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Acknowledgements

Questions, Queries and Quotes from the interviews and workshop feedback have been included at relevant points in the text in this format. They have been included to give a flavour of the views and perceptions of the individual stakeholder participants, and their inclusion does not necessarily imply endorsement by the City of Edinburgh Council.
1: INTRODUCTION

1.1 This Study draws together the background factors and evidence which influence and support the direction and development of the Leith Economic Framework. It responds particularly to concerns that neither the major development master plans nor the alternative proposed large scale renewables wind turbine manufacturing option is likely to be realised. The study methodology, conducted during 2014, includes:

- A review of the literature referencing the economic development of the area. A considerable number of reports and studies have been produced over the years by public, voluntary and private sector organisations and individuals, dealing with various aspects of Leith's public, social and commercial economy;
- Relevant press releases, statements, news items, magazine articles etc that refer to actions, initiatives and surveys that impact on the economy of Leith;
- Structured interviews with key players and organisations identifying what they see as main positive characteristics and areas for improvement;
- Feedback from workshop sessions and presentations covering investment options and needs; (Council workshop output attached as Appendix A);
- Informal discussions with Leith residents known to the study team;
- Comparisons and examples of good practice elsewhere.

1.2 The Review therefore comprises a combination of objective facts complemented with more subjective opinions and analyses of key trends and opportunities.
FEEDBACK

Suggestions for further consideration raised by consultees

Note: Inclusion on this list does not necessarily imply endorsement or support by City of Edinburgh Council

- grow the creative sector through more space provision and central networking hub
- further visitor attractions required
- new iconic buildings and structures
- museums (eg maritime, transport) and cultural buildings (eg theatre, concert venue)
- signed tourist trails
- streetscape improvements including Leith Walk as boulevard
- city dressing (eg signs, bunting etc)
- more trees, greening, landscaping
- public art including treatment of blank gables, dock walls
- open up craft businesses / studios to visitors
- train up school leavers to meet market requirements, especially science/technology/ engineering/maths disciplines
- raise profile of Leith as a destination through marketing, branding, engagement in initiatives (eg Hanseatic League)
- encourage more events including Festival / Fringe, Food Festival by indentifying and promoting suitable venues
- provision of live-work units to attract small & start-up businesses, eg artists studios
- widen range of new residential development to include lower-density family housing to provide whole-life range and retain residents
- improved high-profile public transport links to centre and rest of city for connectivity and to catalyse development
- link existing walkways/cycleways through the centre of Leith to create continuous network
- encourage re-use /conversion of vacant buildings, especially historic structures
- retrofit energy-saving measures to existing buildings (eg publicly owned) as demo project
- visitor-oriented Energy Park with eco-housing schemes, demonstration projects, interactive displays, practitioner presence
- build up circular economy (businesses undertaking recycling /repair/re-use)
- introduce new leisure facilities including novel sports (eg surfing) to animate area
- promote temporary initiatives for gap sites, street improvements, vacant buildings, empty shops
- doing more to support and capitalise on the cultural benefits offered by Leith’s diverse population (eg Sikh weddings)
The Study Area

1.3 The area covered by the Framework focuses principally on the old harbour settlement, which equates roughly to the northern part of the Council’s Leith Ward with a population of around 25,000. It contains two Community Council Areas: Leith Harbour and Newhaven, which stretches from Newhaven Village to Constitution Street and takes in most of Old Leith either side of the river as well as the docks; and the north part of Leith Links, which includes the remainder of Old Leith up to and including the Links.

Figure 01
1.4 However, the boundary is fluid and many aspects will require an extended consideration of other parts of Leith including Kirkgate/Junction Street and Leith Walk. The whole of this greater Leith area has a total population of 56,798 (2011 Census), which is comparable to many medium-sized towns such as Livingston (58,000) or Dunfermline (59,000).

Leith is also an integral part of Edinburgh both in a city context, and as part of the waterfront, and these aspects will also be considered where appropriate.
• The study area is part of the Leith Ward, and comprises the whole of the Leith Harbour and Newhaven Community Council area, and the northern part of the Leith links Community Council area.

• The population of study area is about 25,000. The average household size is 1.8 persons, smaller than the city average of 2.07. Only 8% of the households are families, compared with 12% city-wide. The population of Leith and Leith Walk wards is 56,798.

• Almost all the housing (92%) is flats and tenements, compared with 64% in the city as a whole. The density equates to 70 persons per hectare.

• Leith (EH6) was the third highest area for business formations in Scotland in 2013, with 918 new businesses registered. The Business Gateway has supported 30 Growth Pipeline businesses in Leith over the past 18 months.

