

**REPORT TO:** Cabinet

**MEETING DATE:** 13 November 2018

**BY:** Depute Chief Executive (Partnerships and Community Services)

**SUBJECT:** The East Lothian Community Planning Economic Development Strategy 2012-22, refresh

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**1 PURPOSE**

- 1.1 To outline to members the key points and changes from the refresh of the East Lothian Community Planning Economic Development Strategy (EDS) 2012-22.

**2 RECOMMENDATIONS**

- 2.1 To note the contents of this report.

**3 BACKGROUND**

- 3.1 The EDS was developed in 2012 by the Training & Employment Research Unit at the University of Glasgow and involved extensive desk research, workshops with staff, businesses and stakeholders and in-depth interviews with key personnel. The process was led by the (then) Sustainable Economy Partnership. Alignment with national and local strategies was clearly outlined.
- 3.2 With changed national circumstances – such as BREXIT – and a new Local Development Plan and East Lothian Partnership Plan then being finalised, the time was opportune to refresh the EDS and work commenced December 2017.
- 3.3 EKOSGen was commissioned to undertake this refresh and although not to the scale of the initial strategy development in 2012, the contract allowed for desk research, production of the Local Economic Assessment and State of Play reports, a number of workshops with the (now) Connected Economy Group and comprehensive industry and stakeholder engagement.

- 3.4 The State of Play report, attached as Annex 1, provides a comprehensive analysis of progress achieved and outlines the key national and local policy changes, challenges and opportunities and this analysis strongly influenced the consultation discussions and final reports.
- 3.5 East Lothian Council purchased the former Cockenzie Power Station site in April 2018 and the Edinburgh and South East Scotland City Region Deal was formally agreed in August 2018 (including the Queen Margaret University Innovation Hub, Blindwells and the Integrated Regional Enterprise and Skills Programme). These are key economic development opportunities and the EDS highlights them as such. Other opportunities include the allocation of substantial economic land within the East Lothian Local Development Plan 2018 as adopted and the re-use of redundant public sector assets. Exploiting all emerging and new opportunities will be key to successful delivery.
- 3.6 The Strategic Goals, namely to increase the number of businesses with growth potential and to increase the proportion of East Lothian residents working in and contributing to East Lothian's economy, have been summarised to become a clear focus on **BUSINESSES** and **JOBS**.
- 3.7 There have been adjustments to the wording of the Strategic Objectives:
- To be the best place in Scotland to set up and grow a business **becomes**  
*to be the best connected place in Scotland to set up and grow an innovative business*
- To be Scotland's leading coastal, leisure and food & drink destination*
- To build on our proximity to Edinburgh encouraging study, work and spend in East Lothian **becomes**  
*to explore and develop regional opportunities to support economic development and to encourage study, work, investment and spend in East Lothian*
- To provide high employment pathways for East Lothian's workforce*
- To become Scotland's most sustainable local economy **becomes**  
*to become Scotland's most sustainable and digitally-connected local economy*
- 3.8 Accompanying the refreshed EDS is a comprehensive action plan setting out priorities and actions with lead delivery assigned to council services and partners, as appropriate. The Monitoring & Evaluation Framework provides for progress to be monitored and reported-on via a number of mechanisms and by services and partners. Both documents are encapsulated as Annex 2.
- 3.9 The EDS will guide economic interventions, priorities and expenditure focus of East Lothian Council and its partners and the full document will be lodged in the Members' Library Service.

## **4 POLICY IMPLICATIONS**

- 4.1 Strategic context for economic development interventions

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 An integrated impact assessment is being carried out on the revised Economic Development Strategy and its proposed actions. Any potential negative impacts of the strategy identified by the assessment will be addressed through mitigating actions.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – in line with approved budget
- 6.2 Personnel – none additional
- 6.3 Other – none

## **7 BACKGROUND PAPERS**

- 7.1 The East Lothian Community Planning Economic Development Strategy 2012-22 State of Play report – Annex 1
- 7.2 The East Lothian Community Planning Economic Development Strategy 2012-22 Executive Summary – Annex 2
- 7.3 The East Lothian Community Planning Economic Development Strategy 2012-22 Action Plan and Monitoring & Evaluation Framework – Annex 3

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<b>DATE</b>	1 November 2018



# East Lothian Partnership

**East Lothian Economic Development Strategy:  
State of Play Report  
for  
East Lothian Council**

**January 2018**

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# 1 Purpose of the report

1.1 The review and refresh of East Lothian’s Economic Development Strategy (EDS) has been driven by substantial changes in the policy context at UK, Scotland, regional and local level in recent years. ekosgen has been commissioned by East Lothian Council (ELC) to undertake this review and refresh, and deliver a revised EDS for East Lothian.

1.2 This concise report provides an overview of the strategic goals, objectives and projects of the existing EDS, and sets out the progress that has been made against these to date. It then sets out the current policy context for economic development in East Lothian, highlighting important areas of change since the publication of the EDS in 2012 at UK, Scottish, regional and local level. It also identifies strategically important existing programmes and interventions in East Lothian.

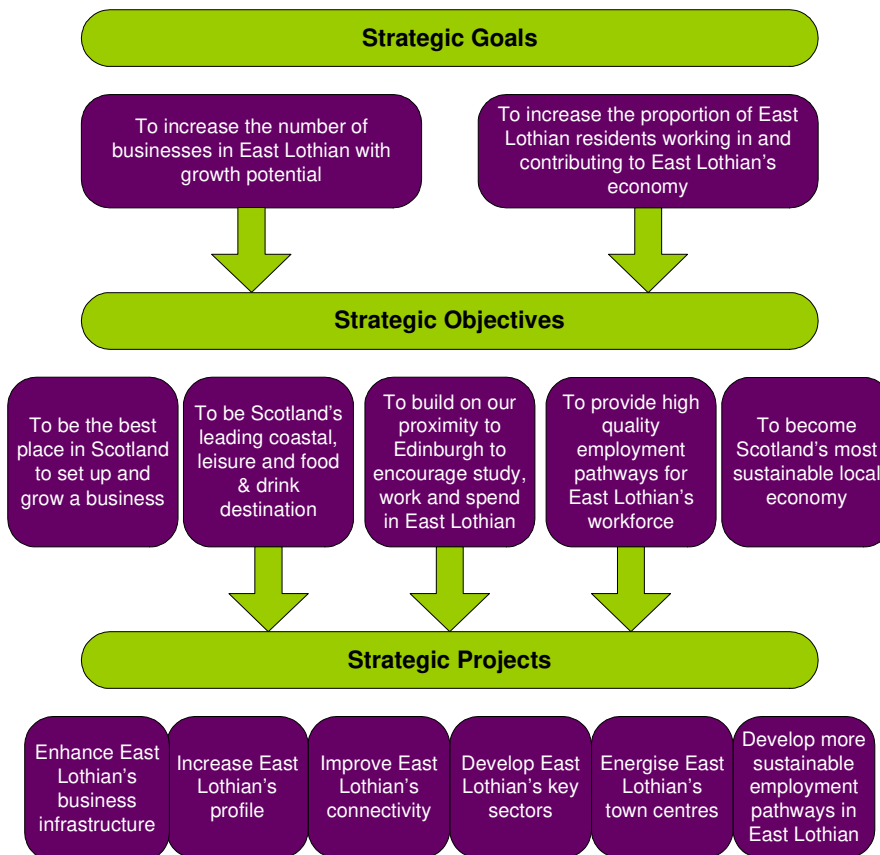
1.3 The report then sets out a summary of findings alongside the present challenges in the East Lothian economy and our planned next steps for the development of the refreshed EDS.

# 2 Delivering against East Lothian’s strategy

## The Economic Development Strategy 2012-2022

2.1 The East Lothian EDS 2012-2022 included a number of strategic goals, objectives and projects, which are outlined at Figure 2.1. In order to refresh and review the EDS it is important to give an overview of what the goals, objectives and projects were and the progress that has been made against these.

**Figure 2.1: East Lothian EDS Strategic goals, objectives and projects**



2.2 The strategy has two primary strategic goals, set because the East Lothian economy had proportionally fewer businesses and jobs than elsewhere in Scotland:

- **To increase the number of businesses in East Lothian with growth potential**, and create an additional 350 businesses in East Lothian by 2022.
- **To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy**, creating an additional 7,500 jobs in East Lothian by 2022, putting East Lothian on parity with the Borders and Fife in terms of job density levels.

2.3 In order to achieve these broad goals more specific objectives were set:

- **To be the best place in Scotland to set up and grow a business** – to increase the number of businesses in East Lothian, a number of actions are proposed, including marketing East Lothian's high quality business support offer and highly qualified workforce. The need to increase land availability to businesses is also highlighted.
- **To be Scotland's leading coastal, leisure and food & drink destination** – this builds on East Lothian's already strong Tourism sector. Actions include forming a more joined-up tourism offer, developing cross-marketing with Edinburgh and promoting previously untapped areas such as wildlife, coast and cycling tourism.
- **To build on our proximity to Edinburgh to encourage study, work and spend in East Lothian** – this focuses on promoting the proximity of East Lothian to Edinburgh, along with its lower costs and skilled workforce to attract new jobs and businesses to the area. It also underlines potential for increasing resident spend by improving town centres in East Lothian.
- **To provide high quality employment pathways for East Lothian's workforce** – this highlights the increasing youth unemployment and ageing workforce and population in East Lothian, meaning there is a need to support young people into employment, and older people looking to remain economically active in developing their career.
- **To become Scotland's most sustainable local economy** – this seeks to capitalise on the potential to improve the sustainability of the East Lothian local economy through developing public transport, local jobs and low carbon sectors, including renewables.

2.4 From the objectives a number of strategic projects were also developed, which cut across a number of the objectives:

- **Develop East Lothian's key sectors** – action plans here include the update of the East Lothian Tourism Strategy, a review and update of the East Lothian Food and Drink Strategy and the development of an East Lothian Renewable Sector Implementation Plan.
- **Increase East Lothian's profile** – key tasks include working with VisitScotland and Scotland Development International (SDI) to join up East Lothian marketing and branding; exploring future marketing opportunities; and attracting major events to the area.
- **Improve East Lothian's connectivity** – the action plan sets out tasks under this strategic project including improving public transport in the area and considering options for developing broadband infrastructure.
- **Enhance East Lothian's business infrastructure** – action plan tasks include working with SDI to develop marketing materials that underline the benefits of East Lothian as a business location. Other plans include developing a mentoring scheme for small and/or new businesses and enhancing business networks and connectivity to encourage East Lothian businesses to trade with one another.



