

REPORT TO: Cabinet

MEETING DATE: 9 October 2012

BY: Executive Director (Support Services)

SUBJECT: East Lothian Community Planning Economic Development Strategy and Action Plan

1 PURPOSE

- 1.1 To seek approval to agree the East Lothian Community Planning Economic Development Strategy and accompanying Action Plan.

2 RECOMMENDATIONS

- 2.1 To approve the East Lothian Community Planning Economic Development Strategy and Action Plan.

3 BACKGROUND

- 3.1 The previous East Lothian Economic Development Strategy was developed in 2006 and was out-of-date due to the much changed economic climate and a greater focus on business survival. The recently approved Council Plan also directs the need to specifically focus upon growing the East Lothian economy and respond to the current employment challenges that have been emerging.
- 3.2 Developing a new strategy represented an opportunity to involve all Community Planning partners in the process, directly and indirectly, led by the Community Planning Enterprise & Skills Implementation Group. The steering group that oversaw the project comprised representatives from the Community Planning Board (Corporate Policy Manager) and from funding partners, Scottish Enterprise and Skills Development Scotland, chaired by the Economic Development Manager.
- 3.3 The Training and Employment Research Unit at the University of Glasgow was commissioned to develop this strategy and this involved extensive consultation with stakeholders and individual businesses, a business survey and workshops with Economic Development and

Scottish Enterprise staff, the Community Planning Board and Enterprise and Skills Implementation Group.

3.4 The 10-year strategy that evolved from the baseline research and from this consultation has five strategic objectives as follows:

- To be a location of choice in Scotland to set up and grow a business
- To be Scotland's leading coastal, leisure and food & drink destination
- To build on our proximity to Edinburgh to encourage study, work and spend in East Lothian
- To provide high quality employment pathways for East Lothian's workforce
- To become Scotland's most sustainable local economy

3.5 A new strategic framework will underpin the delivery of this strategy and will align with the outcomes of the Community Planning review. All partners currently represented on the Enterprise & Skills Implementation Group will contribute to delivery and a Strategic Board will oversee this delivery monitoring outcomes, outputs and results. Private sector engagement is integral to delivery.

3.6 The Action Plan provides more information on how the strategy will be delivered over the first 3-year period and partners will be expected to take ownership of their own strategic projects and of those to which they can contribute. Detailed Implementation Plans for key sectors – principally tourism, food & drink, renewables, youth employment – will set the approach for delivery. Skills Development Scotland is leading on the development of the Youth Employment Plan – Action 5 of the action plan.

4 POLICY IMPLICATIONS

4.1 Key component of Council Plan

4.2 To guide the economic activities and interventions of the Community Planning Partnership

5 EQUALITIES IMPACT ASSESSMENT

5.1 An Equalities Impact Assessment will be undertaken

6 RESOURCE IMPLICATIONS

6.1 Financial - none

6.2 Personnel - none

6.3 Other - none

7 BACKGROUND PAPERS

7.1 East Lothian Community Planning Economic Development Strategy and Action Plan

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|----------------------|---|
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EAST LOTHIAN ECONOMIC DEVELOPMENT STRATEGY 2012-2022

FINAL

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September 2012**

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1. INTRODUCTION

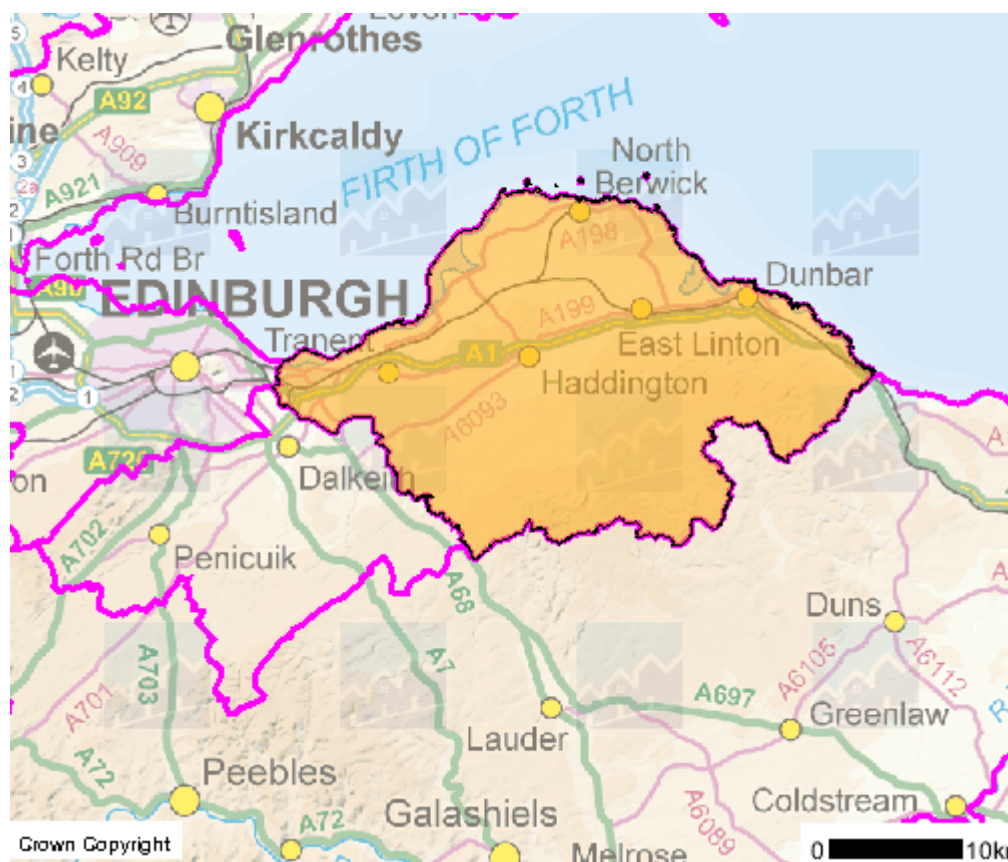
Background

East Lothian is widely recognised as a fantastic place to live with a beautiful coast and countryside, attractive and distinctive towns, good quality housing, schools and services, and its proximity to Edinburgh's jobs, businesses and attractions. All these factors contribute to a view of East Lothian being an area of high employment and general affluence. In this context, economic development has not historically been a priority for East Lothian.

The impact of the 2008 recession and the slow economic recovery has challenged this perception of East Lothian. The loss of jobs in Edinburgh's public sector and financial services sectors have contributed to increasing unemployment amongst East Lothian residents and many local businesses are struggling, which has impacted on the vibrancy of East Lothian's town centres. At the same time, public finances have been squeezed and public spending is not expected to achieve pre-recession levels until 2023-24.

In part because of these challenges, economic development has become a key priority for East Lothian and is at the forefront of East Lothian Community Planning Partnership's Single Outcome Agreement and East Lothian Council's Council Plan.

Figure 1.1: East Lothian



Source: Scottish Neighbourhood Statistics

The Brief

The central purpose of the East Lothian Economic Development Strategy for 2012 to 2022 is to identify the opportunities which East Lothian can exploit to maximise its sustainable economic competitiveness. In doing so, the Strategy can provide a framework which will guide and drive forward a more joined up approach to economic development across East Lothian's Community Planning Partnership. By setting out clear strategic priorities, it is hoped that more effective bids for funding can be submitted and more cost effective delivery achieved through greater integration and co-ordination.

Developing the Strategy

Developing the Strategy has involved the following elements:

- Reviewing and analysing key statistical information on the local economy across a wide range of indicators.
- Holding one-to-one discussions with key partners, stakeholders and local employers to capture their views on East Lothian's strengths, weaknesses, opportunities and challenges – and what can be done to maximise its sustainable economic competitiveness.
- Developing a consensus across key stakeholders on the above issues through a series of workshops.
- Building up strategy documentation in between each workshop so that the process gains momentum. At each workshop playing back the progress made to date to ensure that it is an accurate and appropriate reflection of the collective view.

2. STRATEGY AND POLICY REVIEW

Introduction

East Lothian's economic development strategy needs to align with and contribute to the wider UK, Scotland and regional policy environment, and the strategies most relevant to the East Lothian Economic Development Strategy are outlined below. Inevitably the policy environment will change over the strategy's 10 year lifetime, particularly through new attempts to stimulate the economy and increase employment, and it is important that the strategy is sufficiently flexible to respond to these. Nonetheless, while responsive to the wider policy environment, the East Lothian Economic Development Strategy is primarily focused on responding to local opportunities and developing East Lothian's economy through a series of realistic projects and targets that can help stimulate the local economic recovery.

National: Economy, Employment and Skills

The Scottish Government's purpose, as set out in the *Government Economic Strategy* is 'to focus the Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth'. The East Lothian Economic Development strategy will contribute towards the Scottish Government's purpose, National Outcomes and strategic priorities set out in the Government Economic Strategy.

Creating a supportive business environment is one of the Scottish Government's strategic priorities. Scottish Enterprise is Scotland's national economic development and its *2012-2015 Business Plan* sets out its lead role in supporting Scotland's:

- Growth sectors (creative industries; energy; financial and business services; food and drink; life sciences; sustainable tourism; and universities).
- Growth companies.
- Growth markets.

Welfare and employment policy is a reserved policy area and overseen by the Department for Work and Pensions (DWP). The Coalition Government have made significant reforms to welfare policy, with the DWP employment offer now consisting of three main components: *Get Britain Working*, *Work Programme* and *Youth Contract*. From October 2013, *Universal Credit* will be introduced to simplify the benefits system and help make work pay. It will have a significant impact on low-income residents, housing associations and other organisations – so effective planning in advance of its introduction is critical.

In addition to DWP provision, there are skills, learning and employment strategies driven by the Scottish Government. The key strategies that the East Lothian Economic Development Strategy will aim to contribute to are: *Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth*; *Workforce Plus*; *Scotland's Youth Employment Strategy*; and *Opportunities for All* which builds on *16+ Learning Choices*.

Regional: Planning

Contributing to and benefiting from the Edinburgh city region is of significant importance for East Lothian. There are opportunities from the Scottish Government's

Agenda for Cities and becoming involved with the *Scottish Cities Alliance*. Similarly in terms of regional planning, the *South East Scotland Strategic Development Plan (SESPlan)* supports in East Lothian the:

- Importance of the A1 and East Coast Main Line.
- Development of a range of marketable sites for business/employment use within its 75 hectares of strategic employment land.
- Building of 6,400 homes already committed (the Blindwells development is central to this) and delivery of 750 additional housing units between 2009 and 2024.
- Future development and associated infrastructure requirements at Cockenzie power station as non-nuclear, baseload capacity generators.
- Improvements to rail and bus services (including a station at East Linton).
- Enhanced digital connectivity.

The *East Lothian Local Development Plan*, which will be informed by East Lothian's Main Issues Report, will provide greater detail on how the SESPlan and other East Lothian priorities will be delivered locally.

East Lothian

East Lothian Community Planning Partnership's (CPP) key strategy is the *Single Outcome Agreement 2011* that was agreed in June 2011. Its statement of intent is:

"We will work in partnership to build an East Lothian where everyone has the opportunity to lead a fulfilling life which contributes to a fair and sustainable future for Scotland and the wider world."

To deliver on the statement of intent, the SOA has 14 East Lothian Outcomes and the East Lothian Economic Development Strategy can make the greatest contribution to the six Outcomes outlined in Figure 2.1.

Figure 2.1: East Lothian Outcomes Relevant to Economic Development

| EAST LOTHIAN OUTCOMES | |
|-----------------------|--|
| 1: | East Lothian has a sustainable and successful local economy through developing key local sectors and enhancing business performance. |
| 2: | All of East Lothian's young people are successful learners, confident individuals, effective contributors and responsible citizens. |
| 6: | Fewer people experience poverty in East Lothian. |
| 12: | East Lothian is less dependent on finite resources by moving to a more localised, low-carbon economy and reducing its ecological and carbon footprints by 80% by 2050. |
| 13: | East Lothian has well connected communities with increased use of sustainable forms of transport. |
| 14: | East Lothian has strong, vibrant communities where residents are responsible and empowered with a positive sense of well-being. |

East Lothian Council endorses the CPP's statement of intent as its mission but also has an overarching vision that sets out the Council's long term ambition for East Lothian. Set out in its *Council Plan 2012-2017*, the vision is:

In 2020 East Lothian will have an established reputation as having the highest quality of life in the UK and the quality of our environment will be recognised as amongst the best in Europe.

