

West Lothian Economic Investment Plan 2025 - 2035

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Foreword



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Depute Leader of the Council

I'm delighted to have the opportunity to provide the foreword to West Lothian's Economic Investment Plan (EIP) 2025-2035.

The EIP provides a framework to enable partners to maximise the economic competitiveness of West Lothian and its contribution to the regional and national economies. Over the forthcoming decade, West Lothian is expected to undergo profound transformations, presenting unique and remarkable opportunities for residents, businesses, and stakeholders alike. Ensuring West Lothian has a strong EIP is imperative to capitalise on the arising opportunities and addressing current and future challenges to help support the economy as it transitions to a thriving and inclusive place where people want to work, live, and invest.

A major change since the previous economic strategy for West Lothian has been the development of City Region Growth Deals, including Edinburgh and South East Scotland City Region Deal in which West Lothian Council is a partner. The City Region has many strengths upon which to build - a growing population, a strong and diverse economy which delivers approximately 30% of Scotland's total economic output, and world class educational institutions and cultural programmes.

West Lothian has benefited in several ways from the City Region Deal. It has supported the council's delivery of two new secondary schools at Winchburgh as well as thematic projects including significant investment in up-skilling the local workforce. Looking beyond the current deal, the partnership is focused on securing on-going investment in the region to improve connectivity and spread the benefits of tourism as well as continuing to deliver against the priorities set out in the deal itself.

Tackling poverty and inequalities has long been a policy priority, made more urgent by recent economic shocks. West Lothian performs well against several socio-economic indicators, however, there are underlying issues with poverty and deprivation, in particular in-work poverty, economic inactivity, and child poverty. And it is recognised that work is the best route out of poverty.

While some enabling factors are outside the direct control and influence of West Lothian Council, the extent to which they can help reduce socio-economic inequalities is clear – we will use the levers within our control to best effect long-term change. We will collaborate with other agencies and stakeholders where appropriate to help address these challenges.

It is my sincere belief that the population of West Lothian in 2035 will be more qualified and more highly skilled, enabling individuals to gain better employment, and that businesses and organisations across West Lothian will be thriving. As part of the Edinburgh and South East Scotland City region, West Lothian will offer an attractive and distinctive alternative to city centre living, adding to the wider regional offer.

In conclusion, the EIP serves as a live document, subject to regular review and refinement in response to shifting economic conditions, changes in funding availability, and evolving national and regional policy alignment. If deployed effectively, the plan will serve as a catalyst for unlocking future opportunities.

1 Introduction

Purpose of the Economic Investment Plan

This Economic Investment Plan (EIP) sets out a refreshed strategic framework for the future growth of West Lothian's economy. It identifies a range of investment priorities within four broad themes, comprising:

- skills and employment.
- enterprise growth and resilience.
- enablers of growth.
- transition to net zero.

The previous economic strategy for West Lothian covered the period 2010 to 2020. Since then, there have been several major changes to the economic and social context, including the COVID-19 pandemic, with West Lothian Council's successor Economic Recovery Plan expiring in 2023.

Economic circumstances continue to change at pace - this presents both challenge and opportunity for West Lothian today, and for the West Lothian of the future. This plan will be used by West Lothian Council and our partners to direct investment on priorities that will both grow West Lothian's economy and make it inclusive, while supporting our commitment to becoming net zero by 2045.

Our role will be to facilitate and support the economic transformation of the West Lothian economy and the EIP will support our continued dialogue with our partners and help to focus our investment over the next ten years where it can have greatest impact.

We cannot support the continued economic transformation of West Lothian alone. Partnership and collaboration have long been core to the council's approach to economic development. We will continue to explore ways of doing things differently, increasing collaboration in economic development with our local, regional, and national partners to ensure all our people, businesses, and communities are resilient and thrive.

Developing the EIP

This EIP has been developed through a process of research and consultation, including analysis of the local economy and consultation within West Lothian Council and across local, regional, and national partners and stakeholders, including a survey of businesses and third sector organisations. A supporting document contains the wider evidence base which has informed the development of this West Lothian EIP.

2 A changing external context

Introduction

The years since the previous economic strategy was developed have seen unprecedented turbulence and uncertainty, creating significant economic and societal changes. The UK's exit from the European Union, the COVID-19 pandemic, and the subsequent cost of living crisis have profoundly affected communities and businesses across the UK, and the ongoing conflict in Ukraine and changes in US trade policy continue to create global economic uncertainty. While these and other challenges remain, West Lothian has strong foundations on which to build.

Through dedicated effort and strong partnerships, West Lothian has moved on from its industrial past to re-emerge as a progressive and diverse place for people to live and work. However, in this unpredictable and rapidly evolving context, we can neither stand still nor rely on past successes. West Lothian must continue to adapt and respond to current and future economic opportunities over the next ten years.