- **Energise East Lothian's town centres** – this includes plans to develop distinctive branding of each town in East Lothian and commitments to support and develop efforts to improve town centres and continue support of shop local and farmers' markets schemes.
- **Develop more sustainable employment pathways in East Lothian** – the primary task here is the development of an East Lothian Youth Employment Plan in collaboration with Skills Development Scotland. After the development of this plan it is suggested further plans should be developed to focus on groups including lone parents, disabled and older workers.

## Strategy progress

2.5 In terms of strategy progress, Table 2.1 sets out delivery achieved against targets.

**Table 2.1: Strategy delivery against targets**

Indicator	Target	Actual	Notes
Number of businesses	Increase of 350 businesses by 2022.	<b>Achieved</b> – Increase of 620 businesses between 2010 baseline year and 2017.	Target has been far exceeded.
Number in employment	Increase of 7,500 jobs by 2022.	<b>Not yet achieved</b> – Increase of 2,000 between 2010 baseline year and 2015 (latest year available).	Good progress but slightly behind target.
Jobs density	To be on a par with Fife and Scottish Borders local authorities.	<b>Not yet achieved</b> – the ratio of jobs per population aged 16-64 was 0.55 in East Lothian in 2016 (latest year available) compared to 0.65 in Fife and 0.73 in Scottish Borders.	There has still been an increase in jobs density from 0.49 in 2010 (baseline year) to 0.55 in 2016.
Marketing East Lothian's employment and business offer	Marketing of the area's strengths – proximity to Edinburgh, relatively low costs and highly qualified workforce.	<b>Achieved</b> – East Lothian Works and ELC have delivered Invest in East Lothian Programme.	Materials highlight the benefits of East Lothian as a business base and also the availability of advice and support.
Develop East Lothian's Tourism sector	Developing tourism branding to form a more joined up offer, cross-marketing with Edinburgh and attracting more high profile events.	<b>Achieved</b> – Visit East Lothian branding with Edinburgh's Coast and Countryside tagline to join up with Edinburgh. Held 2013 Golf Open Championship.	Tourism strategy sets out further developments in this area.
Improving employability services, particularly for young people	Improving employability services, particularly for young people and developing East Lothian Youth Unemployment Plan.	<b>Achieved</b> – delivery of East Lothian Works employability service (advice for adults and young people), youth unemployment has reduced from 24.8% in 2010/11 (baseline year) to 10.8% in 2016/17 and 2017/18 Youth Unemployment Plan published outlining various youth employability programmes available.	Within this area there has been a significant reduction in youth unemployment and alongside East Lothian Works, East Lothian has also participated in DYW.
Develop sector strategies	Update/develop tourism, food and drink and renewable strategies.	<b>Not yet achieved</b> – only update of tourism strategy has been delivered to date.	Whilst strategies have not been developed/updated, there have been significant developments in food & drink and renewables sectors (detailed in narrative below).

Indicator	Target	Actual	Notes
Improve public transport and broadband connectivity	Improving public transport services and developing broadband infrastructure.	<b>Some progress</b> – extension of bus routes between Edinburgh and East Lothian and work with Community Broadband Scotland and Scottish Government Step Change Programme to improve broadband connectivity.	Likely to be further improvement to broadband infrastructure with Scottish Government Reaching 100% programme, aiming for all of Scotland to have Next Generation Access broadband by 2021.
Energise East Lothian's town centres	Develop distinctive branding of each town and supporting town centre improvements to increase resident spend.	<b>Some progress</b> – town centre projects/strategies published for Haddington and Musselburgh. Community charrette events held in Tranent and North Berwick.	From January 2018 there will be a six month incubation project providing subsidised premises in an empty unit in Dunbar High Street.

2.6 For the headline targets of job and business growth there has been progress. The EDS targets an increase of 7,500 jobs in East Lothian in the period to 2022. The Business Register and Employment Survey (BRES) shows that from 2010 (the Strategy's baseline year) to 2015 (the latest year available) the number of jobs in East Lothian has increased from 26,500 to 28,500. This represents good progress on the 7,500 target, which is aimed to be achieved by 2022. UK Business Count data show that from 2010 to 2017 the number of businesses in East Lothian has increased from 2,515 to 3,135, a growth of 620. This is far greater than the target of 350 additional businesses in the area by 2022. Looking more specifically at the period since the strategy was released, from 2012 to 2017 there has been an increase of 500 businesses.

2.7 This data is also relevant to a number of strategic objectives and projects that deal with jobs and business creation. Looking beyond the headline figures, one of the biggest developments has been the establishment of East Lothian Works.<sup>1</sup> This is an organisation which was established in 2013 and is run in collaboration by partners including ELC, Business Gateway, Job Centre Plus and Skills Development Scotland. East Lothian Works contributes to the development of employment pathways by providing adults and young people with advice and support regarding skills and employment.

2.8 In terms of youth unemployment more specifically, East Lothian's Youth Unemployment Plan 2017/18 has recently been published and this outlines various programmes and projects delivered by ELC (via East Lothian Works), educational providers, Skills Development Scotland and other organisations to improve young people's skills and employability.<sup>2</sup> There has been a significant reduction in youth unemployment over the period since the Strategy was released. The figure quoted in the strategy is 24.8% from 2010/11, this had fallen to 18.1% when the EDS was published in September 2012 and this had significantly reduced to 10.8% in 2016/17.

2.9 East Lothian Works also contributes to enhancing the area's business infrastructure, growing business in the area and marketing the area to employers and investors. It does this through several services. These include the provision of advice and support to businesses, including support with recruitment, and work through the Invest in East Lothian Programme to promote the benefits of the area to businesses.<sup>3</sup> The SLAED 2016/17 report highlights that there is still a lack of employment land available in the area, with East Lothian listed as having 0% available employment land. However, this may soon improve as the plans for the development of the former Cockenzie power station site include the provision of 90,000m<sup>2</sup> of employment land.<sup>4</sup>

<sup>1</sup> [http://www.eastlothian.gov.uk/info/200522/east\\_lothian\\_works](http://www.eastlothian.gov.uk/info/200522/east_lothian_works)

<sup>2</sup> [http://www.eastlothian.gov.uk/download/downloads/id/12616/east\\_lothians\\_youth\\_employment\\_activity\\_plan\\_year\\_201718](http://www.eastlothian.gov.uk/download/downloads/id/12616/east_lothians_youth_employment_activity_plan_year_201718)

<sup>3</sup> <http://eastlothian.gov.uk/invest>

<sup>4</sup> SLAED (2017) *Scottish Local Authorities Economic Development Indicators Framework 2016-2017*

2.10 There have also been significant areas of progress with relevance to strategic objectives and projects focused on the development of key sectors. Firstly the East Lothian Tourism Strategy has been updated, with a new version having been released in 2016. It builds on work in this area which has included the delivery of key events in East Lothian, such as the 2013 golf Open, which created a direct economic impact of £13.44 million in East Lothian.<sup>5</sup> There has also been the development of consistent marketing and branding – Visit East Lothian – which has been joined up with the Edinburgh offer through the tagline Edinburgh’s Coast and Countryside.<sup>6</sup>

2.11 Other work in key sectors has included the formation of the East Lothian Food and Drink Business Improvement District (BID) in 2016, which is a collaboration between East Lothian food and drink businesses. The BID has established the East Lothian – Scotland’s Food and Drink County branding and promotes the ‘made by us’ products of its members.<sup>7</sup> Within the renewables sector there has also been progress as there has been further development of wind energy in the area since the publication of the strategy, including the completion of the second Aikengall wind farm. There are also possibilities for further development of the renewable energy sector through the planned development at the former Cockenzie power station site.<sup>8</sup>

2.12 Connectivity developments within public transport have included the extension of bus routes between Edinburgh and East Lothian through the new Lothian Buses East Coast Buses services, which were introduced in 2016. There is also further potential for the development of further local rail services and stations. In terms of broadband connectivity, ELC has worked with the Community Broadband Scotland and Scottish Government Step Change programmes, which aimed to reach 95% Next Generation Access connectivity in 2017.<sup>9</sup>

2.13 Finally, for the strategic project to energise East Lothian’s town centres, there have been a number of areas of progress. Town Centre projects/strategies have been published for both Haddington and Musselburgh. The Haddington project has highlighted proposed actions to make the town centre more accessible and to highlight areas of historic significance.<sup>10</sup> The Musselburgh plan includes environmental improvements and planned distinctive branding of the town.<sup>11</sup> There have also been community charrette events to explore the regeneration of town centres in Tranent and North Berwick.<sup>12</sup> Finally, the Town Catalyst Community Interest Company, with support from ELC, will be providing a six month incubation project providing subsidised premises in an empty unit in Dunbar High Street from January 2018.<sup>13</sup>

### 3 Current policy context

3.1 There have been substantial changes in the policy context at UK, Scotland, regional and local levels since the original EDS was published in 2012. These changes mean that the current Strategy needs to better reflect economic and social policy driving economic activity in East Lothian. The following section summarises the changing policy context for East Lothian.

<sup>5</sup> <http://www.eastlothian.gov.uk/downloads/file/10981/east-lothian-tourism-action-plan-2016-2018>

<sup>6</sup> <http://www.visiteastlothian.org/home>

<sup>7</sup> <https://www.scotlandfooddrinkcounty.com>; <https://www.bids-scotland.com/news-centre/949-east-lothian-food-and-drink-bid>

<sup>8</sup> <http://www.eastlothian.gov.uk/downloads/file/11480/proposed-local-development-plan>

<sup>9</sup> Ibid.

