover	West Lothian Council Scottish Enterprise	May 2020 onwards	Contribute to safeguarding 1,750 jobs – direct grant support that we can track and audit
Create 500 new higher-value jobs, particularly in life sciences, technology, manufacturing and engineering	Enable those sectors which can recover, grow and prosper to create sustainable opportunities for the WL economy and citizens	Grant support from WL Council and Scottish Enterprise.  Targeted at firms with the opportunity, ability and credibility to generate jobs	Scottish Enterprise West Lothian Council	June 2020 onwards	Create 500 new higher-value, progressive jobs in key sectors.  These posts are characterised by salary levels of circa £30,000, require academic/professional qualifications and are progressive in terms of career development.
		See Advisory Group on Economic Recovery aka Higgins report			https://www.gov.scot/publications/toward s-robust-resilient-wellbeing-economy- scotland-report-advisory-group-economic- recovery

What	Why	How	Who	When	Measures of success			
	"Create high-value, skilled jobs"	See Enterprise Skills Review			http://www.gov.scot/binaries/content/doc uments/govscot/publications/strategy- plan/2020/07/report-enterprise-skills- strategic-board-sub-group-measures- mitigate-labour-market-impacts-covid- 19/documents/report-enterprise-skills- strategic-board-sub-group-measures- mitigate-labour-market-impacts-covid- 19/report-enterprise-skills-strategic-board- sub-group-measures-mitigate-labour- market-impacts-covid- 19/govscot%3Adocument/report- enterprise-skills-strategic-board-sub- group-measures-mitigate-labour-market- impacts-covid-19.pdf			
		See 27 October launch of the Scottish Government's Inward Investment Strategy						

<u>Appendix 1</u>
Projected Job Losses by Most at Risk Sectors in West Lothian (by est % sector contraction)

Industry			Estimated job losses					
	Baseline estimate of jobs per sector	Proportion of WL workforce	% Contraction weighting	June 2020	Nov 2020	March 2021	Total	
Estimated jobs	78,000			74,000	70,000	68,000		
Potential job loss				4,000	4,000	2,000	10,000	
Retail	8,500	10.9%	15.0%	501	501	251	1,254	
Health and social work	8,500	10.9%		330	330	165	825	
Business administration & support services	8,000	10.3%	10.0%	453	453	227	1,133	
Manufacturing	7,500	9.6%	25.0%	480	480	240	1,200	
Construction	5,500	7.1%	40.0%	398	398	199	994	
Information & communication	5,500	7.1%		215	215	107	537	
Public administration & defence Logistics: Transport	5,500	7.1%		215	215	107	537	
(freight) & Storage (warehousing)	3,900	5.0%		151	151	76	378	
Education	4,800	6.1%		185	185	92	461	
Professional, scientific & technical	4,300	5.4%		163	163	82	409	
Wholesale	3,800	4.8%	15.0%	221	221	110	552	
Accommodation & food services	3,300	4.2%	20.0%	202	202	101	504	
Arts, entertainment, recreation & other services	3,000	3.8%	20.0%	182	182	91	456	
Motor trades	1,900	2.4%	10.0%	106	106	53	264	
Property	900	1.2%	10.0%	53	53	26	132	
Agriculture, forestry & fishing	900	1.1%		30	30	15	76	
Financial & insurance	700	0.9%		27	27	14	68	
Postal services (inc courier)	700	0.8%		24	24	12	61	
Mining, quarrying & utilities	600	0.8%	10.0%	35	35	18	88	
Transport (passenger)	500	0.6%	20.0%	29	29	14	72	
Total	77,800	100.0%		4,000	4,000	2,000	10,000	

**Note**: Employment figures are rounded to the nearest 100. Total employment figure stated is not sum total of rounded figures provided for each sector. These figures exclude farm-based agriculture. Risk sector job loss figures are weighted by estimated % contraction. Non risk job loss figures are weighted downwards to reach total est 10,000 job loss. Estimates based on: NOMIS Unemployment claimant counts, ONS Business Register and Employment Survey (BRES) 2018, Expected sector impact by KPMG and Fraser of Allander Institute.

<u>Appendix 2</u>
Projected long term job increases by sector in West Lothian

Industry				
	Baseline estimate of jobs per sector	proportion of WL workforce	Potential % growth	Est jobs based on growth
Retail	8,500	10.9%		
Health and social work	8,500	10.9%	5%	425
Business administration & support services	8,000	10.3%		
Manufacturing (inc engineering)	7,500	9.6%	5%	375
Construction	5,500	7.1%		
Information & communication	5,500	7.1%	10%	550
Public administration & defence	5,500	7.1%	5%	275
Transport (passenger)	500	0.6%		
Postal services (inc courier)	700	0.8%	10%	70
Logistics: Freight Transport & Storage (warehousing)	3,900	5.0%	10%	195
Education	4,800	6.1%		
Professional, scientific & technical	4,300	5.4%	10%	430
Wholesale	3,800	4.8%		
Accommodation & food services	3,300	4.2%		
Arts, entertainment, recreation & other services	3,000	3.8%		
Motor trades	1,900	2.4%		
Property	900	1.2%		
Agriculture, forestry & fishing	900	1.1%	3%	27
Financial & insurance	700	0.9%		
Mining, quarrying & utilities	600	0.8%		
Total	78,300	100.0%		2,347

**Note**: Employment figures are rounded to the nearest 100. Total employment figure stated is not sum total of rounded figures provided for each sector. These figures exclude farm-based agriculture. Estimates based on: ONS Business Register and Employment Survey (BRES) 2018, Expected sector impact by KPMG and Fraser of Allander Institute.

<u>Appendix 3</u>
Projected Unemployment Rate Increase in West Lothian