To build on progress already made and support growth of the West Lothian economy it is vital that the West Lothian EIP is firmly set within the range of external factors and wider economic issues which have:

- led to ongoing economic uncertainty and challenge over recent years.
- widened the inequality gap in our communities.
- constrained business investment and growth in West Lothian.
- affected consumer income, behaviour, and spending habits.

The UK's exit from the European Union

Exit from the European Union continues to impact businesses and communities in West Lothian in various ways. In particular, businesses have had to navigate new arrangements for international trade and have been dealing with disruption to supply chains and labour, not least the loss of access to migrant labour.

West Lothian has also benefited significantly from EU Structural Funds over the years. While new funding mechanisms have replaced European funding (for example, Levelling Up Fund, Shared Prosperity Fund) the change of UK Government in July 2024 has created some uncertainty around the future of these funding programmes.

Similarly, the upcoming Scottish election planned for May 2026 may create further uncertainty for various economic development activities in West Lothian, including our employability support.

COVID-19 recovery

Like other areas, West Lothian is continuing to recover from the pandemic which impacted on our economy and labour market. While our economy fared better than some other parts of Scotland, the economic and social effects are still being felt in our communities and by our businesses and organisations.

While West Lothian has low unemployment, the unemployment rate increased during the pandemic with a disproportionate impact on our young people who were often employed in hard hit sectors like hospitality, leisure, and retail.

The pandemic also contributed to a rise in the number of economically inactive people in West Lothian, with long-term sickness on the increase in recent years. The pandemic brought into sharp focus the role of physical and mental health in labour market participation, with mental health issues becoming increasingly important in affecting an individual's ability to look for and sustain employment.

The pandemic has exacerbated existing health, education, and economic inequalities in West Lothian and exposed the vulnerability of some population groups to adverse shocks, including those on low incomes in West Lothian, those who are unemployed, those who are unable to work, those living in deprived areas, and people with protected characteristics.

The diversity of the West Lothian economy was an important factor in our area's overall resilience during this time. While consumer facing businesses were particularly negatively impacted by the restrictions and economic uncertainty, there is strength in our mix of large and small businesses in key sectors including life sciences, engineering, construction, food and drink, aerospace, retail, software development, renewables, advanced manufacturing, health, communications, support services and logistics.

The third sector also makes a vital contribution to the West Lothian economy and has been instrumental in supporting the recovery from the pandemic, including through skills and employability support.

However, the number of third sector organisations in West Lothian has reduced and the sector faces continued pressures around funding and income, fair work, staff and volunteer recruitment and retention, and increasing demand for services.

Inflation, the cost of living, and cost of doing business crises

The cost of living remains a key issue for our residents and businesses – both are having to make difficult choices, despite inflation easing, and need continued targeted support to weather the highly uncertain and challenging financial position they currently find themselves in.

Households in West Lothian have experienced an increase in food shopping, fuel, energy, and other household bills and a fall in their disposable income since late 2021. Low income households have been most affected, and local food banks have experienced increased demand. More people living in West Lothian, including many children, are now being pulled into poverty. There is a need for renewed focus on improving the living standards and economic security of lower-income households.

The deepening cost of living crisis and inflationary pressures have also affected businesses in West Lothian. The squeeze on consumer spending, alongside higher inflation in recent years, has put businesses, in particular our smaller businesses, under intense pressure. The challenge here is to balance recovery with the need to continue to invest in the areas that will drive growth such as workforce development, recruitment, and the journey to net zero.

Changing international trade environment

Geopolitical uncertainty impacts on markets and companies and affects both international trade and inward investment. Ongoing global tensions around the war in Ukraine coupled with changes in US trade policy have created a highly uncertain global economic environment with knock on effects on exports and imports, supply chains, investment markets (including pension funds) and fiscal and monetary policy. While issues such as these can seem remote, they do and will continue to impact businesses and people in West Lothian, requiring ongoing adaptation and flexibility.

Constraints on public finance

West Lothian Council and our partners in the public and third sector are facing increasing pressure on financial resources, with the amount of funding available for local government to spend on local priorities reducing. Over the years an increasing proportion of our funding from the Scottish Government has been ring-fenced or provided with the expectation that it will be spent on specific services and national policy objectives (for example, child poverty, climate change).

Increased demand for services, inflation, and the cost of living crisis are placing intense pressure on our resources. As a council we continue to look at ways to make efficiency savings and transform services – this is resulting in difficult decisions to help ensure financially sustainable service provision over the long-term. Our financial outlook, however, remains extremely challenging.

Climate change

Efforts continue to accelerate the response to the climate emergency and to meet Scotland's ambitions for a 'just transition' to net zero by 2045. It is an urgent and pressing issue. This presents both challenge and opportunity for West Lothian as we aim to achieve a net-zero position by 2045 at the latest, with interim targets set along the way.