Our dynamic and flourishing economy will support strong, sustainable, safe and inclusive communities where:

- *The demand for affordable, high standard housing will be met.*
- *Our world class education service will encourage all our children and young people to achieve their full potential.*
- *All our citizens will have access to the highest quality public services and a modern integrated transport infrastructure.*

In 2020 our citizens will be proud to live, learn, work and play in East Lothian.

To move towards the 2020 vision, East Lothian Council's aim is "to create a prosperous, safe and sustainable East Lothian that will allow our people and communities to flourish". In doing so, one of the Council's four key objectives is: 'Growing our Economy – to increase sustainable economic growth as the basis for a more prosperous East Lothian.'

The East Lothian Economic Development Strategy will be a key contributor to the CPP's statement of intent and Council's vision for East Lothian, while other strategies can also contribute including: *East Lothian Tourism Strategy 2010-2013, East Lothian Tourism Events Strategy 2010-2015, East Lothian Food and Drink Strategy 2010-2013, and East Lothian Environment Strategy 2010-2015.*

Equal opportunities for all is central to the Strategy. In pursuing the objectives of East Lothian's Council Plan, the Strategy will meet the general and specific duties set out in the Equality Act 2010, and will have due regard for the need to:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity.
- Foster good relations.

Key Messages

The UK, Scottish and East Lothian policy environment is heavily focused on achieving sustainable economic growth. East Lothian's Economic Development Strategy must look to:

- Contribute to Scotland's *Government Economic Strategy* and *National Outcomes*.
- Respond to changes in UK welfare policy and programmes to support East Lothian's unemployed residents as effectively as possible.
- Engage with planning policy and maximise the economic development opportunities stemming from these for East Lothian's businesses and residents.

3. EAST LoTHIAN'S ECONOMY AND LABOUR MARKET

Introduction

This chapter reviews the available statistical data to provide a comprehensive analysis of the East Lothian economy and labour market. This has been structured under the following themes:

- Business Base.
- Labour Market.
- Travel to Work Patterns.
- Skills and Education.
- Community Regeneration.
- Population.
- Projections.

The chapter also benchmarks East Lothian by setting out for a number of indicators where East Lothian would sit if a league table of Scotland's 32 local authorities was generated (1st being the top performer). The chapter concludes by comparing East Lothian to local authority areas in Scotland that have similar characteristics – i.e. close to a major city, have a number of small towns and rural areas. The comparator areas are Angus, East Dunbartonshire, East Renfrewshire and Midlothian.

Business Base

East Lothian has proportionately fewer businesses per head of population than the Scottish average.

- East Lothian had 332 businesses per 10,000 adults in 2010. The Scotland figure is 351 businesses per 10,000 adults, with East Lothian 17th of Scotland's 32 local authority areas¹.
- **If East Lothian had Scotland's business density, it would increase its 2,615 businesses by 150 businesses.**

East Lothian has more small businesses than the Scottish average. For example, 66% of East Lothian's businesses have 0 to 4 employees, compared to 63% across Scotland¹.

East Lothian has a stable business base that is characterised by fewer business start ups and fewer business closures than the Scottish average.

- On new starts, East Lothian had 32 new starts per 10,000 adults in 2010; Scotland 36 new starts per 10,000 adults¹.
- On closures, East Lothian had 38 closures per 10,000 adults in 2010; Scotland 44 closures per 10,000 adults¹.

East Lothian has a business sectoral profile that is in line with the Scottish average but with proportionately¹:

- More construction; agriculture, forestry and fishing; and arts, entertainment and recreation businesses than the Scottish average.
- Fewer business administration and support services and retail businesses than the Scottish average.

¹ ONS Business Demography Statistics

Labour Market

East Lothian has a much smaller number of jobs per head of population than the Scottish average.

- East Lothian had 3,160 jobs per 10,000 adults in 2010. The Scotland figure is 5,362 jobs per 10,000 adults, with East Lothian 30th of Scotland's 32 local authority areas².
- **If East Lothian had Scotland's jobs density, it would increase its 24,870 jobs by 17,300 jobs.**

East Lothian has an employment sectoral profile that has more tourism, health and education jobs than the Scottish average. Other differences include²:

- More construction and manufacturing jobs than the Scottish average.
- Fewer business administration and support services, financial and insurance, and communications jobs than the Scottish average.

On self-employment, **East Lothian has one of the highest self-employment rates in lowland Scotland.**

- 9.6% of East Lothian's working age population are self-employed. The Scotland figure is 7.8%, with East Lothian 12th of Scotland's 32 local authority areas³.

East Lothian's employment rate has fallen significantly with the gap closing to the Scottish average.

- In 2006, East Lothian's employment rate was 77.0% and Scotland's 73.0%.
- In 2011, East Lothian's employment rate had fallen to 72.6%, compared with Scotland's smaller decline to 70.7%. This places East Lothian 14th of Scotland's 32 local authority areas³.

A likely contributor to the fall in East Lothian's employment rate is the loss of jobs in Edinburgh (5% decrease between 2008 and 2010) which impacts on commuters from East Lothian.

In line with the fall in the employment rate, **East Lothian's unemployment rate has increased** with the gap closing to the Scottish average.

- In 2006, East Lothian's unemployment rate was 3.5% and Scotland's 5.3%.
- In 2011, East Lothian's unemployment rate had risen to 7.3% and Scotland's to 8.0%. This places East Lothian 17th of Scotland's 32 local authority areas³.

Young people have been particularly affected by the economic downturn and **East Lothian's youth unemployment rate amongst 16-24 year olds now exceeds the Scottish average.**

- In 2006, East Lothian's youth unemployment rate was 10.0% and Scotland's 13.3%.
- In 2011, East Lothian's youth unemployment rate had risen to 24.8% and Scotland's to 20.7%. This places East Lothian 25th of Scotland's 32 local authority areas³.

² Business Register and Employment Survey

³ Annual Population Survey (October 2010-September 2011 data)

DWP out-of-work benefits give a broader indication of the scale of worklessness in an area and ***East Lothian has lower but increasing levels of worklessness.***

- In August 2006, East Lothian's out-of-work benefits claimant rate was 10.4% and Scotland's 14.1%.
- In August 2011, East Lothian's 7,000 out-of-work benefits claimant meant the rate had risen to 11.4% but Scotland's had remained at 14.1%. This places East Lothian 15th of Scotland's 32 local authority areas⁴.

Turning to 16-19 year olds in the More Choices, More Chances group, ***East Lothian's MCMC rate is in line with the Scottish average.***

- In 2005, East Lothian's MCMC rate was 9.7% and Scotland's 9.1%.
- In 2010, East Lothian's MCMC rate had fallen to 9.3% and Scotland's risen to 9.6%. This places East Lothian 16th of Scotland's 32 local authority areas⁵.

Travel to Work Patterns

Partly due to the small number of jobs in East Lothian, ***48% of East Lothian's employed residents work outside of East Lothian.*** East Lothian is therefore a net exporter of labour with commuting levels greatest amongst financial and professional services and public administration jobs. Using 2001 travel to work census data, of East Lothian's 41,500 employed residents:

- 52% work in East Lothian.
- 40% work in Edinburgh.
- 5% work in Midlothian or West Lothian.

In contrast, ***82% of East Lothian's jobs are held by East Lothian residents.*** This means that if more jobs can be created in East Lothian, there is a high likelihood that East Lothian residents will be employed in them.

Skills and Education

East Lothian's qualification profile is falling behind the Scottish average.

- In 2005, East Lothian had 12% of its working age population with no qualifications and 31% with degree equivalent qualifications (NVQ Level 4+). Scotland's respective figures were 15% and 31%.
- In 2011, East Lothian had seen marginal improvement (11% no qualifications and 32% with degree equivalent qualifications) but Scotland had seen a greater change to 12% and 35% respectively⁶.
- On the degree equivalent measure, East Lothian is placed 21st of Scotland's 32 local authority areas.

Employer consultations did not identify workforce skills as a barrier to their business. As a result, it is possible that East Lothian's workforce have key skills and expertise required but that these have not been accredited. Nevertheless, if prospective inward investors were considering setting up in East Lothian, the qualification statistics could be viewed negatively.

⁴ DWP Work and Pensions Longitudinal Study

⁵ Scottish Government MCMC statistics

⁶ Annual Population Survey (October 2010-September 2011 data)

East Lothian's school pupils achieve better results than the Scottish average.

- In 2010/11, East Lothian had 82% of its S4 school pupils achieving at least 5 awards at SCQF Level 4 (Standard Grade General or better). Scotland's average rate was 78%, with East Lothian placed 6th of Scotland's 32 local authority areas⁷.

East Lothian's school leavers achieve fewer positive destinations than the Scottish average.

- In 2010/11, East Lothian's had 86.8% of its school leavers entering a positive destination (FE, HE, employment, voluntary work or training). Scotland's average rate was 88.9%, with East Lothian placed 22nd of Scotland's 32 local authority areas⁸.

Community Regeneration

East Lothian's position in the Scottish Index of Multiple Deprivation is gradually worsening. In 2009:

- ***8 (or 7%) of East Lothian's 120 datazones were in Scotland's 25% most deprived.*** The breakdown is:
 - 3 datazones in Scotland's 10-15% most deprived.
 - 2 datazones in Scotland's 15-20% most deprived.
 - 3 datazones in Scotland's 20-25% most deprived.
- Between 2006 and 2009, ***7 of the 8 have become more deprived*** relative to Scotland's other datazones.

The 8 datazones are located in the west of East Lothian – Musselburgh, Wallyford and Prestonpans – and the DWP out-of-work benefit claimant rates in each of these datazones range from 20% to 34%. While much higher than the East Lothian average of 10%, worklessness levels are not as high as in deprived communities of, for example, Glasgow, North Ayrshire and Inverclyde. Therefore, East Lothian's deprived areas are not at the 'point of no return' and can be improved – particularly given their proximity to Edinburgh. Across the different indicator themes that make up the SIMD, the 'Education, Skills and Training' domain is where the datazones score lowest.

Population

East Lothian's population is growing and it has more children and older residents than the national average.

- In 2011, East Lothian had an estimated population of 98,170, which is 6% increase between 2006 and 2011. Scotland's increase was 3%⁹.
- By broad age groups in 2011, East Lothian has proportionately more children and over 65 year olds.
 - 19% aged 0 to 15; Scotland, 17%.
 - 60% aged 16 to 64; Scotland, 63%.
 - 21% aged 65 and over; Scotland, 20%.

⁷ Scottish Government Education Statistics

⁸ Skills Development Scotland School Leaver Destination Results

⁹ General Register of Scotland

Benchmarking East Lothian

Before turning to future projections, East Lothian has been benchmarked against Angus, East Dunbartonshire, East Renfrewshire and Midlothian for a number of indicators. These have been chosen because of their proximity to one of Scotland's main cities, having a number of small towns (rather than a single centre) and having a mix of urban and rural areas. Nevertheless due caution is needed in their direct comparison with East Lothian (for example East Dunbartonshire and East Renfrewshire are essentially high income suburbs of Glasgow). In broad terms, and with Figure 3.1 presenting the indicators in full, East Lothian is found to:

- On business density, East Lothian performs relatively well to its comparator areas. The number of businesses is not therefore the key issue – rather it is the size of East Lothian's businesses in terms of the number of jobs they provide.
- On jobs density, East Lothian's jobs density is only greater than the Glasgow commuter areas of East Dunbartonshire and East Renfrewshire. Given that East Lothian has a more diverse economy and more vibrant towns than these commuter areas, there is a real need to increase the number of jobs in East Lothian.
- On employment and unemployment rate measures, East Lothian tends to sit in the middle with East Dunbartonshire and East Renfrewshire performing best.
- On skills and education, East Lothian's profile is very different from the high commuter areas of East Dunbartonshire and East Renfrewshire and is closer to Midlothian's profile.