<sup>10</sup> <http://www.eastlothian.gov.uk/news/article/2492/haddington-town-centre-project>

<sup>11</sup> [https://eastlothianconsultations.co.uk/housing-environment/draft-town-centre-strategy-for-musselburgh/supporting\\_documents/Musselburgh%20Town%20Centre%20Strategy%20.pdf](https://eastlothianconsultations.co.uk/housing-environment/draft-town-centre-strategy-for-musselburgh/supporting_documents/Musselburgh%20Town%20Centre%20Strategy%20.pdf)

<sup>12</sup> <http://www.eastlothian.gov.uk/news/article/1879/help-us-design-a-new-town-centre-for-tranent>; <https://eastlothianconsultations.co.uk/policy-partnerships/is-north-berwick-town-centre-a-great-place-for-eve/>

<sup>13</sup> <http://www.eastlothian.gov.uk/news/article/2586/innovative-way-to-revitalise-town-centres-kicks-off-in-east-lothian>

## UK policy context

3.2 Since the East Lothian EDS was developed in 2012, one of the most significant changes in UK policy is the prospective withdrawal of the United Kingdom from the European Union (Brexit). The vote to leave the European Union (EU) has had a profound impact on economic activity due to the uncertainty it has created around issues including the UK's participation in and relationship with the single market, and the status of EU migrants. When the UK exits the EU (due in 2019), changes in the UK's relationship with the single market are likely to have significant impact across the economy on trading activity and partners and the employment of EU nationals. This will affect businesses in East Lothian, and may lead to change in how local businesses operate, and deal with their international partnerships. Brexit could also impact upon tourism in the area as it will lead to changes in travelling rights for EU nationals and British citizens, perhaps making Britain a less desirable destination for EU nationals but also leading to more British people choosing to holiday in the UK.

3.3 The UK government has also recently released its Industrial Strategy. This has focused on a number of areas in which the government is looking to develop the British economy. These include artificial intelligence and data and driving innovation through investment in R&D. The strategy also highlights areas of challenge such as the need to promote environmentally 'clean growth', an ageing population and the need to develop transport and mobility.<sup>14</sup> The focus of the strategy will impact on the opportunities and priorities of the East Lothian economy as it will affect wider infrastructure and the availability of support and incentives. The focus on clean growth and transport development are areas that have been highlighted to be of particular importance for East Lothian.

3.4 Changes in energy policy have also had an important impact on the East Lothian economic landscape. The implementation of the Large Combustion Plant European Directive<sup>15</sup> meant that the Cockenzie coal power plant no longer met environmental standards, and as a result it closed in March 2013. The Directive aimed to reduce emissions and its implementation in the UK required existing plants to install new technology or to opt out and close by the end of 2015, with the opt out being elected for in the case of Cockenzie. The closure of Cockenzie has impacted on the types of employment available in East Lothian as well as leaving a large area of land with development potential, for which plans are currently being formed.

3.5 UK policy has also been impacted by ongoing austerity, which has impacted on the budget available to the public sector. This is of relevance to economic development within East Lothian due to the impact on both Scottish Government and local authority budgets which may affect the availability of support services. Welfare reform has also led to significant changes in the structure of benefits with the new Universal Credit payment system having gone live in East Lothian in January 2017. This change in the benefits system could potentially impact on employment within the area.

## Scottish policy context

3.6 There have also been significant policy changes at Scottish Government level, which will have affected the wider social and economic context in East Lothian as well as impacting upon economic priorities, strategies and support services in the area.

## Scottish Economic Strategy

3.7 One of the most important policy developments has been the publication of the Scottish Economic Strategy<sup>16</sup> (SES) in 2015. As a whole the SES structures economic development within East Lothian as it provides the framework for national economic development and areas of government investment and support. The SES aims to create a more successful country, with opportunities for all

<sup>14</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf)

<sup>15</sup> <http://ec.europa.eu/environment/archives/industry/stationary/lcp/legislation.htm>

<sup>16</sup> Scottish Government (2015) Scotland's Economic Strategy

of Scotland to flourish, through increasing sustainable economic growth, whilst ensuring that everyone in Scotland has the opportunity to fulfil their potential.

3.8 This approach is centred on two pillars: increasing competitiveness and tackling inequality. The SES has four priorities to achieve this – the four Is:

- Promoting **Investment** in people, businesses and communities. This includes focus on investment in education and health, infrastructure and business support.
- Fostering **Innovation** within businesses, research & development, public services and workplace practices.
- Encouraging **Inclusive growth** which has positive benefits across society through fair work and tackling inequalities.
- Promoting **Internationalisation** of the Scottish economy through increased international trade and investment.

### Enterprise and Skills Review

3.9 Another important part of changing national economic strategy is the Enterprise and Skills Review. In May 2016, the Scottish Government commenced a review of the enterprise and skills support provided by Scotland's economic development and skills agencies (HIE, Scottish Enterprise (including SDI), Skills Development Scotland (SDS), and the Scottish Funding Council (SFC)). Central to the review is maximising the agencies' individual and collective impact and effectiveness, through closer alignment and partnership working. Phase One of the review reported in October 2016, making 10 recommendations which focused on ensuring coherence and a simpler, more flexible and cost-effective system of national and local support. Phase Two of the Review commenced in November 2016 and reported in June 2017, with nine projects being established in order to take forward the Phase One Report recommendations.

3.10 As with the SES, the Enterprise and Skills Review is key to economic development within East Lothian as it has important consequences for employability and enterprise and business support services, both nationally and at the local level. Projects of particular relevance include:

- **Regional Partnerships:** This project aims to build regional partnerships within local authorities that can help to stimulate economic development. The project proposes that Regional Partnerships are led by local authorities and are comprised of local partners, drawing on the private, public and third sector as is best suited to the local area. Where government investment is sought the Scottish Government expects Regional Partnerships to have private sector representation. Regional Partnerships should demonstrate a strong understanding of the regional economy, and the ability to work together to develop the local economy. Regional Partnerships will offer another important body for the development of East Lothian economy.
- **Enterprise and Business Support:** This project proposes further collaboration between partners in order that enterprise and business support can become more coherent, effective and easier to use and understand. From this the project aims to improve the delivery of support and as a result increase company growth. This is of relevance to the EDS as it will have a significant impact on the business support landscape which can in turn help to boost the number and growth of businesses in East Lothian.<sup>17</sup>
- **Skills alignment:** The ambition driving this project is to develop a high-performing and responsive skills system that meets the changing needs of learners and employers. Its purpose is to improve alignment of services supporting the development of skills in Scotland. In particular, this will involve joint working between partners to improve the alignment of their

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<sup>17</sup> <http://www.gov.scot/Resource/0052/00521428.pdf>

functions to enhance education and skills planning to provide better outcomes for learners and employers. It will involve identifying skills needs in partnership with industry and working with colleges, universities, and training providers to respond to these needs. It will also co-ordinate and consider the effectiveness of investment to ensure the right balance of provision.

## Employability policy

3.11 Since the publication of the East Lothian strategy in 2012 there have also been important developments within education and employability that have had wider impact on the economic landscape. The Commission for Developing Scotland's Young Workforce (the Wood Commission), was established in January 2013, during a time of high youth unemployment levels. It considered how to achieve better connectivity and co-operation between education and the world of work, alongside the development of the intermediate vocational education and training system. The report, published in June 2014 produced 39 recommendations.

3.12 Following this, the Scottish Government's Youth Employment Strategy, Developing the Young Workforce, was published in December 2014, which accepted all 39 recommendations in the Commission's report and set out how these would be implemented.<sup>18</sup> Developing the Young Workforce (DYW), aims to create an excellent, work relevant education offer to young people in Scotland, giving them the skills for the current and anticipated jobs market. Developing the Young Workforce has also seen the formation of regional groups aimed at improving engagement between employers and education providers and more broadly supporting employers to take on young people. East Lothian is part of the Edinburgh, Mid and East Lothians group.<sup>19</sup> This is an important area of policy for the East Lothian EDS as youth unemployment is highlighted within the EDS as a particular problem for the area. In addition to DYW, the Curriculum for Excellence has seen the implementation of new qualifications at school level over 2014/15 to 2015/16, with an increased focus on promoting the development of skills for work.

3.13 The devolution of employability services to the Scottish Government has also led to important developments with Work First Scotland (WFS) and Work Able Scotland (WAS) being introduced in April 2017. These programmes are important for the East Lothian EDS because they are key additions to the national employability landscape as they seek to assist groups that may have particular difficulty in securing employment – disabled people (WFS) and people with a health condition who are at risk of long term unemployment (WAS). From April to September 2017 2,901 people joined WFS and 732 joined WAS. From April 2018, the employability services will be provided through Fair Start Scotland (FSS). FSS will aim to target a minimum of 38,000 people.<sup>20</sup>

3.14 There are other considerations related to employability. For example, the Scottish Government's commitment to increase free childcare to 1,140 hours per year to all three and four, and eligible two year olds by 2020 could lead to growth within the Early Learning and Childcare sector. There is some potential to be an area of growth for the East Lothian economy, but in the longer term may encourage more people, and women particularly, to return to the labour market.

## Wider policy changes

3.15 There have been a number of other policy developments since the publication of the EDS in 2012. Table 3.1 below summarises further relevant policy and strategy developments at the national level in Scotland.