All businesses in West Lothian, regardless of size, will require to play their part in reducing their carbon footprint over coming years as well as develop goods, services and operations that are cleaner and greener. Not only will action on several fronts help our businesses make savings on energy and fuel bills this will also help attract more investment, customers, and staff who value environmental sustainability, climate action, and green credentials – thereby creating a competitive edge. Importantly there will be opportunities to create new jobs, businesses, goods and services in the green economy – and for our people to develop the green skills required to make this happen.

Disruptive technology

Automation and artificial intelligence (AI) continue to transform businesses and create opportunities for growth through productivity improvements and new markets. These, and other emerging technologies, will continue to transform the nature of work and the workplace – some job roles will decline, other occupations will grow, and many more will change as a result. The pace of technological change is fast and the skills that people in West Lothian will need to enter and progress in work will also continue to change.

What this means for the West Lothian EIP

These external drivers create both opportunities and challenges and the West Lothian EIP will seek to capitalise on the former while mitigating the latter. This means:

- ensuring that all our businesses and organisations, regardless of size or sector, have access to the support they need to adapt to key issues, address challenges, and take advantage of opportunities to increase business productivity and economic prosperity.
- encouraging the creation of more jobs in our high tech, high skill, high productivity sectors.
- encouraging greater investment, internationalisation, and innovation, along with adaptation in a fast changing environment.
- supporting all sectors of our economy to act now on net zero ambitions.

It will also mean reducing poverty, which remains a clear priority for West Lothian Council and our partners. Our focus over coming years will remain firmly on reducing the widening inequalities resulting from the pandemic and cost of living crisis.

We will achieve this by:

- investing in jobs and skills to improve employability outcomes.
- creating opportunities for more people to participate in good quality work in West Lothian.
- working with our partners, including across the Edinburgh and South East Scotland City Region, to remove the barriers disadvantaged groups face in looking for, getting, and sustaining employment.
- supporting our current and future workforce to continuously develop new skills and be capable of adapting to technological change to remain competitive in the labour market.
- helping our current and future West Lothian workforce take advantage of the jobs, skills and opportunities arising from the just transition, be that support to access training and short courses, to learn new net zero skills, and to find a green job or career.

3 A shifting policy agenda

Introduction

Promoting the sustainable economic development and transformation of the West Lothian economy needs to be clearly positioned within the shifting policy agenda that the EIP will be delivered. Unsurprisingly, plans and strategies at a local, regional, and national level are framed in the context both of the need for economic recovery following the pandemic and its impact on people, businesses, and communities, and on an environment of increasing global uncertainty. They are also firmly set within the context of a range of the external factors discussed in the previous chapter.

Sustainable and inclusive growth

Sustainable and inclusive growth remains a central policy objective – boosting economic performance of local, regional, and national economies in competitiveness, productivity, and innovation terms. Alongside this agenda, increasing emphasis has been placed on:

- promoting economic opportunity and delivering economic prosperity for all people and places fairly and equally.
- ensuring both greater economic and social inclusion.
- promoting economic growth that protects the environment and nature.

Wellbeing economy

Creating a wellbeing economy is a central pillar from a policy perspective – a wellbeing economy also places people and planet at the heart of our economy. This has never been more important in West Lothian as we tackle the cost of living and climate crises. Rather than treating economic growth as an end in and of itself, our focus on a wellbeing economy for West Lothian recognises that our economy depends on the environment, and we must work within planetary boundaries.

Tackling poverty and inequalities

Tackling poverty and inequalities has long been a policy priority made more urgent by recent economic shocks.

While a range of economic factors can impact the lives and finances of people it is also recognised that some people in West Lothian are more at risk of being in poverty than others – for example, unpaid carers, disabled people, young people, minority ethnic people, some families.

West Lothian performs well against several socio-economic indicators, however, there are underlying issues with poverty and deprivation, in particular in-work poverty, economic inactivity, and child poverty. And we know that work is the best route out of poverty.

Economic development is viewed within a much broader context

Factors such as childcare, education, housing, and transport all play a critical enabling role in supporting economic development and reducing poverty (including child poverty) and inequality.

Education, from early years, through to further and higher education, plays an important role in a person's employment and labour market prospects and outcomes. People with higher qualifications are more likely to be in employment and develop the skills to progress to more fulfilling, secure, well paid, and fair work.

Transport also supports employment, training, and education outcomes - poor public transport within West Lothian can be a barrier to accessing these opportunities for some of our citizens.

Increasing the accessibility, availability and affordability of childcare can also enable parents and carers, and in particular women to enter, return to, or remain in the workforce in West Lothian.

Increasing access to affordable housing in West Lothian will be another important consideration – quality jobs and fair work alone will not achieve inclusive growth in West Lothian if there is not sufficient affordable housing for those on low to middle incomes close to available local employment opportunities. The most recent annual [Housing Land Audit](#) (2024) outlines planned land supply suitable for 12,609 new houses between 2024-2025 to 2033-2034 (including in Livingston, Winchburgh, Whitburn, East Calder, and Dechmont). The improvement of public transport provision may also help to unlock housing development opportunities in West Lothian.