Figure 3.1: Benchmarking East Lothian

| | Angus | East Dunb | East Loth | East Renf | Midl | Scot |
|--|-------------|--------------|--------------|--------------|-------------|-------------|
| BUSINESS BASE | | | | | | |
| Businesses per 10,000 Adults, 2010 | 354 | 323 | 332 | 328 | 312 | 351 |
| LABOUR MARKET | | | | | | |
| Jobs per 10,000 Adults, 2010 | 3,542 | 2,551 | 3,160 | 2,433 | 3,688 | 5,362 |
| Self-Employment 16-64 yr olds (%), 2010-11 | 8.8 | 9.7 | 9.6 | 9.5 | 8.8 | 7.8 |
| Employment Rate (%), 2010-11 | 72.2 | 71.8 | 72.6 | 74.7 | 73.6 | 70.7 |
| ILO Unemployment Rate (%), 2010-11 | 7.9 | 6.4 | 7.3 | 4.9 | 8.1 | 8.0 |
| 16-24 Unemployment Rate (%), 2010-11 | 26.3 | 20.8 | 24.8 | 15.5 | 17.4 | 20.7 |
| Out-of-Work Benefit Claimant Rate (%), 2011 | 11.5 | 9.0 | 11.4 | 8.9 | 13.3 | 14.1 |
| 16-19 MCMC Rate (%), 2010 | 9.3 | 6.1 | 9.3 | 5.6 | 11.9 | 10.4 |
| SKILLS AND EDUCATION | | | | | | |
| NVQ L4+ Quals 16-64 yr olds (%), 2010 | 37.6 | 47.5 | 31.7 | 45.2 | 29.0 | 35.0 |
| S4 Pupils 5 awards at SCQF L4 (%), 2010-11 | 78 | 92 | 82 | 88 | 77 | 78 |
| Positive School Leaver Destinations (%), 2009-10 | 88.3 | 92.0 | 86.1 | 94.5 | 83.1 | 86.8 |

Sources: Annual Population Survey; Business Register and Employment Survey; DWP Work and Pensions Longitudinal Survey; Scottish Government Education Statistics; Scottish Government MCMC Statistics; Skills Development Scotland SLDR Statistics

Looking Forward

Population projections state that **East Lothian's population will increase significantly over the next 10 years**¹⁰.

- Between 2012 and 2022, East Lothian's population will increase by 12% from 99,900 to 111,800. Scotland's projected increase is 5%.
- By broad age group, the percentage change between 2012 and 2022 is:
 - 11% aged 0 to15; Scotland, 6%.
 - 9% aged 16 to 64; Scotland, 0%.
 - 24% aged 65 and over; Scotland, 22%.

In terms of labour market projections, UK Commission for Employment and Skills (UKCES) *Working Futures* 2010-2020 labour market projections for Scotland show that only **moderate employment growth is expected over the next 10 years**.

- Overall Scotland's total employment is projected to increase by 2%.
- By sector:
 - Growth is projected in 'construction' (1%), 'trade, accommodation and transport' (1%), and 'business and other services' (0.5%).
 - Retraction is projected in 'primary sector and utilities' (-1.5%) and 'manufacturing' (-1.5%).
- By occupation:
 - Growth is projected in 'managers, directors and senior officials' (14%), 'professional occupations' and 'associate professional and technical occupations' (both 12%), and 'caring, leisure and other services' (7%).
 - Decline is projected in 'process, plant and machine operatives' (-15%), 'administrative and secretarial' (-12%) and 'skilled trades occupations' (-7%).

Key Messages

- East Lothian has a relatively small, stable business base.
- Almost half of East Lothian's residents work outside of East Lothian – and East Lothian's low jobs density figure contributes to this.
- East Lothian's main employment sectors are health, education, retail, manufacturing and tourism. It is under-represented in business and financial services.
- The economic downturn has significantly increased East Lothian's adult and youth unemployment levels – and these are now close to the Scottish average.
- The qualification levels held by East Lothian's workforce are below the Scottish average – but skills were not identified as a barrier by East Lothian employers.
- School attainment is good in East Lothian but progression into positive destinations is a problem.
- East Lothian is not an area of high deprivation but deprivation levels in Musselburgh, Wallyford and Prestonpans are moving in the wrong direction relative to Scotland's other datazones.
- Looking forward, East Lothian's population is projected to grow by 12% by 2022.

¹⁰ General Register Office for Scotland's 2010-based population projections

4. VIEWS OF STAKEHOLDERS – STRENGTHS, WEAKNESSES, OPPORTUNITIES AND CHALLENGES

Introduction

Extensive consultations with key stakeholders involved in East Lothian's economic development have been critical to the strategy's development. Three main sets of stakeholders have been consulted with.

- **Key public sector partners** including:
 - East Lothian Council – selected councillors, Chief Executive, Heads of Service plus a number of other officers (e.g. Economic Development Manager, Community Planning Manager, etc).
 - Representatives from Scottish Government, Scottish Enterprise, Skills Development Scotland, Jobcentre Plus, Visit Scotland, Queen Margaret University (QMU), Volunteer Development East Lothian and Social Enterprise in East Lothian.
- **Businesses** through:
 - Interviews with key East Lothian employers and organisations representing local businesses such as the Federation of Small Businesses (FSB) and local business forums.
 - E-survey of East Lothian businesses which was circulated by the FSB, Midlothian and East Lothian Chamber of Commerce and East Lothian Council Economic Development Team and completed by 100 local businesses.
- **Communities**, whose views on East Lothian's economic development have been captured from the findings of recent community consultation events connected to East Lothian's Local Development Plan, Local Community Plans and Town Centre Plans.

This chapter summarises the views of stakeholders in relation to East Lothian's strengths, weaknesses, opportunities and challenges.

Strengths of East Lothian Economy

Business Base

- East Lothian has a diverse business base dominated by SMEs, which reflects an entrepreneurial culture within the area. A key element of this is perceived to be agricultural businesses that are strongly committed to the local area and its continuing prosperity.
- East Lothian's diverse business base means it is not overly dependent on a specific employer or sector – so helping the local economy to respond to any opportunities or crises.
- East Lothian has recognised sectoral strengths, most notably food and drink and tourism, but also energy, life sciences and Higher Education. QMU, which opened its new main campus in East Lothian in 2007, is a real asset for East Lothian in helping to attract new businesses and skilled individuals.
- Good quality tourist attractions – including the Scottish Seabird Centre, National Museum of Flight and East Lothian's golf courses.

Labour Market

- Employers felt East Lothian has a skilled workforce and they experienced few difficulties recruiting good quality staff. For some, East Lothian's skilled workforce is a consequence of East Lothian's good quality schools, while others felt East Lothian's excellent quality of life attracts and retains skilled individuals to live in East Lothian.

Location and Infrastructure

- Proximity to Edinburgh is considered to be East Lothian's major asset. Edinburgh is a globally recognised city providing jobs to East Lothian residents and a substantial market for East Lothian's businesses.
- The A1 is the major road transport corridor between Edinburgh and England – and dualling the A1 south of Dunbar as proposed by A1 SAFELINK campaign group would improve connectivity to North East England.

University

- QMU, which opened its new main campus in East Lothian in 2007, is a real asset for East Lothian.

Quality of Life

- East Lothian is widely recognised by its residents and businesses as having an excellent quality of life. There are a number of elements to this:
 - Coast and countryside.
 - Historic, distinct town centres with each having their own identities.
 - Good schools.
 - Good quality housing stock, which is generally more affordable than in Edinburgh.
 - Proximity to Edinburgh.
 - Efforts to encourage cultural events and festivals within the local area, e.g. Lammermuir Festival and 3 Harbours Arts Festival.

Economic Development Activities

- There is agreement between key partners (e.g. East Lothian Council, Scottish Enterprise, SDS, QMU and VisitScotland) on what are East Lothian's priority economic sectors and each are committed to supporting the development of these sectors.
- Small businesses in particular value the support provided to them from East Lothian Council's Economic Development Team, Business Gateway and other services. The support includes help with accessing finance, recruitment or attending targeted business seminars.
- *East Lothian Food & Drink* has been well supported and East Lothian's brand is becoming increasingly recognised.
- East Lothian Council's golf support has helped to grow the East Lothian Golf Tourism Alliance and the *East Lothian: Scotland's Golf Coast* brand. The East Lothian Golf Tourism Alliance is also viewed as a partnership of best practice as it brings together the strengths and expertise of the public and private sectors.

- The Tourism and Hospitality Academy is viewed as a good model for supporting young people into good quality careers and there are opportunities to replicate this model in other sectors.
- East Lothian Council has committed to making greater use of Community Benefit approaches to secure local benefits from its procurement spend. Taking this forward and supporting other partners to also adopt this approach has the potential to have a significant impact on business development and employability in East Lothian.

Weaknesses of East Lothian Economy

Business Base

- With a high proportion of SMEs, East Lothian has very few large employers beyond public sector employers (most notably East Lothian Council and NHS) and Torness power station. The lack of large employers was seen as a major reason behind East Lothian's low jobs density per resident adults.
- East Lothian has a high proportion of lifestyle businesses with low growth potential and little investment in R&D and innovation.
- Mismatch in available business premises, with limited supply where demand appears highest but good availability in locations with more limited demand – e.g. Tranent and Macmerry.
- Gaps in tourism offer – most notably with no resort hotel and limited tourism offer in evenings and Sundays.

Labour Market

- Rising unemployment levels – with most concerned directed towards the limited employment opportunities for school leavers and young people.
- In relation to unemployment and other factors of deprivation, there are inequalities between the west of East Lothian (e.g. Musselburgh, Tranent and Prestonpans) and the rest of East Lothian.
- Employment and training opportunities in smaller, rural communities are limited and further compounded by infrequent public transport services.

Location and Infrastructure

- Lack of land available for economic purposes with a significant amount of the land zoned for economic use owned by housing developers. This places a significant constraint on the ability of East Lothian to attract a large-scale inward investor.
- Given the attractiveness of East Lothian as a place to live, it can be difficult for those on lower incomes to access private sector housing. There is therefore a need for more affordable and social housing.
- Perception that broadband connections in East Lothian are currently poor relative to other areas and there are concerns about the impact this has on the ability to do business and future developments, such as tele-health.
- Poor public transport connections – particularly north to south across East Lothian – which limits the unemployed, disabled and low-paid from accessing employment and training opportunities.
- Limited car parking in town centres – particularly in North Berwick – which impacts on the length of time visitors come and spend money in East Lothian's towns.

Economic Development Activities

- While stakeholders recognise a change in attitude, East Lothian has historically been viewed as averse to economic development and particularly to the attraction of large-scale employers which may impact on the quality of East Lothian's environment. As a result, East Lothian has been poor at creating and attracting new jobs.
- There is limited joint working between East Lothian and neighbouring local authorities, which is inhibiting East Lothian's ability to take advantage of opportunities in those areas. This too is changing with some shared services with Midlothian (most notably education) and stronger working at Edinburgh city region level.
- East Lothian Council is currently insufficiently joined up across departments. While this is being addressed, further work is needed to ensure that navigation between departments is made as straightforward as possible for East Lothian's residents, businesses and organisations.
- Linked to the first bullet point, East Lothian Council's planning services are viewed by some stakeholders as not being fully supportive of economic development applications. Others point to some inconsistencies in planning decision, for example the approval of out-of-town developments that will likely impact negatively on town centres.
- The CPP Enterprise and Skills Sub-Group lacks clear direction and is not action-orientated.
- Employability has not been a priority in East Lothian given its historically high employment rates. However, it now needs to be a greater priority with action needed to improve employability provision across East Lothian for all client groups – young people, disabled, lone parents, older people and rural residents – including supported employment opportunities.