<sup>18</sup> <http://www.gov.scot/Resource/0046/00466386.pdf>

<sup>19</sup> <http://www.employabilityinscotland.com/developing-young-workforce/edinburgh-mid-east-lothians/>

<sup>20</sup> <http://www.gov.scot/Publications/2017/12/6630/348260>



**Table 3.1: Further relevant policy/strategy developments**

Policy/Strategy	Policy/Strategy summary	Relevance
National Tourism Strategy (Revised 2016)	Originally published in 2012, updated with priorities for 2016-2020 to: <ul style="list-style-type: none"> <li>Strengthen Digital Capabilities</li> <li>Strengthen Industry Leadership</li> <li>Enhance the Quality of the Visitor Experience</li> <li>Influence Investment, specifically flight access &amp; transport connectivity, built infrastructure, digital connectivity and business growth finance</li> </ul>	Tourism highlighted within East Lothian EDS as key sector for economic development. <sup>21</sup>
Ambition 2030 – Scotland's Food and Drink Strategy (2017)	Published in 2017, targets doubling sector turnover to £30 million by 2030. Three pillars of growth: <ul style="list-style-type: none"> <li>People and skills</li> <li>Supply chain</li> <li>Innovation</li> </ul>	Food & drink highlighted within East Lothian EDS as key sector for economic development. <sup>22</sup>
Realising Scotland's full potential in a digital world: A Digital Strategy for Scotland (2017)	Outlines the need for entire Scottish economy to take advantage of benefits offered by digital technology. Planned actions include: a Digital Growth Fund to help address undersupply of digital skills and utilising City and Region deals to maximise use of digital innovation to increase economic growth.	Importance of the development of digital technology to economic development, both as a sector in itself and for other sectors. <sup>23</sup>
Trade and Investment Strategy (2016)	Aims to support sustainable business, jobs and income growth in Scotland through internationalisation by: <ul style="list-style-type: none"> <li>More businesses selling more goods and services to a wider range of international markets; and</li> <li>Attracting significant inward, capital and risk investment.</li> <li>Underpinned by Scotland's International Framework, which aims to "create an environment within Scotland that supports better understanding of international opportunities and greater appetite and ability to seize them".</li> </ul>	Sets out the development of policy support for internationalisation, international trade and inward investment, which are key for economic development. <sup>24</sup>
Social Enterprise Strategy (2016)	Part of inclusive growth and aims to: <ul style="list-style-type: none"> <li>Stimulate social enterprise</li> <li>Develop stronger social enterprise organisations</li> <li>Enable social enterprise market opportunities</li> </ul>	Social enterprise is becoming an important sector for wider economic development, and particularly inclusive growth. <sup>25</sup>
Scotland's Energy Strategy (2017)	Published in 2017, sets out the intended transition to a low-carbon economy and the focus on renewable and smart energy technologies, a decentralised energy system, and the ambitious new 2030 target of 50% of Scotland's energy consumption to be met by renewable energy.	Important impacts for developing renewable energies sector, which is key part of East Lothian economic development plans. <sup>26</sup> Will also have implications for Torness.
Life Sciences Strategy (2017)	Published in 2017, building on previous 2011 strategy, sets out aim to "make Scotland the location of choice for life sciences businesses, researchers, healthcare professionals and investors whilst increasing the sector's contribution to Scotland's economic growth."	Life Sciences is a Scottish Government key sector, recognised as important for the development of the Scottish economy. <sup>27</sup>

<sup>21</sup> [http://www.scottishtourismalliance.co.uk/uploads/TS2020\\_Mid\\_Term\\_Review\\_2016/TS2020\\_Mid\\_Term\\_Review\\_-\\_Key\\_Messages\\_\(Mar\\_16\).pdf](http://www.scottishtourismalliance.co.uk/uploads/TS2020_Mid_Term_Review_2016/TS2020_Mid_Term_Review_-_Key_Messages_(Mar_16).pdf)

<sup>22</sup> <http://www.scotlandfoodanddrink.org/media/78130/strategy-brochure-smaller-size.pdf?Action=download>

<sup>23</sup> <http://www.gov.scot/Resource/0051/00515583.pdf>

<sup>24</sup> <http://www.gov.scot/Resource/0049/00495491.pdf>

<sup>25</sup> <http://www.gov.scot/Resource/0051/00511500.pdf>

<sup>26</sup> <http://www.gov.scot/Topics/Business-Industry/Energy/energystrategy>

<sup>27</sup> [https://www.scottish-enterprise.com/~media/se\\_2013/sectors/documents/life%20sciences%20strategy%20for%20scotland%202025%20vision.pdf?a=en](https://www.scottish-enterprise.com/~media/se_2013/sectors/documents/life%20sciences%20strategy%20for%20scotland%202025%20vision.pdf?a=en)

Policy/Strategy	Policy/Strategy summary	Relevance
Life & Chemical Sciences Manufacturing Strategy (2015)	Published in 2015, the aim of the plan is to achieve the objectives of the strategies for both Life and Chemical Sciences by increasing the contribution manufacturing makes to both sectors. It has five key themes – Leadership confidence and promoting manufacturing; Research Commercialisation; Technology Development and Scaling; Supply Chains and Re-shoring; and Investing in Scotland.	Life & Chemical Sciences have been recognised as key sectors for economic growth so their development is key to wider economic growth. <sup>28</sup>
National Plan for Industrial Biotechnology (2013)	Aims to increase competitiveness and sustainability of multiple industries in Scotland through growing industrial biotechnology-related turnover. Main target is for industrial biotechnology-related turnover in Scotland to reach £900 million by 2025.	Another important area of economic growth that has been shown to improve competitiveness and sustainability within several sectors. <sup>29</sup>
Manufacturing Future for Scotland (2016)	Sets out a range of priority actions to improve productivity, innovation and investment. Key actions include establishing a joint centre for Manufacturing Excellence and Skills Academy and launching an enhanced programme to support companies in taking up new opportunities.	Important development of support to improve innovation and investment in an important area that cuts across a number of sectors. <sup>30</sup>
STEM Education and Training Strategy (2017)	Sets out how to improve training and education to meet STEM skills demand. Key aims are to improve levels of STEM enthusiasm, skills, and knowledge; raising attainment; encouraging uptake of more specialist STEM skills required to gain employment.	Important for economic development as STEM sectors and skills have been recognised as key to economic growth, particularly as they promote innovation. <sup>31</sup>
Skills Investment Planning (first SIP in 2012; 12 in total)	Skills Investment Plans have been developed by SDS and industry partners for a number of sectors and areas. They articulate economic and labour market characteristics trends in skills and qualification supply, and employers' perspectives on the big skills issues affecting growth. Also set out key recommendations and actions for addressing skills challenges.	SIPs set out important information on trends within key sectors alongside plans for future change and development, which may be implemented locally. East Lothian was included in the Edinburgh and South East Scotland SIP and this can provide useful information for the EDS refresh. <sup>32</sup>
Regional Skills Assessments (2014)	RSAs cover a number of different geographies including college regions, city deal areas and local authorities. They offer an overview of the skills and economic base and employment within each area. <sup>33</sup>	RSAs offer key data to inform the refresh and review of the East Lothian strategy.

## Regional policy context

3.16 As well as at the UK and national levels, there have also been important changes in the regional economic development landscape since the publication of the East Lothian EDS in 2012. Of particular note for the review and refresh of the EDS is the establishment of the Edinburgh and South East Scotland (ESES) City Deal. The ESES City Deal comprises six local authorities – City of Edinburgh,

<sup>28</sup> [https://www.scottish-enterprise.com/~media/se\\_2013/documents/lscs%20manufacturing%20strategy.pdf?la=en](https://www.scottish-enterprise.com/~media/se_2013/documents/lscs%20manufacturing%20strategy.pdf?la=en)

<sup>29</sup> [https://www.scottish-enterprise.com/~media/se\\_2013/sectors/documents/scottish%20ib%20progress%20report%202015.pdf?la=en](https://www.scottish-enterprise.com/~media/se_2013/sectors/documents/scottish%20ib%20progress%20report%202015.pdf?la=en)

<sup>30</sup> [https://www.scottish-enterprise.com/~media/se\\_2013/documents/a%20manufacturing%20future%20for%20scotland.pdf?la=en](https://www.scottish-enterprise.com/~media/se_2013/documents/a%20manufacturing%20future%20for%20scotland.pdf?la=en)

<sup>31</sup> <http://www.gov.scot/Resource/0050/00509522.pdf>

<sup>32</sup> <http://www.skillsdevelopmentscotland.co.uk/what-we-do/partnerships/skills-investment-plans/>

<sup>33</sup> <http://www.skillsdevelopmentscotland.co.uk/what-we-do/partnerships/regional-skills-assessments/>



Fife, East Lothian, Midlothian, Scottish Borders and West Lothian – a region with around 1.4 million people and contributing more than £33 billion to the Scottish economy annually.

3.17 City Deals in Scotland are a UK and Scottish Government initiative to put cities and their environs in direct control of both exploiting their economic opportunities and tackling their challenges. City Deals are agreements between government and a city that give cities the necessary resources and control to: take charge and responsibility of decisions that affect their area; do what they think is best to help businesses grow; create economic growth; and decide how public money should be spent.<sup>34</sup> By encouraging Local Authorities to operate strategically at the regional level, they support a long-term focus on the priorities required to deliver positive outcomes in line with Scotland's Economic Strategy.

3.18 The Edinburgh and South East Scotland City Region deal was agreed in July 2017. The region boasts a number of economic and social strengths, such as high growth sectors with high job creation potential; an established, high quality Higher Education sector; high levels of business expenditure on R&D and innovation; and the cultural attractions and offers of the City of Edinburgh. However, the region suffers from relatively high levels of deprivation, particularly amongst children/young people, low paid and low skilled jobs, and a lack of mid-market housing. The City Deal, worth over £1.1 billion over the next 15 years, will aim to address these economic and social challenges.

3.19 The commitments of the City Deal currently sit under the following five headings, all of which will have direct or indirect impacts on East Lothian:

- **Research Development and Innovation:** The City Deal will commit up to £350 million of funding over 15 years to support innovation projects. This includes a Food and Drink Innovation Campus located at Queen Margaret University (QMU) in East Lothian to support and grow the national food and drink sector.
- **Employability and Skills:** Key commitments include support from the Scottish Government to improve collaboration between regional partners, which can deliver better outcomes for those living in the region. The regional partnership will be given £25 million annual funding over eight years to deliver an Integrated Regional Employability and Skills programme.
- **Transport:** Commitments under this heading include £120 million investment from the Scottish Government for improvements on the A720 City Bypass, which serves East Lothian.
- **Culture:** Plans include up to £20 million of funding from the UK and Scottish Governments for the delivery of a new IMPACT concert hall in Edinburgh.
- **Housing:** Partners have committed to a 10 year regional new housing programme. This includes plans for the development of new housing at seven key sites, including the Blindwells site in East Lothian, as well as key sites elsewhere in the region.<sup>35</sup>

## Local policy context

3.20 Finally, there have also been a number of important policy developments at the local level, which will inform the refresh and review of the EDS. Most recently, in 2017, the East Lothian Local Outcomes Improvement Plan 2017-2027 was published by the East Lothian Partnership. The three themes for the priorities of the plan are:

- **Prosperous:** this encompasses priorities to have a thriving local business base, a local populace that does not suffer from in-work poverty and better access to digital infrastructure

<sup>34</sup> <https://www.gov.uk/government/publications/2010-to-2015-government-policy-city-deals-and-growth-deals/2010-to-2015-government-policy-city-deals-and-growth-deals>

<sup>35</sup> ESES City Deal (2017) *Heads of Terms*

- **Community minded:** this includes priorities to ensure there are strong communities in East Lothian offering affordable living
- **Fair:** this theme arises in part from the East Lothian Poverty Commission report and its priorities include tackling the causes and effects of poverty in the area and reducing the gap between the richest and poorest in East Lothian.<sup>36</sup>

3.21 All three of these priorities link in with plans for economic development and can be used to help frame the EDS refresh.