Getting these enabling conditions right can significantly improve the chances of addressing our challenges and achieving growth while supporting the people of West Lothian to improve their life chances, quality of life, and health and wellbeing.

Place-based approaches

Place-based approaches seek to promote a shared understanding of place – encouraging a more collaborative approach to a place’s services and assets to achieve better outcomes for people and communities. It recognises that local flexibility to respond to the needs and circumstances of local areas is key to improving outcomes. Such an approach in West Lothian is critical to supporting wider policy priorities, including Community Wealth Building (CWB) and 20-minute neighbourhoods.

What has City Deal done for West Lothian

West Lothian Council is a partner in the Edinburgh and South East Scotland City Region Deal. The deal is a partnership covering the UK and Scottish governments, the six local authorities in South East Scotland, the further education sector, the business community and the third sector and is progressing £1.6 billion of investment to deliver sustainable economic growth in the region.

One of the first projects secured through the deal was a risk sharing agreement to support the council’s delivery of two new secondary schools at Winchburgh. Winchburgh is one of the seven strategic housing sites identified in the deal. This agreement opened up over £1 billion of investment in 3,500 new houses, 25ha of prime economic development land, a new town centre, motorway junction and remediation of a former landfill site. The council and partners continue to seek funding for a new railway station at Winchburgh through the City Region Deal.

West Lothian has also benefited directly from a number of thematic projects progressed through the deal including significant investment in up-skilling the local workforce. This has the dual benefit of better access to work for West Lothian residents but also ensuring that local business have access to the skilled workforce they need. The work in skills operates to complement the council’s own activity on skills and access2employment.

The deal has seen significant investment in the further education sector including the National Robotarium at Heriot-Watt University - a recognised Centre of excellence for Robotics and AI, the Bayes Centre which is a multi-disciplinary collaborative hub for researchers in data science and AI across the University of Edinburgh, and the Usher Institute which aims to offer unprecedented opportunities to transform approaches to the prevention, diagnosis and treatment of disease, and to drive innovation in delivery of efficient and effective health and social care. While these projects are located outside West Lothian, they are designed to deliver significant benefit to residents and businesses located in the area.

Fair Work

We want West Lothian to be a fair work economy to help drive wellbeing and prosperity for our residents, businesses, and organisations. We want more people in West Lothian to earn at least the Real Living Wage and our employers to strengthen their approach to progressive fair work practices. This will drive even higher rates of employment, wages and salaries, improve life chances, and reduce child poverty in West Lothian.

Just transition to net zero

West Lothian has made a commitment to achieving net zero by 2045, and our communities, businesses and organisations can support these goals. Efforts to build a strong green economy that attracts investment, sustains skills, and creates jobs will also be key.

UK Industrial Strategy

[Invest 2035](#) is the UK Government's new industrial strategy. The strategy aims to support industries of strategic importance, which it needs to retain, such as defence, and those that offer the best hopes for growth and jobs. It is focussed on tackling barriers to growth in the UK's highest potential growth-driving sectors and places, creating the right conditions for increased investment, high-quality jobs and ensuring tangible impact in communities. West Lothian's strengths in areas such as life sciences and advanced manufacturing and emerging opportunities in digital tech (for example, data centres and AI) are a strong fit with the priorities in Invest 2035. Similarly, the region's strong track record in inward investment is also consistent with the aims of Invest 2035, and there is clear alignment between the priorities identified here for West Lothian and those of the UK as a whole, providing a strong context for future partnership working.

What this means for the West Lothian EIP

Wider policy drivers align strongly with our ambitions for West Lothian, and direct action to distribute economic opportunity and spread the benefits of economic growth to as many of our residents as possible, tackling structural economic inequalities, while recognising that a thriving West Lothian economy and society is derived from the health of the planet. We will:

- support economic development actions which are people-centred, geared towards environmental protection and regeneration, and prioritise long-term outcomes.
- integrate a CWB approach across everything the council does and in other anchor organisations in West Lothian to increase our focus on a wellbeing economy.
- deliver programmes that enable key sectors to accelerate the transition to net zero by meeting growing demand for green skills.

We will unlock the potential of our children and young people, raise aspirations, broaden horizons, and create opportunities for them to have the best chance in life – and in particular, children and young people within lower socio-economic backgrounds.

We will continue to act on a number of fronts to help people find and maintain well paid employment that works for them, including improving access to training and upskilling opportunities and encouraging flexible job opportunities.

We will do this by:

- encouraging our employers to support progressive fair work practices – from recruiting local people to paying fair wages, and from security of contract and hours to safe and healthy working conditions, among other things.
- ensuring more of our people access fair work and learn and develop the appropriate skills (and qualifications) that will help to reduce inequalities.
- connecting people, skills development, and jobs through investment in public transport.