East Lothian's Economic Development Opportunities

Stakeholders were not able to identify major projects that could drive the creation of a significant number of jobs and businesses in East Lothian. This perhaps reflects the general attitude to development in East Lothian and the availability of economic land. Nevertheless, a number of opportunities were suggested that collectively could deliver good economic prospects for East Lothian.

Tourism

There are perceived to be major opportunities to increase the number of visitors and the amount of spend in East Lothian. Opportunities identified include:

- Working more closely with Edinburgh because the two areas can collectively provide a very attractive 'city, coast and countryside' offer for tourists.
- The 2013 Open Championship at Muirfield will attract many thousands of visitors to East Lothian. However, notwithstanding the visitors, media and contractors staying overnight in East Lothian, a high proportion will be day visitors – so limiting their spend locally. As a result, the greater opportunity may stem from the increased awareness of East Lothian as a golf and tourism destination. Golf tourist numbers typically increase the year after an Open Championship, therefore there are opportunities to attract 2014 Ryder Cup and Homecoming Scotland visitors to East Lothian's golf courses.

- Wildlife/nature-based tourism is seen as a major opportunity that East Lothian can build on – particularly with Visit Scotland's *Natural Scotland* themed year in 2013/14. Plans to extend the Scottish Seabird Centre as the 'Scottish Marine Centre' along with the John Muir Way, Bass Rock and the coast and countryside more generally provide East Lothian with a number of very strong assets. It is important that these are better integrated into an East Lothian wildlife tourism package and other opportunities are explored – e.g. to host a major wildlife conference or attract wildlife TV programmes to film in East Lothian.
- East Lothian's tourism sector can benefit from closer links with East Lothian's food and drink sector as the two can reinforce the promotion of East Lothian as a high quality destination to visit with high quality local attractions, food and drink.
- Improving public transport provision and ensuring that it is better integrated between towns and attractions will improve the visitor experience. A priority identified by many stakeholders was the need to increase the frequency of the Edinburgh-North Berwick train service.

Developing Key Sectors

There is broad consensus that East Lothian partners should continue to support tourism and food and drink. In addition, stakeholders felt it was important to develop new or emerging sectors that offer real opportunities for East Lothian. In some cases, key sectoral businesses can be supported or attracted through East Lothian Council, QMU, Jewel and Esk College and other partners' resources. In other cases, the opportunities may be best derived by working at the city region level or in collaboration with neighbouring local authorities. Social enterprises and local community based initiatives also have a role to play but may require support to do so. The sectors identified are:

- Renewable energy through:
 - Connecting with the marine renewables sectors in Fife and Leith to service machinery in East Lothian's harbours.
 - Developing (small scale) wind farms in East Lothian.
- Low carbon industries, such as environmental construction.
- Life sciences, building on East Lothian's existing assets (e.g. QMU, Elvingston Science Centre and Charles River Laboratories) and Edinburgh's BioQuarter, Royal Infirmary Hospital and University of Edinburgh.
- Creative industries, building on East Lothian's lifestyle businesses.
- Food and drink industries, building on East Lothian's strong agricultural sector. There are opportunities to develop up-stream activities, e.g. food processing and sales in East Lothian, and to support diversification.
- Re-locations of professional services from Edinburgh to East Lothian.
- Constrained public sector budgets will require consideration of how best to deliver services needed by the East Lothian population. Where private and not-for-profit providers are best placed to deliver these, opportunities for growth will be created.

High Level Volunteering

East Lothian is characterised by high levels of volunteering but there is scope to further increase volunteering levels and also direct volunteering activities to where it

can add most value. For example, East Lothian has many highly skilled and experienced residents who could contribute to business mentoring schemes, youth mentoring schemes or school activities additional to the curriculum (e.g. money management, enterprise and entrepreneurialism).

Promoting East Lothian's Assets

As outlined above, East Lothian is widely recognised by its residents and businesses as having an excellent quality of life and work-life balance. However, East Lothian and what it has to offer to potential inward investors, businesses, residents and students is not well known. Greater efforts are therefore needed to promote and market East Lothian's existing assets as they will be attractive to many.

Challenges

East Lothian will face a number of challenges over the 10 year period of this Strategy. Some cannot be predicted – e.g. any fall-out from the Eurozone crisis – but the challenges that can more easily be identified are outlined below.

Business Base

There are a number of challenges to increasing the business base in East Lothian.

- The lack of viable employment land (i.e. land that is both zoned for economic use and with real development prospects) is a significant constraint to attracting businesses of scale to East Lothian. This places a premium on land in key sites – e.g. around QMU's campus – and highlights the need for East Lothian's Local Development Plan to align with East Lothian's Economic Development Strategy.
- The need to preserve East Lothian's coast and countryside, allied to East Lothian's historical conservatism against large-scale economic development, is a constraint to future economic development aspirations.
- Linked to the wider issue of town centre regeneration, there is the ongoing challenge of attracting and sustaining businesses in town centre locations given the competition of out-of-town/edge-of-town developments. The increasing number of vacant premises in some East Lothian town centres reflects the difficulties faced.

Labour Market

In terms of challenges related to East Lothian's labour market:

- The projected increase in East Lothian's population means commuting levels will inevitably increase unless more jobs can be created in East Lothian. As a result, new housing developments (such as at Blindwells) must ensure that the employment and service needs of an increasing population are also met.
- The large proportion of residents who commute to Edinburgh and beyond to work means valuable skills and spend are exported from East Lothian on a daily basis. Increasing the number of East Lothian residents in East Lothian jobs will benefit the economy both directly and indirectly.

Key Messages

The Strategy is informed by the views of a wide range of stakeholders – including local employers and local communities. Overall, there was broad consensus around what East Lothian's strengths, weaknesses, opportunities and challenges are:

- **Strengths** are its diverse business base with sectoral strengths in food and drink, tourism and Higher Education, entrepreneurial culture, skilled workforce, proximity to Edinburgh and its quality of life.
- **Weaknesses** are its lack of large employers, rising unemployment levels, pockets of deprivation in Musselburgh, Wallyford and Prestonpans, limited land availability for economic use, and poor public transport infrastructure.
- **Opportunities** were identified around tourism, food and drink and new sectors (e.g. renewables, life sciences, creative industries and re-locations from Edinburgh), and by better promoting East Lothian's assets.
- **Challenges** were identified around bringing land zoned for economic use to market, balancing East Lothian's environment and quality of life with economic development, town centre regeneration, servicing East Lothian's projected population growth and increasing the proportion both living and working in East Lothian.

5. EAST LoTHIAN ECONOMIC DEVELOPMENT STRATEGY

Introduction

This chapter builds upon the broad evidence base of earlier chapters to set out the East Lothian Economic Development Strategy. While the strategy should evolve to reflect the national, regional and local opportunities and challenges that arise, the strategic framework set out in this chapter outlines a strategic vision, goals, objectives and a number of strategic projects.

Essentially the Strategy proposes:

- To deliver by 2022 a number of major **strategic projects** which build upon the analysis of what needs to be done to enhance the East Lothian economy.
- By delivering the strategic projects, five **strategic objectives** will be achieved.
- Progress against the strategic objectives will help drive towards the two longer term **strategic goals** for East Lothian.
- This will in turn help deliver the **strategic vision** for East Lothian by 2022.

This strategic approach is described in more detail below.

Strategic Vision

The Strategy aims to make a significant contribution to achieving visions already set for East Lothian. As a result, the vision for the East Lothian Economic Development Strategy plays directly into the economic development aspects of the vision set in East Lothian Council's *Council Plan 2012-2017*. The vision is:

In 2020 East Lothian will have a dynamic and flourishing economy with our citizens proud to live, learn, work and play in East Lothian.

Strategic Goals

To achieve this strategic vision, East Lothian must deliver against two major strategic goals:

- ***To increase the number of businesses in East Lothian with growth potential.***
- ***To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy.***

Strategic Principle

In addition to the strategic goals and critical to the effective delivery of the strategy is the need for a joined up approach to economic development between East Lothian's Community Planning partners – and also within these organisations. The strategic principle has been termed the '**One East Lothian Approach to Economic Development**' and includes:

- East Lothian's Community Planning partners ongoing commitment to delivering the East Lothian Economic Development Strategy.
- Promoting East Lothian to wider audiences to help increase East Lothian's profile.
- Challenging partners to maximise the economic development benefits from activities, premises and land, and investments.
- Maximising the business and employment opportunities from local investments – e.g. through Community Benefit clauses.

- Joining up services within organisations to improve quality of service that businesses, residents and partners experience. For example, East Lothian Council could better join up economic development, planning, trading standards and environmental health.

Equal opportunities for all is also central to the delivery of the Strategy. It will meet the general and specific duties set out in the Equality Act 2010, and will have due regard for the need to:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity.
- Foster good relations.

Strategic Objectives

In order to deliver on the two strategic goals, five strategic objectives have been set. These are outlined below with a summary of the key issues that they address and the opportunities they build on.

| |
|--|
| SO1: To be the best place in Scotland to set up and grow a business |
| <ul style="list-style-type: none"> - Not enough businesses in East Lothian, which impacts on the East Lothian's low jobs base. Increasing the number of businesses and jobs must be a priority for East Lothian. - East Lothian has a low profile which limits opportunities to attract businesses to the area. Increasing awareness of East Lothian is a priority and its proximity and connections to Edinburgh, its workforce, its work-life balance and good quality business support services are key elements of the 'offer' that can be promoted. - East Lothian has limited availability of land and premises for business use. Therefore it is critical that a pro-business planning approach is taken to maximise the benefits of land zoned for economic use. - Being the '<i>best place in Scotland to set up and grow a business</i>' will reflect high self-employment, business start up and survival rates; supportive business infrastructure from public sector partners; choice in business premises; access to a skilled workforce; and vibrant business networks. |
| SO2: To be Scotland's leading coastal, leisure and food & drink destination |
| <ul style="list-style-type: none"> - Tourism is an important sector for East Lothian with the potential to attract more visitors to stay longer and spend more. - East Lothian has many good quality tourist attractions but wider awareness of East Lothian as a place to visit is limited because the different offers are not fully joined up. It is important that linkages are made between Visit East Lothian, East Lothian: Scotland's Golf Coast, East Lothian Food & Drink and other marketing/branding used to enhance East Lothian's profile. - There are real opportunities to develop cross-marketing activities with Edinburgh. - There are untapped opportunities around wildlife, coast, cycling and walking tourism – which resonates with East Lothian's sustainability aims. |

SO3: To build on our proximity to Edinburgh to encourage study, work and spend in East Lothian

- East Lothian's proximity and connections to Edinburgh and QMU are amongst its main assets, yet these opportunities are not currently being fully maximised – shown by deprivation levels being highest in Musselburgh, Prestonpans and Tranent.
- There is scope to attract businesses and jobs to the areas of East Lothian that border Edinburgh based on connections to Edinburgh, lower costs and skilled workforce. All land zoned for economic use close to Edinburgh should therefore be retained to support future developments.
- There is also scope to benefit more from East Lothian's residents, students and visitors by encouraging them to spend locally. This will require investing in local town centres to make them more attractive and accessible locations to visit.

SO4: To provide high quality employment pathways for East Lothian's workforce

- Labour market statistics show rising adult and youth unemployment – with levels now close to the Scottish average.
- East Lothian will also see an ageing of its population, which will likely place further demand on local services.
- These changes indicate that efforts should be made to maximise the economic benefit of all groupings – young people; adult unemployed; disabled; lone parents; and older people who wish to remain economically active. For each group, supports and opportunities should be in place so that they can be economically active and progress into good quality employment, training, self-employment or volunteering.