3.22 Another important local strategic document, which will inform the refresh and review of the East Lothian EDS, is the East Lothian Proposed Local Development Plan 2016, which sets out a development strategy for the area to 2024 and beyond. Some of the relevant key priorities set out in the plan include town centre development to help grow the local economy, the provision of employment land in order that more people can work within the local area and a commitment to building 10,000 new homes over the next ten years to help make East Lothian a more attractive place to live and work in.<sup>37</sup>

3.23 Tourism has already been highlighted as an important sector for the East Lothian economy and as well as the National Tourism Plan, the East Lothian Tourism Action Plan 2016-2018 is another important document to inform the refresh and review of the Strategy. The Action Plan refers to key areas for growth such as: joining up different strands of tourism, engaging with national tourism schemes, identifying and filling gaps within already existing areas of strength such as golf and food & drink and developing possibilities within other areas such as wildlife, cycling and walking.<sup>38</sup>

3.24 Another key local development since the publication of the EDS has been the establishment of East Lothian Works in 2013. This is an employability and skills service which offers help and advice to those seeking work and skills as well as offering support to those looking to establish new businesses.<sup>39</sup> It represents an important addition to the local economic development landscape.

## 4 Existing programmes and interventions

4.1 This section details the existing programmes and interventions in East Lothian, including proposed City Deal projects, current skills services and developments at Cockenzie and within the tourism industry.

### Edinburgh and South East Scotland City Deal

4.2 The ESES City Deal includes several programmes and interventions that are of significant importance to East Lothian. There are a number of innovation-led investments, including associated infrastructure investment throughout the region, including industrial and business premises, to support businesses are able to engage with the data-driven innovation (DDI) opportunities offered through the City Deal's £350 million investment in DDI projects.

4.3 However, there are a number of interventions of specific relevance to East Lothian, namely: a Food and Drink Innovation Campus located at QMU; a new housing development at Blindwells; and an Integrated Regional Employability and Skills (IRES) programme. These interventions are detailed below.

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<sup>36</sup> <http://www.eastlothian.gov.uk/downloads/file/9787/the-east-lothian-plan-single-outcome-agreement-2017>

<sup>37</sup> <http://www.eastlothian.gov.uk/downloads/file/11480/proposed-local-development-plan>

<sup>38</sup> <http://www.eastlothian.gov.uk/downloads/file/10981/east-lothian-tourism-action-plan-2016-2018>

<sup>39</sup> <http://www.eastlothian.gov.uk/info/200522/east-lothian-works>

## Edinburgh Innovation Park, QMU

4.4 Amongst the City Deal's innovation-focused investments, funding will be committed to support a Food and Drink Innovation Campus located at QMU in East Lothian to support and grow the national food and drink sector.

4.5 The Edinburgh Innovation Park will build on the existing food and drink infrastructure at QMU. The Scottish Centre for Food Development and Innovation (SCFDI) was opened at QMU in December 2014 to provide the Scottish food and drink industry with a combined space to undertake R&D and innovation activity to help access new export markets. This builds on QMU's reputation for food and drink research. SCFDI works with partners including Interface, Scottish Enterprise, Scotland Food and Drink and Business Gateway, and its facilities include a microbiology laboratory, a chemistry laboratory, an industry testing space for new technology and a sensory suite.

4.6 The East Lothian Food and Drink BID was created in 2016, establishing the East Lothian – Scotland's Food and Drink County branding. The BID has also sought to promote the products of members as 'made by us'.<sup>40</sup> QMU is soon to host the BID's administrative functions<sup>41</sup>, creating more streamlined support for this key sector in East Lothian.

## Housing

4.7 Regional partners have committed to delivering a ten year programme of new housing across the region. A large number of new homes will be delivered across the region, particularly through unlocking the following seven key sites, including Blindwells in East Lothian.

4.8 The Blindwells development has the potential for 6,000 new homes. The first phase of the plan includes 1,600 homes, 480 of which are affordable homes, the provision of business units, a primary school, a supermarket and green space.<sup>42</sup> This phase is due to commence shortly and be completed within 12-15 years. There is currently access to the Blindwells site via the A198, which is due to be widened, and the site is close to the A1. The initial construction for Phase One of the development could potentially create around 350 jobs.

## Employability and skills

4.9 The IRES programme aims to increase the capacity of current employability and skills delivery in the region, and also to increase the flow of disadvantaged groups into opportunities generated through the City Deal, as per the Inclusive Growth agenda. With £25 million over eight years, the IRES programme is aimed at reducing skills shortages and gaps and support those from disadvantaged groups to move into sustainable, good quality career opportunities.

4.10 The programme links in with various other City Deal interventions, including the housing strand, with the creation of a cross-agency Construction Skills group which includes representation from industry, education, skills agencies and local authorities to better plan for future demand. The group has identified a requirement for an additional c.4,000 FE/HE skills and the upskilling for almost 6,000 people over the next five years to satisfy demand. It is also to integrate with the DDI strand by training up the talent pipeline in DDI to support the city region's growth ambitions of being the 'data capital of Europe'.

4.11 The current ELC employability service, East Lothian Works, is a 'one-stop shop' which combines services for employers and those seeking employment. The service supports jobseekers and employers in East Lothian with recruitment and retention of staff, and training and workforce development. The

<sup>40</sup> <https://www.scotlandfooddrinkcounty.com>; <https://www.bids-scotland.com/news-centre/949-east-lothian-food-and-drink-bid>

<sup>41</sup> <https://www.qmu.ac.uk/news-and-events/news/20171025-food-and-drink-bid-comes-to-qmus-campus/>

<sup>42</sup> <http://www.bbc.co.uk/news/uk-scotland-edinburgh-east-fife-39431518>

centre, which is based in the Council's Haddington offices, also provides advice, guidance and signposting to funding for those looking to set up a business or relocate or expand an existing business.

4.12 For employers, the services include support with staff recruitment, retention and progression of staff. For adults seeking employment, East Lothian Works provides numeracy and literacy support, adult learning classes, work experience and employability training and a local employability directory, while for young people, the service offers Activity Agreements, opportunities to gain work experience placements, one-to-one mentoring with school pupils and a Disability Youth Transitions Service working with 15-20 year olds looking to move into a positive destination.

## Cockenzie masterplan

4.13 Another important development for employability in the local area has been plans for the development of the Cockenzie Power Station. As mentioned earlier, the power station has ceased operation and as preferred bidders, ELC are now at the masterplan stage for developing the site as an area of economic activity. The *Former Cockenzie Power Station & Surrounding Area Masterplan* outlines plans to develop 90,000m<sup>2</sup> of employment space and 3,500 new jobs, generating £66 million for the East Lothian economy. The masterplan splits the site into four zones. The Coastal zone would provide office, retail and offshore energy employment alongside recreational outlets. The Energy quarter will offer renewable energy opportunities again alongside retail and recreational outlets, whilst the Coal Store will be the main employment hub with manufacturing, office and training facilities. There are also plans to retain the Battle of Prestonpans site as an area of green space amidst the more built up areas of the development.<sup>43</sup>

## Tourism

4.14 Tourism is a key sector for East Lothian in terms of employment opportunities and bringing visitors and visitor spend into the local economy. Visitors are particularly attracted to the area for the natural landscape, the leisure activities, including golf, and the food and drink offer. This is reflected in the ELC Strategy which sets an objective for East Lothian to become 'Scotland's leading coastal, leisure and food and drink destination'.

4.15 A high proportion of visitors to East Lothian come from elsewhere in Scotland. East Lothian has marketed itself to visitors in recent years with the '*Wish You Were There...*'<sup>44</sup> initiative and, more recently, under the 'Edinburgh's Coast and Countryside' banner. There are a number of offers and events in the area that attract these visitors. In terms of festivals and events, the Fringe by the Sea, Lammermuir Festival, the Saltire Festival and the 3 Harbours Festival and just some of the events that attract visitors from outwith the area.

4.16 Golf is estimated to attract 100,000 visitors to East Lothian each year. The area has hosted high profile golfing events in recent years – The Open in 2013 at Muirfield Golf Links and the 2015 Scottish Open at Gullane Golf Club. The 2018 Scottish Open and Ladies Scottish Open will again be held at Gullane.

4.17 The East Lothian Tourism Action Plan for 2016-2018 outlines the following four areas for growth, which align with those set out in the EDS:

1. Identify and address gaps in tourism across all industry sectors including golf and food and drink for e.g. resort and brand hotels, increase weekend and evening offering
2. Develop tourism opportunities and projects around East Lothian's wildlife, coast, cycling, golf and walking. Food and drink trails.

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<sup>43</sup>[http://www.eastlothian.gov.uk/info/204/local\\_development\\_plan/1850/former\\_cockenzie\\_power\\_station\\_and\\_surrounding\\_area\\_masterplan\\_report](http://www.eastlothian.gov.uk/info/204/local_development_plan/1850/former_cockenzie_power_station_and_surrounding_area_masterplan_report)

<sup>44</sup>[http://www.eastlothian.gov.uk/news/article/1167/wish\\_you\\_were\\_there](http://www.eastlothian.gov.uk/news/article/1167/wish_you_were_there)

3. Join up different strands of tourism offering e.g. golf, coast, town centres, attractions and food and drink and to develop projects to encourage longer stays and spend higher.
4. Encourage use of national schemes as and when appropriate e.g. Go Rural and initiatives with VisitScotland such as themed years.