While some enabling factors are outside the direct control and influence of West Lothian Council, the extent to which they can help reduce socio-economic inequalities is clear – we will use the levers within our control to best effect long-term change. We will collaborate with other agencies and stakeholders where appropriate to help address these challenges.

While partnerships across the City Region have been strengthened, looking beyond the current deal, the partnership is focused on securing on-going investment in the region through the [Regional Prosperity Framework](#) which sets out a framework for ongoing investment in the region. From a West Lothian perspective the framework focuses on improvements to connectivity and spreading the benefits of tourism as well as continuing to deliver against the priorities set out in the deal itself.

4 West Lothian today

West Lothian today

181,278 people

West Lothian's population has **grown**. The region experienced a 3.4% increase in its population in the decade to 2022, faster than Scotland's growth rate of 2.7%. West Lothian has a younger age profile indicating that it is popular with working age people with young families. But West Lothian's **population is ageing** - those aged 65+ increased by 24% over the same period, while the **working age population remained static**.

4,510 businesses

West Lothian has experienced strong growth in its business base - a 20% increase in the number of businesses over the decade to 2023. But the total number of businesses reduced from a peak of 4,710 in 2019 due to the pandemic and has yet to recover to this level. The sectors with the largest number of businesses are **Construction** (14%), **Professional, scientific and technical** (13%) and **Transport & storage** (9%).

In line with national figures, the vast majority (97%) are small businesses. Notably, West Lothian has a slightly larger proportion of medium enterprises (2.2%) than Scotland (1.6%). West Lothian has a lower business density at 25 per 1,000 people than the Scottish average of 31.

Business birth rate in West Lothian at 3.4 per thousand people is broadly in line with the Scottish rate of 3.5. Business survival rates are also broadly in line with the Scottish average.

GVA per job of £60,400

This is higher than in Scotland as a whole at £52,600. This is likely due to the concentration of high GVA sectors in West Lothian, such as Manufacturing and Information and Communication.

Deprivation

West Lothian is, compared to Scotland as a whole, an affluent area, with high employment, around average wages, and low levels of deprivation and unemployment.

This is not to say that West Lothian does not have its challenges. Child poverty rates have been rising year on year, in work poverty has increased and the numbers of households reporting they are managing well financially has fallen. There are also concentrated areas of deprivation within West Lothian, primarily in the west of the region.

The economic inactivity rate of 21% is lower than in Scotland (23%). Reasons for economic inactivity in West Lothian are largely similar to Scotland, although there is a slightly higher proportion of long-term sick (35% to 31%).

77,500 jobs

Employment in West Lothian was on a broadly upward trend from 2013 to 2019, peaking at 79,550. The area lost 3,000 jobs due to the pandemic and the number of jobs has not yet fully recovered in 2022.

In 2022, West Lothian's largest employing sectors were **Health** (11%), **Retail** (10%), **Manufacturing** (10%), **Business admin/services** (9%) and **Transport & Storage** (8%).

Sectors which West Lothian has particular strengths relative to Scotland are **Information & Communication, Transport & Storage, Wholesale and Manufacturing**.

West Lothian has a lower proportion of workers in the highest occupational grouping (30%) compared to Scotland (34%) and a higher proportion of workers in the lowest occupational grouping (34% to 32%). There has been a rebalancing of the West Lothian economy over the last decade away from foundation sectors (the traditional major employers) towards growth sectors (high value, innovative sectors).

West Lothian today

Infrastructure

A large amount of vacant and derelict land is available for development (335 hectares). West Lothian Council recently declared a housing emergency due to pressures on social housing and high level of homelessness.

The number of houses in West Lothian has risen faster (+11%) than in Scotland as a whole (+8%) over the last decade, whilst the median house price at £210,000 is higher than in Scotland (£185,000) and has increased 74% over the last decade, faster than in Scotland (42%). This indicates that demand for housing remains strong.

Education

An estimated 52% of West Lothian's working age population are qualified to NVQ4+ (HND level) or above - this is slightly below the Scotland average (55%).

West Lothian students tend to sit more Highers than other areas, and they rank third of all local authorities in terms of attainment in Highers. All West Lothian secondary schools have higher levels of attainment than the Scottish average.

Leaver destinations are broadly in line with Scotland as a whole. However, the numbers moving into unemployment are two percentage points higher in the latest year. There are issues with skills gaps, which are particularly acute in high skill industries.

Health

The female life expectancy in West Lothian is the same as the Scottish level at 80.7 years, however, West Lothian has a slightly higher male life expectancy at 77.1 compared to 76.5 across Scotland as a whole. Whilst West Lothian performs well on alcohol related hospital admissions and child dental health, it performs worse than the Scottish average on a range of health measures including Asthma and COPD hospitalisations, emergency hospitalisations, bowel and breast screening uptake and prescription of drugs for anxiety/ depression/ psychosis.