SO5: To become Scotland's most sustainable local economy

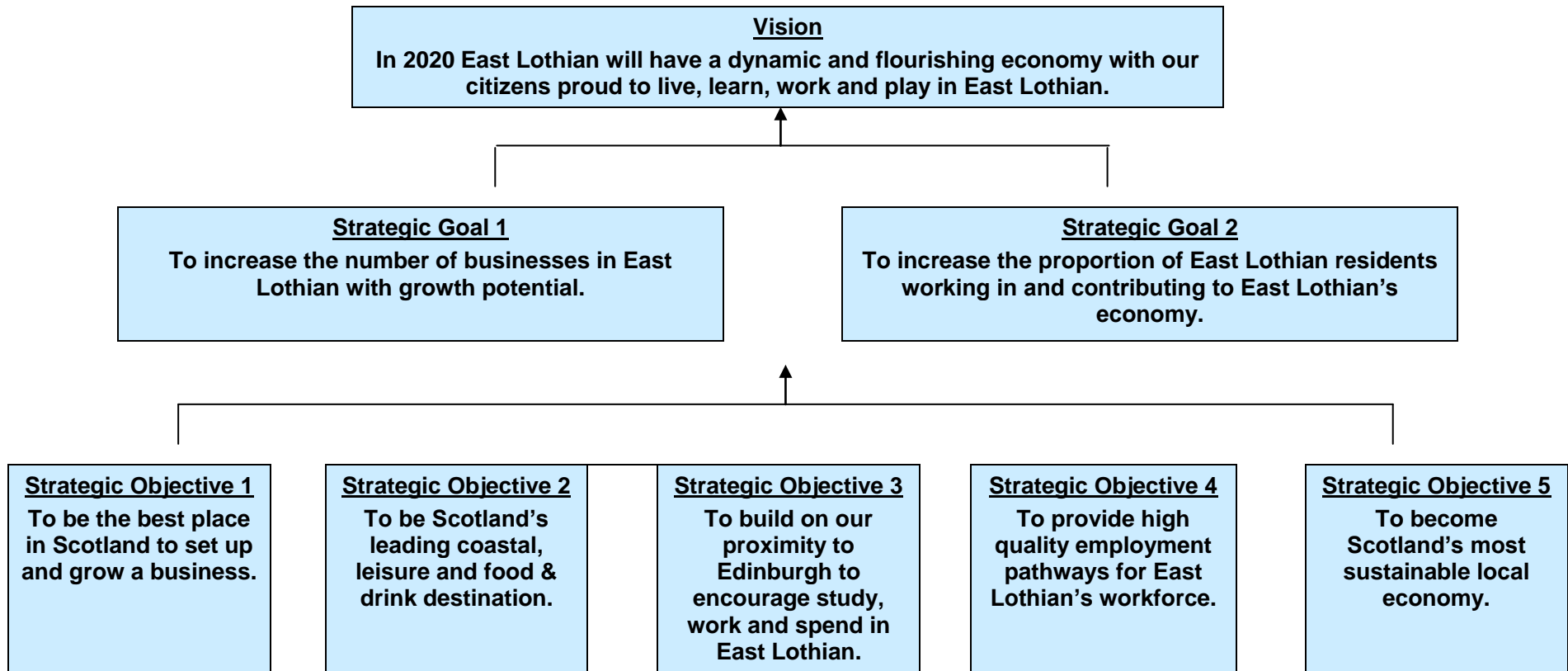
- East Lothian has many features that can support it becoming Scotland's most sustainable local economy – it has distinctive, well-used town centres; its current business sectoral profile aligns with more sustainable sectors (e.g. food and drink, construction); and an excellent environment and work-life balance.
- However, it struggles with its public transport infrastructure; the lack of local jobs (encouraging commuting to Edinburgh); and more vacant premises in town centres.
- By striving to become Scotland's most sustainable local economy and building on the *East Lothian Environment Strategy 2010-2015*, East Lothian can raise its profile and be widely recognised as an area that has embraced sustainability through its support for local businesses, social enterprises and community based initiatives.
- It also provides a framework for:
 - Developing new, low carbon sectors (e.g. renewables) that can counter the future employment losses from Cockenzie and Torness power stations.
 - Encouraging innovation amongst East Lothian's businesses.
 - Improving public transport connectivity.
 - Supporting town centres and local businesses – thereby sustaining and potentially creating local jobs, and meeting the leisure, cultural and wider needs of residents.
 - Preserving East Lothian's environment and quality of life.

Strategic Framework

The overall structure of the strategic vision, goals and objectives is shown in Figure 5.1 below.

- The vision and goals provide a framework for East Lothian Council and its partners – helping to drive decisions about what to deliver.
- The strategic objectives will help drive action on a more immediate basis – outlining improvements needed in key areas of service delivery.

FIGURE 5.1: STRATEGIC FRAMEWORK



Strategic Projects

The Strategy must come off the page quickly and begin to change the way economic development interventions are planned, designed, commissioned and delivered. Critical to this is the identification and prioritisation of a number of strategic projects, which are:

- Substantial projects with the capacity to make a significant impact on East Lothian.
- Targeted quite precisely at strategic opportunities or weaknesses within the local economy.

Six strategic projects have been identified and are summarised below. Further detail on each strategic project is given in the Strategy's accompanying Action Plan, which includes details on key partners, timescales and priority attached to each.

STRATEGIC PROJECT 1: DEVELOP EAST LOTHIAN'S KEY SECTORS

- Agree and resource Implementation Plans that develop East Lothian's key sectors, with priority placed on Tourism, Food and Drink, and Renewables
- Around Tourism, the plan should include: address identified gaps in tourism offer; develop East Lothian's wildlife, coast, cycling and walking opportunities; better join up different strands of tourism and Food and Drink offer; and develop joint offer/cross-marketing with Edinburgh
- Around Food and Drink, the plan should include: explore opportunities to showcase East Lothian's food and drink across Scotland and UK; join up with East Lothian's tourism offer; develop business mentoring scheme of small/start up food and drink businesses; develop opportunities for local food and drink businesses to tap into local markets and expand upstream activities
- Around Renewables, the plan should include how best to work with South East Scotland local authorities/East Coast Renewables to developing joined up approach

STRATEGIC PROJECT 2: INCREASE EAST LOTHIAN'S PROFILE

- Join up existing East Lothian brands and promote East Lothian brand to current and potential businesses, residents and visitors – working closely with Scottish Development International and Visit Scotland
- Build on marketing events (e.g. St Andrews Square exposition) and explore future marketing opportunities
- Attract major events to East Lothian on a regular basis – e.g. golf championships, conferences, festivals
- Encourage East Lothian partners, businesses and residents to 'sell' what East Lothian has to offer to wider audiences

STRATEGIC PROJECT 3: IMPROVE EAST LOTHIAN'S CONNECTIVITY

- Enhance and better integrate public transport provision
- Explore opportunities to deliver public transport through alternative means (e.g. social economy model)
- Explore options to enhance Broadband infrastructure – and identify investment opportunities
- Lobby the Scottish Government to dual the A1 to the Scotland-England border

STRATEGIC PROJECT 4: ENHANCE EAST LoTHIAN'S BUSINESS INFRASTRUCTURE

- Work with SDI to develop joint marketing materials that articulate the advantages of East Lothian as a business location and to respond to inward investment enquiries more effectively
- Develop business mentoring scheme of small and/or start up businesses
- Closer joining up of SE's account management service and East Lothian Council's business development services
- Encourage East Lothian 'business to business trade' that will help retain spend within East Lothian. This would involve enhancing East Lothian's business networks and supporting East Lothian businesses to access local procurement opportunities
- Review demand for East Lothian's business premises and explore opportunities to enhance local business premises offer

STRATEGIC PROJECT 5: ENERGISE EAST LoTHIAN'S TOWN CENTRES

- Develop and market distinctive branding of each town which builds on each town's existing assets
- Support local efforts to enhance East Lothian's town centres and parking provision
- Explore opportunity of developing business space within town centres as mixed use will support town centre sustainability
- Continued support of 'shop local schemes'
- Continued support of farmers markets with connections to East Lothian Food & Drink
- Limit out-of-town developments to support sustainability of town centres

STRATEGIC PROJECT 6: DEVELOP MORE SUSTAINABLE EMPLOYMENT PATHWAYS IN EAST LoTHIAN

- Focus initial efforts on developing joined-up employability provision for young people – and then establish similar, joined-up provision for adult unemployed, disabled, lone parents and older workers. The initial focus on young people includes agreement and delivery of the *East Lothian Youth Employment Plan*, which will act as an Implementation Plan.
- Develop Academy model and explore opportunities for Academies in range of key local sectors – tourism, health, financial services, agriculture, food and drink, energy
- Increase involvement of local businesses in supporting youth transitions – e.g. enterprise education in schools, work experience placements, apprenticeships
- Develop mentoring of young people in and from school into FE or employment
- Ensure accessibility of FE and training opportunities for East Lothian's young people (e.g. local delivery; transport passes)
- Increase number of apprenticeships and National Training Programmes opportunities

Key Messages

The strategy's **vision** plays directly into the economic development aspects of the vision set in East Lothian Council's Council Plan 2012-2017. It is that: ***In 2020 East Lothian will have a dynamic and flourishing economy with our citizens proud to live, learn, work and play in East Lothian.***

To achieve the vision, the strategy has **two strategic goals**:

- To increase the number of businesses in East Lothian with growth potential.
- To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy.

Delivery of the strategy requires a joined up approach to economic development between East Lothian's Community Planning partners – and also within these

organisations. The **strategic principle** has been termed the '**One East Lothian Approach to Economic Development**', while it is also vital that the Strategy delivers **equal opportunities for all**.

The strategic goals are supported by **five strategic objectives**:

- To be the best place in Scotland to set up and grow a business
- To be Scotland's leading coastal, leisure and food & drink destination
- To build on our proximity to Edinburgh to encourage study, work and spend in East Lothian
- To provide high quality employment pathways for East Lothian's workforce
- To become Scotland's most sustainable local economy

To help deliver the Strategy, **six strategic projects** have been identified:

- Develop East Lothian's key sectors.
- Increase East Lothian's profile.
- Improve East Lothian's connectivity.
- Enhance East Lothian's business infrastructure.
- Energise East Lothian's town centres.
- Develop more sustainable employment pathways in East Lothian.

6. IMPLEMENTING THE STRATEGY

Introduction

Strategies that do not come off the page are worthless. It is essential to have mechanisms in place to ensure that the East Lothian Economic Development Strategy is delivered. Mechanisms include:

- Establishing targets and milestones to measure progress against the strategic goals.
- Putting in place structures for governance and management of the Strategy.
- Agreeing on an Action Plan to guide delivery in the short to medium term.

Targets and Milestones

In the previous chapter, strategic goals and objectives were set for East Lothian. It is essential that linked to these aspirations are quantifiable outcome based targets and milestones, as this will allow partners and others to judge to what extent the Strategy is being delivered.

- Targets should relate to the end point of the Strategy – 2022.
- Milestones should be set for the short and medium term to assess the extent to which the strategy's delivery is on track. A sensible approach is to have a rolling programme of 1 and 3 year milestones. These timescales have the advantage of being long enough that real progress can be made, while not so long that the Strategy is in jeopardy if progress is slower than anticipated.

Each Strategic Project will also need targets and milestones – although the timings of these will depend on the timescales agreed for each project. Deciding on realistic but ambitious targets and milestones should be an early priority for the Strategic Board established to drive forward the Strategy. Potential targets relating to the number of businesses and jobs in East Lothian are set out in Figure 6.1.

Figure 6.1: Indicative Targets for Strategic Goals

| | Ambition | Current Level | 2022 Target Level | Scale of Ambition |
|---------------|--|---|--|--|
| Goal 1 | Reach middle of 2 nd quartile of Scotland's local authorities on business density | Ranked 17 th of 32 local authorities with 332 businesses per 10,000 adults | Achieve middle of 2 nd quartile with a business density of 375 businesses per 10,000 adults | Increase EL's 2,615 businesses by 350 businesses (excluding projected population growth) |
| Goal 2 | Enter 3 rd quartile of Scotland's local authorities on employment density | Ranked 30 th of 32 local authorities with 3,160 jobs per 10,000 adults | Enter 3 rd quartile (i.e. achieve levels of Borders and Fife) at 4,120 jobs per 10,000 adults | Increase EL's 24,870 jobs by at least 7,500 jobs (excluding projected population growth) |

Robust Review Process

In addition to setting targets and milestones, partners must also have a **robust process in place for reviewing progress** towards these on an **annual basis**. This must:

- Examine the data on progress against the milestones and targets.
- Provide a forum to discuss the reasons for lack of progress or accelerated progress.