## 5 Key observations and next steps

### Summary of progress to date

5.1 One of the primary strategic goals of the EDS, to increase the business base by 350 businesses by 2022, has been well exceeded to date. East Lothian saw an increase of 620 businesses between 2010 and 2017, and this is a very positive result for ELC. The other strategic goal, to increase employment by 7,500 jobs to 2022 and therefore raise job density to that of surrounding authorities, has seen slower growth.

5.2 The Invest in East Lothian Programme, delivered by ELC and East Lothian Works, has helped to market East Lothian's employment and business offer and act as an advice service to potential inward investors. Materials have been developed to highlight the benefits of East Lothian as a business location, including the access to a highly qualified labour pool, the relatively low costs and the proximity to Scotland's capital city. This strategic marketing programme is likely to have had an impact on the strong business base growth in recent years.

5.3 East Lothian Works, ELC's skills and employability service, was launched in 2013 shortly after the EDS. The service offers support to young people and adults looking to enter employment and also supports employers with the recruitment, retention and progression of staff. Since the service was launched, employment and, particularly, youth unemployment has fallen in East Lothian, although this will be due to a combination of factors and not wholly attributable to East Lothian Works. The Youth Unemployment Plan was launched in 2017/18 and East Lothian has also participated in DYW, further reinforcing ELC's commitment to tackling youth unemployment.

5.4 Strong progress has been made within the tourism sector in East Lothian, and this is expected to continue through to 2022. Following from recommendations in the EDS to exploit opportunities to host large-scale events in the area, East Lothian hosted The Open in 2013 and the Scottish Open in 2015 and will once again host the Scottish Open in 2018. East Lothian Tourism Action Plan, highlighting areas for growth in the industry, was launched covering the period 2016 to 2018. There has also been developments in the Marketing branding, such as 'Edinburgh's Coast and Countryside', has also been developed to attract visitors, mainly from elsewhere in Scotland.

5.5 Although not an explicit target in the EDS, there have also been strong developments in East Lothian's food and drink sector. The Scottish Centre for Food Development and Innovation (SCFDI) was opened in 2014 at QMU and is to host East Lothian's Food and Drink BID. The City Deal presents further opportunities to enhance and grow R&D and innovation in the food and drink sector at QMU.

### Key challenges for East Lothian

5.6 There has been significant policy and wider political change in the five years or so since the publication of the EDS, and the policy environment will arguably continue to change in the short term. The refreshed EDS will need to reflect this changing context, as well as anticipate any future policy challenges.

5.7 East Lothian has performed well in terms of business creation, and many of these have been in the Professional, Scientific and Technical sector, a recognised high-value sector. However, going

forward greater attention could be paid to where business growth occurs, and ensure that this is in line with East Lothian, City Deal and Scottish Government priorities.

5.8 Creating skilled, well-paid employment in East Lothian continues to be a challenge for ELC. East Lothian continues to lag well behind the national average for job density, and behind the benchmarks of Fife and the Scottish Borders, despite incremental improvements. However, large-scale proposed developments, such as the new town at Blindwells, have the opportunity to create significant construction employment, which will be supported through the new IRES programme which will have a particular focus on construction skills.

5.9 Connectivity remains a challenge for East Lothian, and improvements in transport links have been slow since the 2012 EDS, despite new bus routes being introduced throughout the area. The ESES City Deal proposes an opportunity to improve transport links for East Lothian. The transport strand of the City Deal has committed investment for improvements to the A720 City Bypass which serves East Lothian.

5.10 The amount of usable land for employment in East Lothian remains low, and this is a restriction when attempting to attract inward investment to the area. However, there are plans to develop the former Cockenzie Power Station site into 90,000m<sup>2</sup> of employment space. This will alleviate some of the constraints on business space and support the creation of a large number of jobs.

5.11 A key requirement for the refreshed EDS will be to ensure that there is a clear logic chain from aims and objectives through to intended outcomes and benefits. To help this, wherever possible, targets and indicators should be SMART (Specific, Measurable, Achievable, Realistic, Time-bound).

## Next steps in developing the refreshed EDS

5.12 The next steps for the strategy are for the consultant team to complete a Local Economic Assessment, detailing the latest economic data on East Lothian e.g. employment, business base, qualifications, population, earnings, GVA and sectoral trends. This baseline will form part of the final EDS.

5.13 The consultant team will then consult with key stakeholders in East Lothian through a series of workshops. These workshops will be used to test the State of Play and Local Economic Assessment analysis and to establish key priorities for the EDS. The workshops will be held with East Lothian Council staff, Strategic Economic Partnership members, Tourism and Food and Drink representatives, East Lothian Area Partnerships, and the Third Sector interface.

5.14 Following the fieldwork, the Draft EDS will be produced and key stakeholders will be given the opportunity to comment. The Final EDS will then be presented to the Steering Group at a launch event.

# East Lothian Partnership

**East Lothian Economic Development Strategy  
Review and Refresh  
EXECUTIVE SUMMARY  
for  
East Lothian Council on behalf of the East Lothian  
Partnership Connected Economy Group**

**October 2018**

Report completed/submitted by:	Richard Weaver
Proof check completed by:	Jeremy Hanks
Date:	23 <sup>rd</sup> October 2018
Report reviewed by:	Pamela Reid
Date:	23 <sup>rd</sup> October 2018



## Executive summary

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### Overview

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 provides a framework which will guide and drive forward a more joined up approach to economic development across East Lothian's Local Outcomes Improvement Plan. The aims of the refresh were as follows:

- To evaluate progress made with the Strategy to date (early to mid-2018) against the baseline indicators set;
- To review Strategy objectives and targets within the context of the significant changes in the current landscape; and
- To refresh the Strategy accordingly.

The review and refresh of East Lothian's Economic Development Strategy (EDS) has been driven by substantial changes in the policy context at UK, Scotland, regional and local level in recent years. The scale of change within East Lothian has been considerable, with new challenges and opportunities in place and emerging.

### Performance

Performance against the strategic goals of the original EDS has been broadly good. One of the primary strategic goals of the EDS, to increase the business base by 350 businesses by 2022, has been well exceeded to date, with an increase of 620 businesses between 2010 and 2017. The other, to increase employment by 7,500 jobs to 2022 and thus raise job density to that of surrounding authorities, has seen slower growth.

There have been a number of other achievements. The Invest in East Lothian Programme has helped to market East Lothian's employment and business offer and act as an advice service to potential inward investors. East Lothian Works was launched in 2013 and offers support to young people and adults looking to enter employment and employers looking to recruit, retain and progress staff. Employment and particularly youth unemployment has fallen as a result. The Youth Unemployment Plan was launched in 2017/18 and East Lothian has also fully participated in Developing the Young Workforce (DYW).

Strong progress has been made within the tourism sector in East Lothian, and this is expected to continue through to 2022. The East Lothian Tourism Action Plan has been developed and updated every two years and there have been improvements to overall branding, such as 'Edinburgh's Coast and Countryside'. There have also been strong developments in East Lothian's food and drink sector. The Scottish Centre for Food Development and Innovation (SCFDI) was opened in 2014 at QMU and hosts East Lothian's Food and Drink BID, the first such BID for Food and Drink.

### Local Economic Assessment

East Lothian has one of the fastest growing populations in Scotland and this is expected to continue to 2041. However, the proportion of people of working age is below the Scottish average, and the population is ageing, which is a challenge for the supply of labour and the dependency ratio.

The business base in East Lothian has demonstrated strong growth in recent years, and number of jobs in East Lothian has been growing at a faster rate than the ESES region and nationally, although this is expected to slow to 2028. East Lothian residents tend to work in higher skilled occupations; however

many commute out of East Lothian to Edinburgh for employment. Within East Lothian itself the job opportunities tend to be more lower skilled. There is a particularly high rate of part-time and self-employed working in East Lothian.

There is forecast to be strong growth in employment in the high-value Professional, Scientific and Technical sector in future. The challenge will be to realise this growth to ensure a supply of well-paid local jobs for the growing population.

Since the global economic downturn East Lothian's growth in GVA and productivity has lagged behind the ESES region and Scotland for most of the last decade. However, Business Expenditure on Research and Development (BERD) has grown significantly and the ESESCR is likely to enhance job creation.

The number of school pupils has grown over the last two decades and is expected to continue, against the national trend. School leaver attainment is broadly in line with national averages, although the percentage of East Lothian school leavers entering directly into employment is above the national average.

## Key issues

East Lothian's strengths are in 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, the rate of out-commuting for employment, pockets of deprivation in Musselburgh, Wallyford and Prestonpans, limited land availability for economic use in areas of high demand, and poor transport connectivity. There are also key challenges in creating skilled, well-paid employment in East Lothian, despite business creation rates. The amount of usable land for employment in East Lothian remains low, albeit addressed through the East Lothian Local Development Plan 2018, and physical and digital connectivity is also a continuing challenge. Brexit undoubtedly presents a range of labour market and trade implications, and likewise the loss of European funding. There are other challenges including responding to demographic change, town centre regeneration and boosting the rural economy, and addressing infrastructure issues.

Despite this, there are significant opportunities for East Lothian. Inclusion in the £1.3 billion Edinburgh South East Scotland City Region Deal is a key opportunity for East Lothian, and it will be important to ensure East Lothian optimises potential economic and social benefits through close partnership working including the opportunity to develop aligned initiatives and funding mechanisms available through the City Deal. An important opportunity going forward is to promote East Lothian through the development of an overarching set of propositions for economic development.

The former Cockenzie Power Station site is now in council ownership and control, and unlocking the site and adjacent assets is a key development opportunity for East Lothian. Alongside the developments at Blindwells and QMU, these offer the potential to create significant construction and subsequent high-value employment and business creation. There are also other opportunities around tourism, food and drink and emerging sectors for East Lothian.