West Lothian in future

Population forecasts

West Lothian's population is forecast to continue to grow between 2022 and 2032 - by 4.8% to circa 196,000. This is in contrast to population projections at a Scotland level where the population is forecast to remain static over the same period.

West Lothian's forecast population growth to 2032 is expected to be due to both a higher birth rate and net migration. West Lothian is one of only five local authorities in Scotland that has a projected increased population if immigration is not included.

The main challenge is that the older population is forecast to increase at a much faster rate than its working age population (and its child population is forecast to decline). A continued growing ageing population will generate increased demand for essential services, for example, health and social care.

Employment forecasts

Employment is forecast to increase to 2027, before gradually declining over time. By 2033, the level of employment is forecast to be 1% higher than 2022. Over the same time period, employment in Scotland is forecast to grow by 3%.

Total demand for jobs by 2023 is expected to total 33,700, of which 96% will be replacement of existing workers. The sectors forecast to require the highest level of future demand are **Wholesale and retail, Transport and storage**, and **Administrative and support services**.

The occupational group with the largest forecast requirement is amongst professional occupations, indicating that West Lothian economy needs higher level qualifications (SCQF 5-10) to ensure long-term and reliable skills pipeline to take up locally available jobs in future years.

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Pro-economic development/business council area. • Part of Edinburgh City and South East Scotland City Region – a growing powerhouse region. • Strategically located in the Central Belt with good transport links to Glasgow, Edinburgh, and Stirling and close to Edinburgh airport. • Spillover location due to its proximity to Edinburgh – lower residential and commercial property costs. • Diverse and resilient business base – both SMES and multinationals. • Key sectors and expertise, including high value, high tech businesses. • Slightly younger and faster growing population than the national average. • Workforce size and sectoral mix is relatively stable – and strong forecast demand for workers in the years ahead. • Levels of employment and economic activity remain high – average wage levels are also high. • Productivity – higher than average GVA per job. • Strong attainment levels and school leavers achieving a positive destination. 	<ul style="list-style-type: none"> • Demographic change – a growing ageing population – will there be enough people of working age in West Lothian with the right skills mix to fill the jobs required in future years. • Underlying issues of poverty and deprivation – in-work poverty, economic inactivity, and child poverty. • Lower business density than the national average – possibly due to the area having a higher proportion of SMEs or a lack of availability commercial sites or premises. • Lower proportion of adult population educated to higher education level. • Public transport links within West Lothian. • No university presence in West Lothian. 	<ul style="list-style-type: none"> • Significant forecast demand to replace workers leaving the labour market for retirement and other reasons – across all sectors and occupations. • West Lothian economy needs higher level qualifications (SCQF5-10) to ensure long-term and reliable skills pipeline to take up locally available jobs. • Aspiration to have university presence in West Lothian – alongside West Lothian College this could support a more skilled workforce, and further upskilling. • Economic opportunities for growth – life sciences, photonics, technology – both to improve productivity and for tech sectors (AI, robotics, data centres). • Collaboration projects, for example, Skills Hub, Net Zero Accelerator Hub, and efforts to reduce economic inactivity. • A more joined-up approach across business-facing departments across the council. • Integrate a CWB approach across everything the council does and in other anchor organisations to increase focus on a wellbeing economy. • Opportunities arising from supporting the transition to net zero economy. • Supply chain opportunities arising from Green Freeports. 	<ul style="list-style-type: none"> • Ongoing impacts arising from COVID-19 recovery, cost of living and doing business crises. • Global uncertainty creating market turbulence and impacting both international trade and inward investment • Labour shortages have been experienced in a wide range of sectors – some businesses may leave the area while others may not choose to locate here. • Green Freeports – businesses located there will benefit from tax reliefs and other incentives for a period of up to five years. • Business hesitance to invest in projects such as net zero carbon projects, skills development, and growth initiatives due to the short- and medium-term costs involved. • Housing emergency declared in West Lothian – pressures around housing and homelessness. • Significant fiscal uncertainty – across national and local governments and wider public sector. • Costs associated with delivering a just transition.

5 West Lothian in 2035

5.1 Context

We are ambitious for West Lothian and will work with our partners at local, regional, and national levels to develop a thriving and inclusive economy for the people, communities, and businesses of West Lothian. We want to build on past successes in high value inward investment, town centre development and skills and capitalise on the factors that can create advantage for West Lothian, including our central location and our role in the wider Edinburgh and South East Scotland City region.

It is important to understand the context of the plan. Firstly, it will achieve more if there is continued and complementary partnership working. Then it should be recognised that some of what is set out is aspirational and that further progress needs sustained contributions by all involved.