- Be able to put in place measures to tackle a lack of progress or to respond to accelerated progress.
- This will almost inevitably involve changing radically what is delivered and by whom – and may mean allocating significant resource from under-performing towards successful interventions.

This process must be tied into the 3-year Action Plan (outlined later in this chapter) and should be driven by the Strategic Board.

This means there will be a need for a system for identifying and comparing the effectiveness of economic development interventions operating in East Lothian. In order to help get the Strategy up and running, partners need to establish:

- What do we currently do well in East Lothian – and not so well?
- What needs to be added to the delivery menu – and what should be removed?

This will provide a starting point for making key decisions about prioritisation of strategic projects and how best to deliver these but will also help in establishing a set of processes and procedures for monitoring and evaluating the effectiveness of economic development interventions in East Lothian. To drive forward the Strategy, there is a need to move towards a **collective review process**.

The review process needs to sit at the heart of a drive to become much more **demanding** about what local services, projects and interventions **deliver** in terms of the economic development strategic goals and projects set out in the Strategy. Particularly in a period of reduced resources, tough decisions will need to be made. As an indicative timescale, the first Annual Review should be held in October 2013 with the preparatory work carried out during August and September so that the review is fully evidence-based. It should then be repeated annually in October to guide spending decisions for the subsequent financial years.

Governance and Management of Strategy Implementation Process

It is essential that there are clear governance arrangements for the implementation of the Strategy. These will need to work at two levels:

- Strategic oversight of the strategy and its implementation.
- Operational management of the implementation of the strategy in a more hands-on way.

Strategic Board

Driving forward the strategy will require a Strategic Group (or Board) tasked with ensuring the Strategy's goals, objectives and projects are delivered. The East Lothian CPP is currently reviewing its structures and processes and one proposal is to establish a series of high-level Boards under the CPP Board. If this option is pursued, there is a strong case for one of the Boards to be 'Economic Development' given its cross-cutting nature and the priority being placed on economic development issues both by local partners and the Scottish Government. However, whatever the outcome of the CPP review (to be reported in December 2012), it is important that the Strategic Board aligns with the new structures adopted.

This Board would oversee the Strategy and its remit would include:

- Signing off the Strategy.

- Agreeing a 3-year Action Plan.
- Making key decisions around service design, delivery and resource allocation.
- Establishing an annual review process, measuring progress towards the Strategy's key milestones and targets and implementing change if insufficient progress is being made.
- Resolving any major problems or responding to any major opportunities that could affect the delivery of the Strategy – reflecting that the Strategy will evolve over time.

The Strategic Board should be small in size with membership restricted to the key organisations with a role in implementing the Strategy within East Lothian. These include:

- East Lothian Council.
- Scottish Enterprise.
- Skills Development Scotland.
- Jobcentre Plus.
- QMU.
- Social Enterprise in East Lothian

In each case, it is essential that organisations are represented by **senior officials** – reflecting the importance of the Strategy and to help ensure continuing weight is placed on achieving the vision, goals and objectives set out in the Strategy. As well as getting the right level of membership, it is also important to ensure there is an appropriate mix of skills and expertise represented on this Board.

In addition to public sector partners, there would be value in the Strategic Board having:

- **Private sector representation** to increase the Strategy's profile and credibility amongst the business community and help ensure that a business-like approach is taken to achieving the Strategy. More than one private sector representative is recommended to ensure different business views are considered.
- **High level councillor representation** to bring credibility and authority to the Strategy and Strategic Board.

Given the importance of delivering the Economic Development Strategy, there is a need for a strong and well-respected **Strategic Board Chair**. Stakeholder consultation suggests that a Chair from the private sector would be of real benefit to East Lothian – and this has been seen to work well elsewhere.

A dedicated and **resourced secretariat** should also be in place to support the Strategic Board – and East Lothian Council would appear best placed to provide this key support service.

Implementation Group

At an operational level, it is essential that there is a dedicated Implementation Group in place.

- Again, the group should be small to help ensure it remains focused.

- The members of the group should be the operational leads for each of the key organisations with a remit and responsibility for delivering economic development services, namely:
 - East Lothian Council.
 - Scottish Enterprise.
 - Skills Development Scotland.
 - Jobcentre Plus
 - Visit Scotland.
 - QMU.
 - Jewel and Esk College.
 - Business representatives.
- The CPP Enterprise and Skills Sub-Group is the best placed of existing groupings to become the Implementation Group. However, to be fit for purpose, it would need to become more action-orientated.

Within this, organisations or partnerships of organisations will be assigned responsibility for delivery of specific strategic projects.

The Implementation Group will report to the Strategic Board on:

- Progress of individual Strategic Projects.
- Progress against milestones and targets.
- Key issues, challenges and opportunities emerging.

Action Plan

The first task of the Strategic Board is to sign off the Strategy. The next and **immediate** task must then be to sign-off a 3-year Action Plan for 2012 to 2015.

The Action Plan is an essential planning mechanism to ensure that the Strategy's targets and milestones are achieved and will help partners to get to work quickly by setting out:

- Key actions that need to be taken across different delivery areas. Collectively, the actions outlined must demonstrably link to the desired outputs and outcomes and be sufficient in scale and effectiveness to meet the Strategic Goals (and associated targets and milestones) that have been set.
- Resources required to deliver these key actions and how these will be assembled.
- Organisational responsibility for each key action.
- Activity and output targets for each key action. The targets set should relate to the timescales of these plans.
- The process for reviewing progress against the Strategy's overarching targets and milestones, alongside the activity and output targets for each key action, on an annual basis. This must include both assessing progress and where there is underperformance, mechanisms to address this.

Getting the first 3-year Action Plan signed-off is an urgent priority for the Strategic Board. It should then be revisited and updated on a rolling basis over the 10 year life of the Strategy.

Key Messages

It is essential that the Strategy has the mechanisms in place to drive forward the Strategy.

Ensuring that the Strategy is delivered requires targets and milestones to be set and progress towards these to be reviewed on an annual basis.

A **Strategic Board** should be established and be responsible for ensuring the Strategy's vision, goals, objectives and projects are delivered.

- Its remit includes signing-off the strategy; commissioning and signing-off a **3 year Action Plan**; making key decisions around service design, delivery and resource allocation; and reviewing progress towards **milestones and targets** on an annual basis.
- It should have a small but senior level membership that consists of East Lothian Council, Scottish Enterprise, Skills Development Scotland, Jobcentre Plus, Visit Scotland and QMU. Private sector and councillor representation may also be advantageous.
- The Strategic Board needs to be served by a dedicated and resourced secretariat.

At an operational level, it is essential that there is a dedicated **Implementation Group** in place.

- Its remit is to be collectively responsible for the delivery of specific strategic projects; report progress against strategic projects, milestones and targets, and raise any emerging issues, challenges and opportunities.

As soon as the Strategy has been signed-off, the Strategic Board must sign-off a 3 year Action Plan, which will help ensure the Strategy's targets and milestones are achieved by setting out the key actions required; the resources required to deliver these; organisational responsibilities; activity and output targets; and the process for reviewing progress.

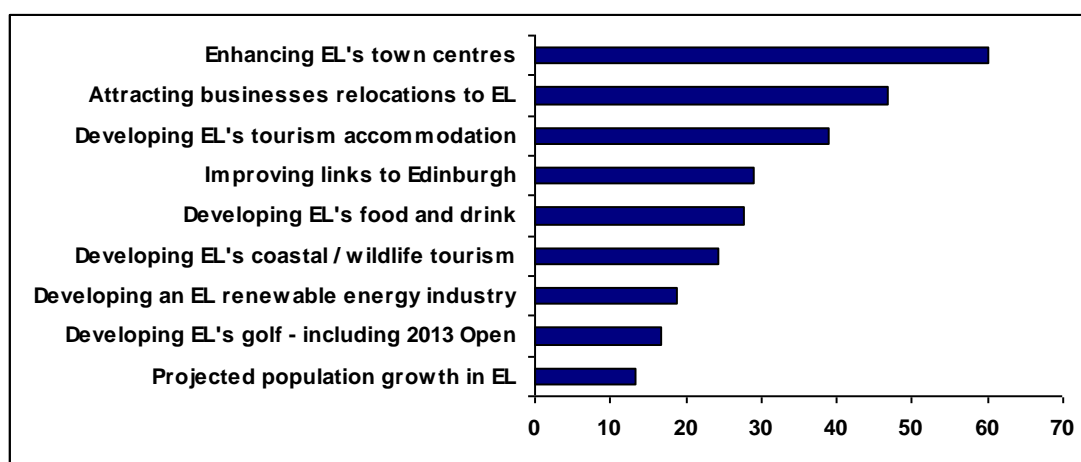
APPENDIX: EAST LoTHIAN BUSINESS SURVEY FINDINGS

East Lothian's Opportunities

From a list of potential opportunities for East Lothian, businesses were asked to select their top three opportunities. Figure A1.1 shows that the opportunities selected most were:

- Enhancing East Lothian's town centres.
- Attracting business relocations to East Lothian.
- Developing East Lothian's tourism accommodation.

Figure A1.1: Most Important Opportunities for the East Lothian Economy to 2022

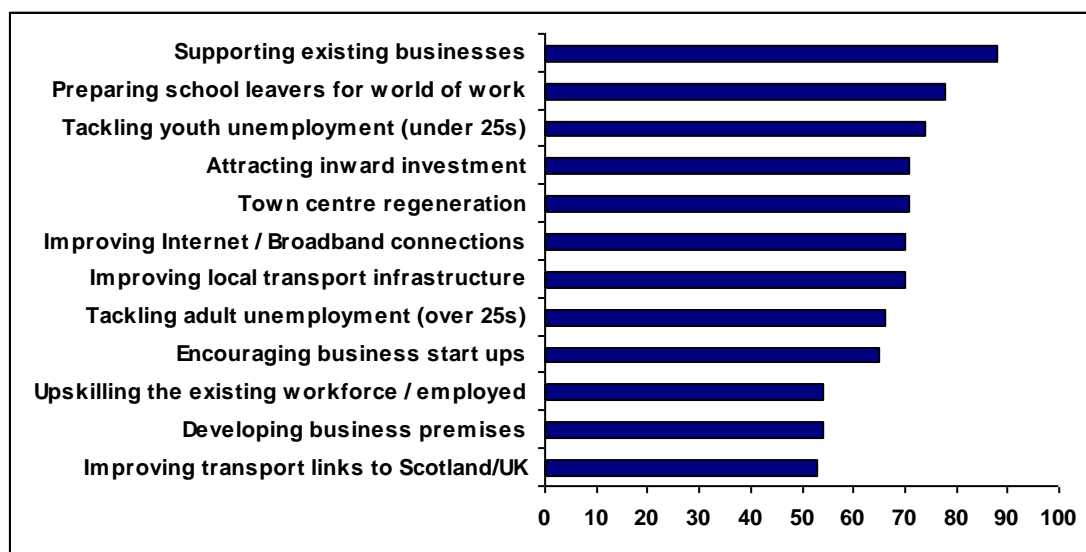


Source: TERU Business Survey

East Lothian's Priorities for Public Investment

Businesses were asked how public investment should be prioritised across economic development issues affecting East Lothian. On a scale of 'very high' to 'very low', Figure A1.2 shows the percentage of businesses that ranked each issue as a 'very high' or 'high' priority for public investment. Those prioritised most were:

- Supporting existing businesses.
- Preparing school leavers better for the world of work.
- Tackling youth unemployment.