## The Refreshed Economic Development Strategy

The Strategy contributes directly to economic development objectives set out in The East Lothian Plan and Local Outcomes Improvement Plan, and also the recently adopted Local Development Plan. The overall Strategy is set within a strategic framework for delivery.

There are two strategic goals around businesses and jobs:

- To increase the number of businesses in East Lothian with growth potential (**BUSINESSES**); and
- To increase the proportion of East Lothian residents working in and contributing to East Lothian's economy (**JOBS**)

The strategic goals are supported by five strategic objectives:

- To be the best connected place in Scotland to set up and grow an innovative business
- To be Scotland's leading coastal, leisure and food & drink destination
- To explore and develop regional opportunities to support economic development and to encourage study, work, investment and spend in East Lothian
- To provide high quality employment pathways for East Lothian's workforce
- To become Scotland's most sustainable and digitally-connected local economy

To help deliver the Strategy, seven strategic workstreams have been identified:

- Develop a set of propositions for East Lothian to attract investment
- Prepare strategic sites for development and marketing – including Cockenzie, Blindwells, QMU (ESESCRD) and other public sector assets
- Improve the economic performance of East Lothian's key sectors
- Improve East Lothian's connectivity
- Enhance East Lothian's business support infrastructure and make the most of our assets
- Energise East Lothian's town centres and rural economy
- Develop more sustainable employment and training pathways for all in East Lothian

Overarching the strategic workstreams is the Edinburgh and South East Scotland City Region Deal and the activities that will impact East Lothian. Each project must take cognisance of the Deal and capture benefits that can be delivered through it.

### **Implementing the Refreshed Economic Development Strategy**

To support the delivery of the refreshed EDS, there is a revised set of targets and accompanying Monitoring and Evaluation Framework (MEF), as well as an Action Plan setting out key actions, tasks and responsibilities against each of the Strategic Workstreams.

This refreshed strategy will enable East Lothian to proactively respond to a rapidly changing policy context.



# East Lothian Partnership

**East Lothian Economic Development Strategy  
Action Plan 2018-20 and  
Monitoring & Evaluation Framework  
Review and Refresh  
for  
East Lothian Council on behalf of the East Lothian  
Partnership Connected Economy Group**

**October 2018**

Report completed/submitted by:	Richard Weaver
Proof check completed by:	Rachel Allan
Date:	23 <sup>rd</sup> October 2018
Report reviewed by:	Pamela Reid
Date:	23 <sup>rd</sup> October 2018

# 1 Action Plan

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## Overview

1.1 The refreshed Economic Development Strategy for East Lothian sets out two major strategic goals. These are:

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

1.2 In order to deliver the two strategic goals, five strategic objectives have been set. These are:

- To be the best connected place in Scotland to set up and grow an innovative business
- To be Scotland's leading coastal, leisure and food & drink destination
- To explore and develop regional opportunities to support economic development and to encourage study, work, investment and spend in East Lothian
- To provide high quality employment pathways for East Lothian's workforce
- To become Scotland's most sustainable and digitally-connected local economy

1.3 This action plan sets out the required actions to ensure and guide the implementation of the Strategy. The next section sets out the individual projects that will help to realise the Strategy's strategic goals and objectives. The Strategy has identified seven strategic workstreams. Within each, there are distinct actions that need to be taken forward. Lead responsibility and partners involved in delivery for each are indicatively identified, along with the priority and anticipated timescale for each.

## Action plan

#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
1	Developing a set of propositions for East Lothian	<ul style="list-style-type: none"> <li>• Develop an over-arching proposition and set of accompanying propositions for East Lothian to cover all aspects of socio-economic development in the area.</li> <li>• Develop a prospectus for East Lothian that does the following:                             <ul style="list-style-type: none"> <li>○ Details a proposition to encourage businesses and people to invest, live, work and learn in East Lothian.</li> <li>○ Sets out the values as well as the objectives for the development of the local authority area (such as inequalities, employability, inclusive growth).</li> <li>○ Identifies key assets for the area, e.g. business, Higher Education and R&amp;D, tourism, town centres, location, accessibility, environment, etc., and present them as a 'portfolio', clearly articulating how these combine to form East Lothian's USP.</li> <li>○ Establishes the 'offer' and 'ask' for current and prospective businesses, stakeholders and partners, residents, developers and visitors.</li> <li>○ Sets out an inward investment proposition, recognising the 'Team Scotland' approach adopted by Scottish Development International, and identifying what networks can be exploited to maximise its potential.</li> <li>○ As part of the proposition, partners should develop an individual prospectus for each of East Lothian's towns outlining their economic development/investment/tourism offer</li> </ul> </li> <li>• Join up existing East Lothian brands where feasible and promote the East Lothian brand to current and potential businesses, residents and visitors – working closely with Scottish Enterprise, Scottish Development International and Visit Scotland.</li> <li>• Encourage wider engagement with East Lothian partners, key business influencers and residents as ambassadors and champions, to 'sell' what East Lothian has to offer to wider audiences.</li> <li>• Consider how East Lothian Council and its strategic partners can best deploy existing resources to deliver</li> </ul>	East Lothian Community Planning Partnership Connected Economy Group	East Lothian Council  Scottish Enterprise/Scottish Development International  Skills Development Scotland  ESESCRD  VisitScotland  Visit East Lothian  East Lothian Golf Tourism Alliance/East Lothian Tourism Attractions Group  East Lothian Food and Drink BID  QMU  Mid- and East Lothian Chamber of Commerce  Federation of Small Businesses  Other local Business Groups/Fora  Area Partnerships	High	Short-Medium term



#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
		the proposition, improve the area's offer, and ensure that East Lothian can influence the regional approach emerging through the ESESCRD.		Scottish Government Marketing Edinburgh  Edinburgh College		
2	Prepare strategic sites for development and marketing (including Cockenzie, Blindwells, QMU (ESESCRD), other public sector assets)	<ul style="list-style-type: none"> <li>• Take a collaborative approach and work with strategic partners, developers, Further and Higher Education providers and communities to deliver major development and infrastructure projects, across public, private, academic and third sectors. These projects are initially defined as Cockenzie, Blindwells, QMU (through ESESCRD), coastal sites and emerging redundant public sector assets as economic development opportunity. Utilise partners' and others specialist technical and financial input. <ul style="list-style-type: none"> <li>○ Where necessary and at the appropriate time, develop detailed development proposals for these sites. In doing so, due cognisance should be given to examples of best practice elsewhere in Scotland, such as Inverness Campus, and the Diageo site in Kilmarnock.</li> <li>○ The QMU Innovation Hub outline business case details the timescale, outcomes, impacts and funding required. This should act as guiding document for preparatory work during the period of this strategy.</li> <li>○ Blindwells will be a 'new town' with the first houses being built during 2018/19. It will be important to ensure that economic benefits and that the ESESCRD project are both realised</li> </ul> </li> <li>• Align major development and infrastructure opportunities to East Lothian's existing priority sectors, as well as any emerging sector or technological opportunities.</li> <li>• As far as possible, identify how the development can be 'future-proofed', e.g. incorporation of renewable energy and other sustainability features, purpose-built ducting to accommodate future infrastructure roll-out such as ultrafast broadband.</li> <li>• Identify and explore opportunities to deliver education and training opportunities through the site's construction</li> </ul>	East Lothian Council	East Lothian Community Planning Partnership Connected Economy Group  ESESCRD  Developers  Scottish Futures Trust  Scottish Enterprise/Scottish Development International  Skills Development Scotland  QMU  Mid- and East Lothian Chamber of Commerce  Federation of Small Businesses  Area Partnerships  Transport Scotland  Local communities  Forth Ports	High	Medium-Long term

#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
		<p>and operational phases, e.g. through construction apprenticeships, Community Benefit clauses, Further/Higher Education hubs, etc.</p> <ul style="list-style-type: none"> <li>Explore the potential to provide business incubation space, start-up units and business 'touch-down' space to support the nurturing of business start-ups and entrepreneurialism in East Lothian, as well as to capitalise on linkages with QMU and the Edinburgh Innovation Park, and encourage potential spin-outs to locate in East Lothian. (linked to Project 1)</li> </ul>		NHS		
3	Improve the economic performance of East Lothian's key sectors	<ul style="list-style-type: none"> <li>Agree and resource the refresh and development of Action/Implementation Plans for East Lothian's priority sectors. Emphasis should be placed initially on Tourism, Food and Drink, Care, Industrial Biotechnology and Renewables.</li> <li>For Tourism, the existing Action Plan's delivery should be evaluated, and refreshed accordingly. The Action Plan should continue to address the following in the first instance: <ul style="list-style-type: none"> <li>Identified gaps in the tourism offer;</li> <li>The development of East Lothian's wildlife, coast, cycling and walking opportunities (outdoor tourism) ; and</li> <li>The need to better join up different strands of the tourism and Food and Drink offer.</li> </ul> </li> <li>Maximise the key assets in East Lothian to support sector development, e.g. Industrial Biotechnology at QMU, heritage assets such as John Muir in support of tourism, etc.</li> <li>Help to grow and develop East Lothian's Food and Drink BID to showcase East Lothian's food and drink across Scotland and UK. This may include exploring the need/demand for development of a business mentoring scheme of small/start-up food and drink businesses to support growth and expansion of upstream activities, exporting, product development, access to markets, etc.</li> <li>Develop a more co-ordinated approach to unlocking the area's potential as an events and business tourism destination, and attract major events to East Lothian on</li> </ul>	East Lothian Council	<p>East Lothian Community Planning Partnership Connected Economy Group</p> <p>VisitScotland</p> <p>Tourism stakeholders and businesses</p> <p>Scottish Enterprise/Scottish Development International</p> <p>SE account management</p> <p>Skills Development Scotland</p> <p>QMU</p> <p>Mid- and East Lothian Chamber of Commerce</p> <p>Federation of Small Businesses</p>	Medium-High	Short-Medium term