For avoidance of doubt, the plan while aspirational recognises that there will be economic challenges - much of which is not foreseeable.

Over the 10 year timeframe of the updated EIP, West Lothian can anticipate and enable future investment as follows:

- upwards of £8 million in funding for customer-facing business support - this is a combination of Service funding and external contract income.
- over £750 million of private sector investment by local firms in productivity and innovation spend.
- more than £2 billion of commercial investment in new capacity for emerging technologies and established higher-value sectors.
- while the strategic goals of inclusive economic growth and reduced social inequity are longer-term, the actions required to help attain them are likely to develop and evolve over the decade to 2035.
- West Lothian's EIP aligns with the Scottish Government's [National Strategy for Economic Transformation](#) (NSET) and with the UK Government's Industrial Strategy. A focus on productivity and investment in higher-value sectors, many of which are already established in West Lothian, bodes well for the West Lothian of 2035.

5.2 Our ambitions

Our ambitions are that in ten years West Lothian will be:

More equal and inclusive

By 2035, the poverty and deprivation that still blights some of our communities will be significantly reduced, and more people in West Lothian will have the opportunity to access better paid jobs and enjoy a higher standard of living and improved wellbeing.

More enterprising

The West Lothian economy of 2035 will be driven by a vibrant and diverse business base – that not only supports the growth and development of SMEs but also supports high growth start-ups and medium and large employers across a broad range of industries. Community and other progressive forms of ownership of businesses, organisations and assets will increase, and West Lothian will continue to attract, retain, and grow high value employers in key sectors such as life sciences, photonics, advanced manufacturing, and AI and data centres. Local business will benefit from local supply chain opportunities from these and other sectors to help build resilience and capacity within West Lothian.

More skilled

With higher levels of school attainment, the population of West Lothian in 2035 will be more qualified and more highly skilled, enabling individuals to gain better employment and businesses and organisations across West Lothian to thrive. The population will also be growing, including the working age population, as more people are encouraged to stay in West Lothian by ensuring accessible training and career pathways, support to access economic opportunities, and to benefit from the high quality of life that the area offers.

More attractive and connected

The growing population and business community will be well served by a robust and resilient infrastructure of accessible transport connections, affordable high quality housing and vibrant town centres. As part of the Edinburgh and South East Scotland City Region, West Lothian will offer an attractive and distinctive alternative to city centre living, adding to the wider regional offer.

6 Investment themes and priorities

We have identified 18 priorities for investment over the next ten years, structured under four themes which address our opportunities and challenges and contribute to the future West Lothian described earlier.

Investment theme 1: skills and employment

Sustainable and fair work is the best route out of poverty and the basis of higher living standards. Our investment priorities here will help more people in West Lothian to get into employment and to develop the skills that will enable them to progress to higher quality and better paid jobs. They will also help ensure that the West Lothian workforce has the skills and qualifications to support the longer term growth of the local and regional economy.

Our priorities are that we will:

- support and deliver with our partners across the private, public and third sectors an effective and person-centred pipeline of employability support that engages those furthest from the labour market and provides them with the confidence, knowledge, and capabilities to move into secure employment.
- work with our partners in further education and industry to develop a shared understanding of the skills that industry needs and create clear and accessible pathways from education and training into work in key sectors across West Lothian's economy.
- promote and encourage the adoption of Fair Work principles both through the council's own procurement activities and through our support for the Living Wage.

Investment theme 2: enterprise growth

Retaining and growing the working age population will depend on the availability of high quality employment opportunities within West Lothian. Our investment priorities here will support the growth of businesses at all stages of development across the West Lothian economy, helping to create better paid jobs and encouraging a virtuous cycle of investment and growth.

The actions that we take will help to develop a culture of enterprise, raising aspiration and enabling more people to start their own business, while also encouraging more start-up businesses to achieve higher rates of growth. We will also seek to build on existing strengths in key sectors like life sciences, photonics, and advanced manufacturing to continue to attract and support high value businesses to West Lothian.

Our priorities are that we will:

- invest in our range of Business Gateway provision, working with partners across the Edinburgh and South East Scotland City Region to refine and develop the services to support new business starts and encourage and support more high growth start-ups.
- work with partners in the Edinburgh and South East Scotland City Region to position West Lothian as a hub for university spin out and high growth start-ups emerging from the universities of Edinburgh, Heriot Watt, and Napier.
- use Business Gateway and related support services, including those delivered by partners, to build resilience and raise productivity amongst our existing businesses.
- co-ordinate council services across all departments to provide seamless support for businesses seeking to locate and/ or to expand in West Lothian. West Lothian Council will be the most business-friendly council in Scotland.
- work with our regional and national partners to ensure that businesses in West Lothian have access to the business growth support that they need with a focus on innovation, investment, and internationalisation support in our key sectors.
- use our progressive approaches to procurement to build strong local supply chains and encourage our community planning partners to do similar. We will also seek to develop supply chains to support the forecast growth in the Grangemouth Freeport development, turning this from a threat into an opportunity.
- continue to embed a CWB approach that seeks to retain more economic opportunity within West Lothian through more community ownership of assets and businesses, stronger local supply chain opportunities and a focus on local investment.