Figure A1.2: Economic Development Issues to be Prioritised (% of Businesses)

Source: TERU Business Survey

Future Business Opportunities

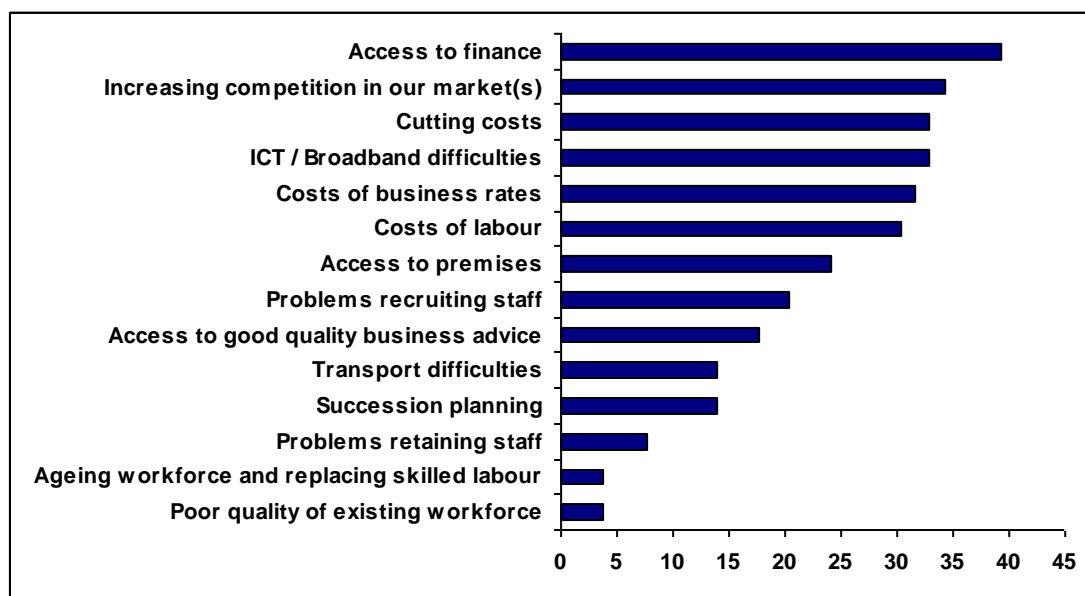
Businesses were asked about their aspirations to grow their East Lothian business over the next five years. Their responses signal a positive outlook with:

- 74% stating they have aspirations to grow.
- 18% stating they wish to remain the same size.
- 9% did not know.

Asked what challenges they feel their businesses are likely to face in the next five years, Figure A1.3 shows that the most common responses relate to the challenging financial environment rather than issues relating to the quality of labour.

- Access to finance.
- Increasing competition in our market(s).
- Cutting costs.

Figure A1.3: Likely Business Challenges in Next 5 Years (% of Businesses)

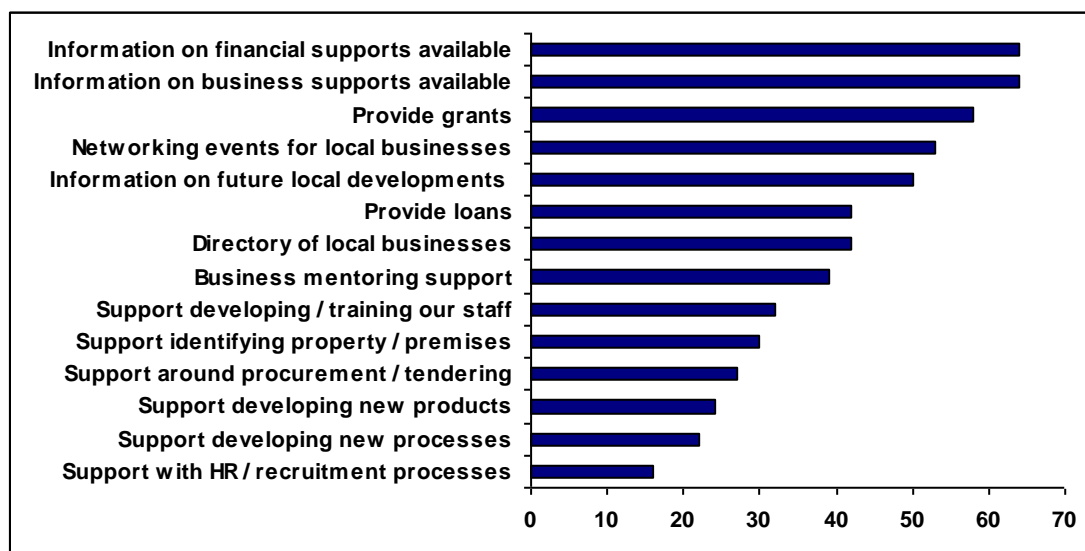


Source: TERU Business Survey

Businesses were asked what public agencies could do more effectively to help their business grow or sustain. On a scale of 'very high' to 'very low', Figure A1.4 shows the percentage of businesses that ranked each support as a 'very high' or 'high' importance to them. Those with the greatest importance attached to them were:

- Information on financial supports available to businesses.
- Information on business support services available.
- Providing grants.

Figure A1.4: Most Important Supports for Businesses (% of Businesses)



Source: TERU Business Survey

Recruitment

Reflecting the economic downturn, **almost two-thirds (64%) of the businesses surveyed had not recruited in the last 12 months**. Of those that had recruited, 43% had no difficulties recruiting. Where businesses encountered recruitment difficulties, the most common difficulties cited amongst applicants were:

- 64% not having willingness to work.
- 43% not having skills specific to the job.
- 39% not having good basic skills (e.g. literacy, numeracy and IT).
- 32% not performing well in interviews or application forms.
- 25% not having sufficient work experience.
- 25% not having good core skills (e.g. communication skills and team working).

Asked where they advertise their job vacancies, **a high proportion of the businesses surveyed use local sources to recruit**. While the sample size for this question is relatively small (50 businesses), it does highlight the difficulties unemployed people may face finding out about job vacancies if word of mouth is widely used.

- 49% use word of mouth.
- 47% use local papers/press.
- 26% use Jobcentre Plus.
- 8% use private recruitment agencies.

Asked what would increase the likelihood of their business considering hiring more unemployed people, the most common responses were:

- 52% wage subsidies to employers.
- 44% initial work trial or placement periods.
- 43% more support for the employer after recruiting jobless individual.
- 22% more support for individuals after recruitment.
- 20% more information from agencies on support available.

Involving East Lothian Businesses

The Strategy's Action Plan will set out what public sector partners agree to deliver but it is also important to build on any contribution that local businesses wish to make. As part of the e-survey of East Lothian businesses, respondents were asked whether they would be prepared to help with a range of economic development activities. 66 businesses registered their interest in at least one activity. Interest was greatest in:

- Participating in a business network.
- Buying goods or services from other local businesses.
- Making an input into local economic development policy and strategy.

Figure A1.5: Business Contribution to Economic Development Efforts

| | Number of Businesses |
|---|-----------------------------|
| Participate in a business network | 44 |
| Buy goods or services from other local businesses | 35 |
| Input into local economic development policy and strategy | 23 |
| Work with schools to raise pupil awareness of world of work | 20 |
| Work with colleges to raise student awareness of world of work | 19 |
| Provide work experience for college students | 19 |
| Provide work experience for school pupils | 18 |
| Mentor business start ups | 15 |
| Help small businesses improve their business effectiveness | 14 |
| Hire young people | 12 |
| Provide work experience placements for the unemployed | 10 |
| Hire long-term unemployed people | 5 |

APPENDIX: STRATEGY CONSULTEES

East Lothian Council

- Angela Leitch – Chief Executive
- Alex McCrorie – Director of Support Services
- Don Ledingham – Director of People
- Tom Shearer – Head of Service
- Pete Collins – Executive Director of Environment
- Monica Patterson – Director of Communities
- Susan Smith – Economic Development Manager
- Richard Baty – Depute Economic Development Manager
- Paolo Vestri – Corporate Policy Manager
- Veronica Campanile – Policy Officer, Policy and Partnerships
- Kaela Scott – Local Community Planning Officer
- Caroline Davis – Dialogue Youth Co-ordinator
- Ian Glen – Planning, Policy and Projects Manager
- David Evans – Senior Environment and Community Services Manager
- Jacqui McCrea – Lead Officer 16+ Learning Choices/MCMC Strategy
- Fiona Edgar – Business Growth Officer
- Claire Dutton – Tourism Officer
- Allan Minto – Golf Tourism Officer
- Gemma Slight – Food and Drink Officer
- Myra Galloway – Community Learning and Development Manager

CPP Enterprise and Skills Group Members

- Jackie Macmillan – Scottish Enterprise
- Margot Crosbie – Skills Development Scotland
- Gordon Henderson – FSB
- Francis Ogilvy – Visit East Lothian
- Manuela Calchini – Visit Scotland
- Sheila Durie – Social Enterprise in East Lothian
- Jim McGonigle – Jobcentre Plus
- Claire Seaman – Queen Margaret University

Other Partners

- Linda McPherson, Scottish Enterprise
- Eliot Stark – Volunteer Development East Lothian
- Peter Douglass – Skills Development Scotland
- Cora MacFarlane – Skills Development Scotland
- Rosalyn Marshall – Queen Margaret University
- Petra Wend – Queen Margaret University

Employers and Business Groupings

- Musselburgh Racecourse
- Eskmills
- Brodies
- Alba Trees
- EDF Energy (Torness Power Station)
- Scottish Seabird Centre

- Mcinroy & Wood
- North Berwick Business Association
- Haddington Business Association
- Dunbar Traders' Association
- East Lothian Golf Tourism Alliance

Workshops

- East Lothian Council Corporate Management Team (17 May 2012)
- East Lothian Community Planning Partnership Enterprise and Skills Group (22 May 2012)
- East Lothian Community Planning Partnership Working Group (28 May 2012)
- East Lothian Community Planning Partnership Board (11 June 2012)

| |
|---|
| EAST LoTHIAN ECONOMIC DEVELOPMENT ACTION PLAN 2012-2015 DRAFT (19TH SEPTEMBER 2012) |
|---|

Introduction

In 2012 a new East Lothian Economic Development Strategy was developed to help respond to the economic downturn and identify opportunities that can support East Lothian's economic growth up to 2022. Drawing on extensive consultations and analysis of key statistical data, the Strategy identified East Lothian's strengths, including its location, skilled workforce, quality of life and economic development services, but also the challenges it faces – particularly its small number of local jobs and rising unemployment levels (partly due to job losses in Edinburgh). Some of the key facts are that:

- **Jobs** – East Lothian had 3,160 jobs per 10,000 adults in 2010, which is significantly below the Scotland figure of 5,362 jobs per 10,000 adults and places East Lothian 30th of Scotland's 32 local authority areas. While East Lothian's position is slightly skewed by having proportionately fewer working age residents, if East Lothian had Scotland's jobs density it would have 17,300 more jobs.
- **Businesses** – East Lothian had 332 businesses per 10,000 adults in 2010, which is below the Scotland figure of 351 businesses per 10,000 adults and places East Lothian 17th of Scotland's 32 local authority areas. If East Lothian had Scotland's business density, it would have 150 more businesses.
- **Employment Rate** – East Lothian's employment rate has fallen from 77% in 2006 to 73% in 2011. While still above Scotland's 71%, the gap has closed.

The key thrust in the Strategy, and reflected in this Action Plan, is the need to place much more focus on:

- Building the business base by supporting East Lothian's key sectors.
- Increasing the number of jobs in East Lothian.
- Making East Lothian a more competitive business location.
- Ensuring local residents can access good quality employment opportunities.

Given this, the Strategy's **headline targets for 2022** are:

- To create an additional 7,500 jobs in East Lothian that will put East Lothian on parity with the Borders and Fife on job density levels.
- To have an additional 350 businesses in East Lothian, reflecting the fact that new jobs will come from encouraging new business starts and attracting inward investors to East Lothian, as well as supporting East Lothian's existing businesses to grow.

These are ambitious targets that demonstrate the desire amongst partners to develop East Lothian's economy. However, without some upturn in the wider economy, these targets may need to be revisited to ensure they remain ambitious but also realistic.