#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
		<p>a more regular basis – e.g. golf championships, conferences, festivals.</p> <ul style="list-style-type: none"> <li>For Industrial Biotechnology, scope out the requirement for an action plan that maximises the potential from capabilities at QMU and the Edinburgh BioQuarter, the Edinburgh Innovation Park development, and key existing East Lothian companies.</li> <li>Develop joint offers/cross-marketing with Edinburgh to exploit complementary opportunities and make the most of regional initiatives.</li> </ul>		<p>Visit East Lothian</p> <p>East Lothian Food and Drink BID</p> <p>Scottish Food &amp; Drink Federation</p> <p>East Lothian Works</p> <p>ESESCRD</p>		
4	Improve East Lothian's connectivity	<ul style="list-style-type: none"> <li>Maximise the opportunity presented by strategic transport infrastructure improvements delivered through the ESESCRD to unlock additional transport infrastructure improvements across the local authority area.</li> <li>Enhance and better integrate public transport provision and connectivity, by: <ul style="list-style-type: none"> <li>Examining the potential for timetable scheduling with transport providers to reduce connection times and enhance multi-modal journeys.</li> <li>Explore the potential for public transport interchanges across East Lothian.</li> <li>Work to improve rural transport connectivity.</li> </ul> </li> <li>Explore opportunities to encourage and support more sustainable and healthy modes of transport, e.g. cycling, through the provision and promotion of more cycleways and dedicated cycle lanes, and Green Active Travel Corridors.</li> <li>Explore opportunities to deliver public transport through innovative alternative means (e.g. social economy model).</li> <li>Support increased levels of digital inclusion and speed across East Lothian, to help businesses and communities take advantage of improved broadband infrastructure and mobile network coverage.</li> </ul>	East Lothian Council	<p>Scottish Government</p> <p>Abellio Scotrail</p> <p>Transport Scotland</p> <p>East Coast Buses</p> <p>Bus companies</p> <p>Sustrans Scotland</p> <p>Social economy Sector</p> <p>BT</p> <p>Digital Scotland</p> <p>Area partnerships</p> <p>Edinburgh College</p> <p>ESESCRD</p>	Medium-High	Medium term

#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
		<ul style="list-style-type: none"> <li>Lobby the Scottish Government to dual the A1 to the Scotland-England border, as an important strategic transport route for East Lothian.</li> </ul>				
5	Enhance East Lothian's business support infrastructure and make the most of assets	<ul style="list-style-type: none"> <li>Make the most of the knowledge and experience of local business influencers to help support East Lothian businesses and entrepreneurs.</li> <li>Better joining up of SE's account management service, Business Gateway, East Lothian Works, Chambers of Commerce, FSB and East Lothian Council's business/economic development services to better encourage businesses to grow, convert lifestyle businesses, and secure a strong pipeline of growth and potential high-growth businesses.</li> <li>Build low carbon planning, energy efficiency and sustainability advice into the East Lothian business support ecosystem.</li> <li>Review demand for East Lothian's business premises and explore opportunities to enhance local business premises offer</li> </ul>	East Lothian Council	East Lothian Community Planning Partnership Connected Economy Group  Scottish Enterprise/Scottish Development International  Business Gateway  Scottish Government  Skills Development Scotland  QMU  Edinburgh College  Mid- and East Lothian Chamber of Commerce  Federation of Small Businesses  Other local Business Groups/Forums  East Lothian Works  Transport Scotland	Medium	Short-Medium term

#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
				Voluntary and social enterprise sector		
6	Energise East Lothian's town centres and rural economy	<ul style="list-style-type: none"> <li>In line with the development of prospectuses through Strategic Workstream 1, develop and market distinctive branding of each town which builds on each town's existing assets.</li> <li>Develop, support and market East Lothian's rural economy and associated opportunities.</li> <li>Support local efforts to enhance East Lothian's town centres, improve the retail and visitor experience, and make improvements to street scenes, parking provision, amenities, etc.</li> <li>Encourage town centre development, and support mixed uses in town centres to enhance sustainability and resilience by: <ul style="list-style-type: none"> <li>Exploring and taking advantage of opportunities to developing business space within town centres;</li> <li>Identifying opportunities for community and social use of premises in town centres, recognising the shift in retail trends, and changing nature of high streets; and</li> <li>Considering alternative commercial uses of town centre and rural assets.</li> </ul> </li> <li>Provide continued support for local retailers and businesses through 'shop local schemes', farmers' markets, making connections to East Lothian Food &amp; Drink.</li> <li>Work to extend and encourage 'shoulder season' tourism activity and evening economy activity in towns.</li> </ul>	East Lothian Council	East Lothian Community Planning Partnership Connected Economy Group  Mid- and East Lothian Chamber of Commerce  Federation of Small Businesses  East Lothian Works  Local Business Groups/Fora  Area partnerships  Voluntary and social enterprise sector  Town centre business, rural business and other interest groups and stakeholders	Medium-High	Medium term
7	Develop more sustainable employment and training pathways for all in East Lothian	<ul style="list-style-type: none"> <li>Ensure a smooth and well-communicated learner journey across East Lothian's learning and employability pathways.</li> <li>Seek opportunities to enhance the delivery of East Lothian Works, and enhance complementarity with the Integrated Regional Employability and Skills (IRES) programme to maximise opportunity and join up learning and employability services.</li> </ul>	Skills Development Scotland	East Lothian Council  East Lothian Works  Skills Development Scotland  DYW (Developing the Young Workforce)	Medium-High	Short-Medium term

#	Project	Key actions	Lead responsibility	Partners	Priority	Timescale
		<ul style="list-style-type: none"> <li>• Align skills provision with industry need in East Lothian through work placements, education-industry partnerships, etc.</li> <li>• Embed employability attributes and skills into the curriculum from as early an age as possible so building resilience, flexibility and team working.</li> <li>• Work with DYW Edinburgh, Midlothian and East Lothian to:                             <ul style="list-style-type: none"> <li>○ Increase the involvement of local businesses in supporting youth transitions – e.g. enterprise education in schools, work experience placements, apprenticeships.</li> <li>○ Develop mentoring of young people in and from school into Further Education or employment.</li> <li>○ Provide opportunities for young people to develop entrepreneurial skills and align these with other programmes and options.</li> <li>○ Deliver the East Lothian Guarantee.</li> </ul> </li> <li>• Ensure continued accessibility of FE and training opportunities for East Lothian's young people, such as through local delivery by the school-college partnership, and the provision of transport passes.</li> <li>• Seek opportunities to increase the number of apprenticeships and National Training Programmes opportunities taken up by young people in East Lothian. This should include the increasing opportunities for Graduate Level Apprenticeships. Align with the East Lothian Workforce Plan (ELC and SDS)</li> <li>• Identify need/demand for life-long learning opportunities, and help East Lothian residents to upskill, change careers, or return to the labour market.</li> </ul>		<p>Edinburgh, Midlothian and East Lothian</p> <p>QMU</p> <p>Edinburgh College</p> <p>Local employers</p> <p>DWP/Job Centre Plus</p> <p>STRIVE/3<sup>rd</sup> sector</p>		

## Monitoring and evaluation framework

1.4 The following table sets out a monitoring and evaluation framework for the delivery of the refreshed East Lothian Economic Development Strategy and action plan.

1.5 We recognise that some indicators will be progressed as an indirect result of work on other indicators, for example an increase in BERD will not be directly achieved by East Lothian Council, more by supporting an increase in the business base and other improvements. These indicators are included in the monitoring and evaluation framework as a means of measuring the impact of the Strategy.

Indicator	Baseline	Target	Timeframe	Notes
Increase the business base	3,180	3,300	2022	Baseline is for 2018. Source: UK Business Counts, NOMIS.
Increase the number of businesses accessing support services	237	400	2022	Baseline is for 2016/17 and includes businesses supported by Business Gateway (134), East Lothian Works (69), SDI (24) and SDP (10). Source: SLAED Indicators Framework.
Increase number of businesses in growth pipeline/ accepted for SE account management <i>Number of actively innovating businesses</i>	5	6	2019	Baseline is for 2017/18 target. <i>It should be noted that there is a limit to the number of businesses accepted for account management.</i> Source: East Lothian Council.
Increase employment	28,500	34,000	2022	Baseline is for 2015. Source: Business Register and Employment Survey, NOMIS.
Increase job density (jobs per working age population)	0.55	0.60	2022	Baseline is for 2016 Source: Business Register and Employment Survey, NOMIS, and Mid-Year Population Estimates, NOMIS.
Increase new/safeguarded jobs from completed inward investment projects	0/0	140/100	2022	Baseline is for 2016/17. Aligned to SLAED indicators. Source: SLAED Indicators Framework.
Increase amount of available development-ready employment land and economic assets <sup>1</sup> <i>Particularly for high value employment use</i>	0m <sup>2</sup>	+100,000m <sup>2</sup>	2022	Baseline is for 2015. Please note that the Cockenzie site (90,000m <sup>2</sup> ) accounts for the vast majority of the target increase. Source: SLAED Indicators Framework and Employment Land Audit.
Decrease town centre vacancy rate	5.6%	5%	2022	Baseline is for 2016/17. Aligned to SLAED indicators. Source: SLAED Indicators Framework.

<sup>1</sup> This is based on the 2015 Employment Land Audit, and contrasts with the amount of available land allocated for employment use in the recently adopted East Lothian Local development Plan 2018

Indicator	Baseline	Target	Timeframe	Notes
Increase workplace:residence earning ratio	0.94	1	2022	Baseline is for median gross weekly earnings for full time workers in 2016. Aligned to SLAED indicators. Source: Annual Survey of Hours and Earnings, NOMIS.
Increase BERD	£3.9m	£5m	2022	Baseline is for 2016. Source: Scottish Government Gross Expenditure on R&D.
Maintain level of apprenticeship starts	550	550	2019	Baseline is for 2017/18. Please note this is an annual target of starts that is to include Modern, Graduate and Foundation Apprenticeships. Source: Skills Development Scotland.
Increase tourist visitors	1.35m	1.5m	2022	Baseline is for 2016. Source: STEAM.
Increase % of tourists staying overnight	32%	35%	2022	Baseline is for 2016. Source: STEAM.
Increase superfast broadband connectivity	92.1%	100%	2022	Baseline is for 2018. Source: thinkbroadband.com