Investment theme 3: enablers of growth

The availability of high quality land has been a key driver of success for West Lothian in the past, and we must continue to ensure that our infrastructure can support our future ambitions for growth.

This means ensuring that we have employment land available for development, but also a strong housing offer, including high quality affordable housing, and a transport and road infrastructure that is fit for purpose. It also means ensuring that our towns and villages are attractive and appealing places to live, learn, and work, offering a high quality of life for communities, and a planning framework that is sensitive to these needs.

Our priorities under the enablers of growth theme are that we will:

- use our planning powers to ensure sufficient land is designated for employment purposes and is available for development in line with demand.
- progress our housing strategy both to address the housing emergency and tackle homelessness and ensure an adequate supply of diverse and high-quality homes for those that live and work in West Lothian.
- work with our transport partners within the framework for the Edinburgh and South East Scotland City Region to improve internal transport connectivity in the West Lothian area.
- invest in our town centres to ensure that they remain vibrant and attractive for residents and visitors alike. We will as part of this continue to develop our tourism offer particularly around Linlithgow and the Royal Palace.
- progress local area regeneration opportunities using a place-based approach that puts people at the heart of development and considers all aspects of a place and the services that it needs. This includes ensuring that West Lothian continues to benefit from accessible green spaces.

Investment theme 4: transition to net zero

Addressing the climate emergency is a global concern with far reaching consequences for economic development. Adaptation will require investment and we are committed to helping achieve a just transition such that people and organisations are not left behind. Equally, we wish to ensure that the opportunities arising from new low carbon technologies and green industries are available to the people, businesses and communities of West Lothian.

Our priorities for investment under the transition to net zero theme are focussed on three main areas – we will:

- work with our partners across the education and skills landscape to ensure that people in West Lothian can develop the skills that will be in demand as we transition to a low carbon economy. This will include the skills needed to adapt existing assets and processes to reduce emissions as well as the skills to support new green businesses.
- establish specific support for businesses to reduce their environmental impact and support their transition to net zero as well as work with our partners to develop support for new low carbon and green businesses. This will include the new Net Zero Accelerator currently in development with West Lothian College.
- invest with our public and private sector partners in the development of infrastructure that can support the transition to net zero including electric vehicle charging points, ground and air source heat pumps, solar energy, and effective waste and recycling.

7 Measures of success

Indicators -what is being measured?	Measure - the unit of measurement	Source - where will we get the data	Frequency - how often will we gather data?
Skills and employability			
Young people entering a positive destination after leaving school	% of 16-19-year olds entering education, employment, or training and development upon completion of school education	SDS RSA West Lothian Data Matrix	Annual
Qualifications of our population	% with NVQ4+ / NVQ3 / NVQ2+ NVQ1+ aged 16-64 % with other qualifications % with no qualifications	Annual Population Survey	Annual
Employment rate	% people aged 16-64 that are in work	Annual Population Survey	Annual
Economic inactivity rate	% of people aged 16-64 who are not actively looking for work and reason	Annual Population Survey	Annual
Median wage levels	Median wage levels - all residents (£, gross weekly full time pay)	Annual Survey of Hours and Earnings	Annual
Living Wage	Employees earning less than the Living Wage (%)	Local Government - Benchmarking Framework ASHE	Annual
Employment in growth sectors	Growth sector employment	Business Register and Employment Survey (BRES)	Annual

Indicators -what is being measured?	Measure - the unit of measurement	Source - where will we get the data	Frequency - how often will we gather data?
Enterprise growth and resilience			
Business births	Number of business start-ups per 10,000 population	Business Demography (Office for National Statistics, ONS)	Annual
VAT registered start-ups	Number of business start-ups which are VAT registered	Business Gateway	Annual
Business survival	Business survival rate after 3 years (%)	Business Demography (ONS)	Annual
Businesses base	Number of businesses	UK Business Count	Annual
Business density	Number of businesses per 10,000 population	ONS Business Demography and NRS Population Estimates	
Jobs	Total number of jobs	BRES (ONS)	Annual
GVA	Economic output - and by sector	SDS RSA Data matrix	Annual
GVA per job	Economic output - GVA per capita	SDS RSA Data matrix	Annual

Indicators -what is being measured?	Measure - the unit of measurement	Source - where will we get the data	Frequency - how often will we gather data?
Transition to net zero			
Green jobs	Number of green jobs and green jobs as % of total jobs	BRES (ONS)	Annually
CO2 emissions	CO2 emissions per head of population (tonnes)	UK local authority carbon dioxide emissions national statistics (BEIS)	Annually