Action Plan

To begin the implementation of the East Lothian Economic Development Strategy, an Action Plan is required that sets out what needs to be delivered in the first three

years. The Action Plan would be agreed by a new **Strategic Board** (or similar body depending on the outcome of the review into Community Planning in East Lothian) that is composed of a small, high level membership of public and private sector representatives. The Strategic Board's other responsibilities include to:

- Sign off the Strategy.
- Make key decisions around service design, delivery and resource allocation.
- Establish an annual review process that will measure progress towards the Strategy's key milestones and targets and implement changes if insufficient progress is being made.
- Resolve any major problems or respond to any major opportunities that could affect the delivery of the Strategy – reflecting that the Strategy will evolve over time.
- Ensure that the Strategy's vision, goals, objectives and projects are delivered.

At the operational level, an **Implementation Group** will be responsible for the delivery of the Action Plan. While again dependent on the outcome of the Community Planning review, the existing CPP Enterprise and Skills Sub-Group would appear best placed to become the Implementation Group. Its members will:

- Ensure the organisations they represent contribute to the delivery of the strategic projects.
- Where appropriate, take lead responsibility for the delivery of specific key projects – i.e. act as lead partner.
- Ensure a joined up approach is taken to delivering the strategic projects – for example, by identifying opportunities for collaboration or sharing key information between projects.
- Develop and deliver Implementation Plans to take forward strategic projects if required – e.g. Implementation Plans for specific sectoral priorities.
- Report to the Strategic Board on the progress of individual strategic projects, progress against milestones and targets, and key issues, challenges and opportunities emerging.

Timescales

The East Lothian Economic Development Strategy and Action Plan will be signed off in autumn 2012 (although both should be viewed as evolving documents that can be revised in response to emerging opportunities and challenges). Delivery of the Action Plan will begin from autumn 2012 with future indicative timescales as follows:

- From autumn 2012, begin implementation of each strategic project as all are important to East Lothian's economic development. However, some projects should receive greater initial resource due to their greater priority and timescales required to successfully deliver. Resource levels therefore need to be fully discussed at this stage to help ensure delivery.
- By the end of March 2013, we will evidence progress on the strategic projects to demonstrate that the implementation of the Economic Development Strategy has begun to gain momentum.
- By August 2013, a report of activity will be produced for inclusion in East Lothian Council's Annual Performance Report and SOA Annual Performance Report.

- By October 2013, we will bring forward examples of businesses in East Lothian which are now making a larger contribution in employment and other terms as a result of committing additional resource and securing greater partner contributions to the process of building the business base.
- By the end of October 2013, we will produce a detailed audit of what has been achieved in terms of increased employment and income levels, and any wider benefits associated with our efforts.

Beyond Year 1, a full annual review process will be scheduled for October of each year, with quarterly updates also scheduled to help monitor progress on a regular basis.

Projects

The next section sets out the individual projects that will help create more businesses and jobs in East Lothian. The Strategy identified **six strategic projects** but within each strategic project there are distinct actions that need to be taken forward. Furthermore, under Strategic Project 1: Develop East Lothian's Key Sectors, there are separate *Sectoral Implementation Plans* to develop each key sector. The *East Lothian Youth Employment Plan* developed by Skills Development Scotland would also become an Implementation Plan under Strategic Project 6: Develop More Sustainable Employment Pathways in East Lothian.

The six strategic projects are:

- Develop East Lothian's key sectors.
- Increase East Lothian's profile.
- Improve East Lothian's connectivity.
- Enhance East Lothian's business infrastructure.
- Energise East Lothian's town centres.
- Develop more sustainable employment pathways in East Lothian.

Equal Opportunities for All

In delivering these strategic projects, and particularly in delivering Strategic Project 6: Develop More Sustainable Employment Pathways in East Lothian, it is critical that all residents can benefit from the Strategy and Action Plan. Equal opportunities for all are therefore central to the delivery of the strategic projects and the Action Plan will meet the general and specific duties set out in the Equality Act 2010, having due regard for the need to:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity.
- Foster good relations.

DRAFT ACTION PLAN

| | PROJECT | DESCRIPTOR | PARTNERS | PRIORITY / DURATION |
|----|--|--|---|---------------------|
| 1A | DEVELOP EAST Lothian's TOURISM SECTOR | <p>Review and update East Lothian Tourism Strategy 2010-2013 and East Lothian Tourism Events Strategy 2010-2015 to develop single <i>East Lothian Tourism Implementation Plan</i> that will deliver towards East Lothian Economic Development Strategy.</p> <p>Key actions are:</p> <ul style="list-style-type: none"> - Identify and address gaps in tourism offer – e.g. attract resort and brand hotel(s); increase evening and weekend offer (e.g. restaurants and bars) - Develop tourism opportunities and packages around East Lothian's wildlife, coast, cycling and walking - Join up different strands of tourism offer – e.g. golf, coast, town centres and individual attractions and East Lothian Food & Drink to develop joined up coastal, leisure and food & drink tourism offer that encourages visitors to stay longer and spend more - Develop joint offer/cross-marketing with Edinburgh - Develop business mentoring scheme of small tourism businesses - Encourage use of national schemes as and where appropriate – e.g. <i>Go Rural</i> initiative and VisitScotland campaigns | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Delivery Partners</p> <ul style="list-style-type: none"> - VisitScotland - EventScotland - Visit East Lothian - East Lothian Golf Tourism Alliance - East Lothian Tourism Attractions Group - QMU - Voluntary and social enterprise sector - Tourism industry - Food & Drink businesses - Business interest groups - Harbour interest groups | High / Short-Term |

| | | | | |
|----|---|---|---|----------------------|
| 1B | DEVELOP EAST Lothian's FOOD AND DRINK SECTOR | <p>Review and update East Lothian Food and Drink Strategy 2010-2013 to develop East Lothian Food and Drink Implementation Plan that will deliver towards East Lothian Economic Development Strategy.</p> <p>Key actions are:</p> <ul style="list-style-type: none"> - Join up East Lothian Food & Drink with East Lothian's tourism offer to develop a joined up coastal, leisure and food & drink tourism offer that encourages visitors to stay longer and spend more - Explore opportunities to showcase East Lothian's food and drink across Scotland and UK - Develop business mentoring scheme of small and/or start up food and drink businesses - Encourage use of national schemes as and where appropriate – e.g. <i>Go Rural</i> initiative and VisitScotland campaigns | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Partners</p> <ul style="list-style-type: none"> - Scottish Enterprise - QMU - Food & Drink businesses - SDI - Voluntary and social enterprise sector - Business interest groups - Tourism businesses and interest groups - VisitScotland - Scotland Land of Food & Drink | Medium / Medium-Term |
| 1C | DEVELOP EAST Lothian's RENEWABLE SECTOR | <p>Develop East Lothian Renewable Sector Implementation Plan that will deliver towards East Lothian Economic Development Strategy.</p> <p>Key actions are:</p> <ul style="list-style-type: none"> - Work with East Coast Renewables local authorities around developing East Lothian's renewables sector - Map East Lothian businesses to understand interest in renewables, existing renewables activities, support needs and large-scale barriers faced | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Partners</p> <ul style="list-style-type: none"> - Scottish Enterprise - East Coast Renewables - Voluntary and social enterprise sector | Medium / Long-Term |

| | | | | |
|---|--|--|--|-------------------|
| 2 | INCREASE EAST LoTHIAN'S PROFILE | <p>Increasing awareness of East Lothian as an excellent place to do business, work, live, study and visit is critical. Key tasks are:</p> <ul style="list-style-type: none"> - Join up existing East Lothian brands and promote East Lothian brand to current and potential businesses, residents and visitors – working closely with Scottish Development International and Visit Scotland - Explore future marketing opportunities (e.g. of similar scale and coverage as St Andrews Square exposition) - Attract major events to East Lothian on a regular basis – e.g. golf championships, conferences, festivals - Develop 'East Lothian Postcard' to encourage East Lothian partners, businesses and residents to 'sell' what East Lothian has to offer to wider audiences | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Partners</p> <ul style="list-style-type: none"> - Scottish Development International - VisitScotland - QMU - EventScotland | High / Short-Term |
| 3 | IMPROVE EAST LoTHIAN'S CONNECTIVITY | <p>Contributing to the development of East Lothian's key sectors but also the accessibility of East Lothian for businesses, residents and visitors, key tasks are:</p> <ul style="list-style-type: none"> - Enhance and better integrate public transport provision – including lobbying for a more regular train service between Edinburgh and North Berwick - Explore opportunities to deliver public transport through alternative means (e.g. social economy or community transport model) - Explore options to enhance Broadband infrastructure – and identify investment opportunities - Lobby the Scottish Government to dual the A1 south of Dunbar to improve connections to North East England | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Partners</p> <ul style="list-style-type: none"> - Scottish Government - Scotrail - Bus companies (e.g. FirstBus) - Social economy sector - BT - Transport Scotland | High / Long-Term |

| | | | | |
|---|---|---|---|-----------------------------|
| 4 | ENHANCE EAST LOTHIAN'S BUSINESS INFRASTRUCTURE | <ul style="list-style-type: none"> - Work with SDI to develop joint marketing materials that articulate the advantages of East Lothian as a business location and to respond to inward investment enquiries more effectively - Develop business mentoring scheme of small and/or start up businesses. A range of backgrounds and previous business/sectoral experiences ideally sought - Closer joining up of SE's account management service and East Lothian Council's business development services. This includes improved sharing of local business intelligence to help tailor offer to businesses - Encourage East Lothian 'business to business trade' that will help retain spend within East Lothian. This would involve enhancing East Lothian's business networks and supporting East Lothian businesses to access local procurement opportunities (including public sector procurement) - Review demand for East Lothian's business premises and explore opportunities to enhance local business premises offer, while retaining key strategic business sites (e.g. around QMU) | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Partners</p> <ul style="list-style-type: none"> - QMU - East Lothian Investments - East Lothian Land - Scottish Enterprise - Scottish Development International - Federation of Small Businesses - Local Business Forums - Voluntary and social enterprise sector | Medium / Medium- Term |
| 5 | ENERGISE EAST LOTHIAN'S TOWN CENTRES | <p>Contributing to East Lothian's business, residents' quality of life and attractiveness as a tourism destination, key tasks are:</p> <ul style="list-style-type: none"> - Develop and market distinctive branding of each town which builds on each town's existing assets - Support local efforts to enhance East Lothian's town centres and parking provision - Explore opportunity of developing business space within town centres as mixed use will support town centre sustainability - Continued support of 'shop local schemes' - Continued support of farmers markets with connections to East Lothian Food & Drink - Ensure out-of-town developments support sustainability of town centres | <p>Lead Partner</p> <ul style="list-style-type: none"> - East Lothian Council <p>Partners</p> <ul style="list-style-type: none"> - Local Business Forums - Town centre business and other interest groups - Social economy sector - Food & Drink businesses | Medium / Short-Term |

| | | | | |
|---|---|--|--|---------------------------|
| 6 | DEVELOP MORE SUSTAINABLE EMPLOYMENT PATHWAYS IN EAST LOTHIAN | <p>SDS to develop <i>East Lothian Youth Employment Plan</i> in collaboration with East Lothian Council. The Youth Employment Plan will then act as an <i>Implementation Plan</i> towards the East Lothian Economic Development Strategy.</p> <p>The Implementation Plan should include:</p> <ul style="list-style-type: none"> - Develop Academy model and explore opportunities for Academies in other local sectors – tourism, health, financial services, agriculture, food and drink, energy - Increase involvement of local businesses in supporting youth transitions – e.g. enterprise education in schools, work experience placements, apprenticeships - Develop mentoring of young people in and from school into FE or employment - Ensure accessibility of FE and training opportunities for East Lothian’s young people (e.g. local delivery; transport passes) - Increase number of apprenticeships and National Training Programmes opportunities <p>Year 1 efforts should focus on developing young people but pathways should then be expanded to support all other groups – e.g. adult unemployed, disabled, lone parents and older workers</p> | <p>Lead Partner</p> <ul style="list-style-type: none"> - SDS <p>Partners</p> <ul style="list-style-type: none"> - QMU - Jewel and Esk College - Jobcentre Plus - East Lothian Council - NHS Lothian - Voluntary and social enterprise sector - Local employers | High / Medium-Term |
|---|---|--|--|---------------------------|