• More Leithers are in full-time employment (48%), as opposed to part time work, than in the city as a whole (40%). The unemployment rate in the area is 5.0%, which is higher than the city average of 3.9%. However, there is a larger percentage (77%) economically active and available for work, than elsewhere (69%).

• Students, at 500 individuals, comprise only 3.9% of the local population of the study area compared with 8% in the overall Leith ward and 16% in the whole city. This reflects the lack of any major campus within the area. However, more residents (45%) have a university qualification than in the city as a whole (41%).

• The only major tourist draw is the royal yacht Britannia, with 330,700 visitors per year. Consequently, less than 2% of Edinburgh’s 3m staying and 19m day visitors place Leith on their itinerary.

• Despite the presence of the Scottish Government and Visit Scotland, public sector employment is only 23% compared to the city average of 30%.

• The Port of Leith handles around 1m tonnes of cargo per year (mainly grain and cement, down from 2.2m in 2005), as well as hosting 30 cruise ships (with another 15 anchored in the estuary because they cannot fit through the lock gates) and North Sea support vessels, including pipe laying. Activity at the port represents less than 2% of Forth Ports’ overall business.

• Creative sector businesses form a recognised cluster in the city with an estimated 400 firms; many of these are micro-businesses but there are also established firms with a global presence (eg Leith Agency, Big Mouth Media).

• Current housing proposals include 3,000 units at Western Harbour, and another 600 not yet started at various smaller sites throughout the area.

• There are 7 historic buildings in the study area which are on the Buildings at Risk register.

• It is estimated that there are about 150 local groups. Six tenants’ associations are registered with CEC and others registered with Housing Associations. 15 parents’ councils. 70 voluntary organisation members of the Voluntary Organisation Local Forum in Leith. 3 main business groups. Interest groups such as Leith Festival, Leith Theatre Trust, Greener Leith. Faith groups. A great number of activity groups such as Guides, BBs, Scouts, Sea Cadets as well as arts and crafts, sports etc.
2: THE CHARACTER OF LEITH

2.1 Although Leith has always been Edinburgh’s port, it nonetheless has a distinctive quality of its own, historically more reflective of the typical characteristics of port conurbations throughout the world. There have also been recent disappointments such as the failure of the renewables sector to establish itself in the area. This has left a perception of the district which is not always positive, even though it has changing significantly since the 80s and 90s. Leith is now building impressively on its waterfront ambience and re-inventing itself as a lively hub of urban living, stylish food and drink establishments, creative activity and cultural diversity, but still with enough “edge” to differentiate it from Central Edinburgh. These positive aspects and successes offer foundations for the way to Leith’s future.

Q. Who are the ‘Leithers’ and should we use that term, or does it create further segregation between Leith and Edinburgh?

Social Context

2.2 In terms of population, the ward has a lower proportion of children and elderly residents than in other parts of the city (see Figure 02), and a correspondingly higher working-age population. There are fewer students than in the rest of the city. Leith has seen more population growth than any other area of the city over the last 10 years, due in part to considerable ‘recycling’ of brownfield land for new housing developments, and to the availability of cheaper and rented property which is attractive to migrants to the city. The resultant population has a greater mix from outside Scotland than the city average, mainly from the rest of the UK, from Southern and Eastern Europe and from Africa. The new residents and businesses do not always see Leith in the same way as more established residents, and inevitably there will be different ideas about the way forward.
Q. Leith contains large Polish, Italian, Spanish and Chinese migrant populations. Is there a danger of not relating to these groups? What do they need?

2.3 The predominant housing type is tenement flats – over 90%, compared with 64% across the whole city. The density computes as 70 persons per hectare, but this figure is misleading as a picture of actual building density because it is diluted by the large amount of non-residential uses – a more realistic comparison is with the residential tenement area immediately to the south along Leith Walk, which averages 136 persons per hectare – the highest local population density in Scotland. By comparison, Edinburgh as a whole averages around 40 persons per hectare.

2.4 Generally, households are small (1.8 persons on average), as are houses compared with Edinburgh overall, and there is a higher incidence of overcrowding. There is lower home ownership and a high proportion of rented property, both from social landlords and the private sector.

Q. Few families live in Leith – it is mostly professionals, couples, and single people who move elsewhere when they start a family. How can we keep them here instead of them moving out at a later stage in their life? Better family facilities such as nurseries? More and varied types of housing?

2.5 Half the population do not have access to a car, and bus usage to commute to work is 40% higher than in the city as a whole.

2.6 There are around 14,000 employed people in the ward, covering a wide range of occupations. 1,000 people are unemployed in the area – 5%, which is 1% above the Edinburgh average. Although at any time there are more individuals out of work in Leith than in the peripheral estates such as Craigmillar or Wester Hailes, this reflects the
density of population – the actual percentage of unemployed people is actually lower than in either of those areas. Another difference is that economic activity rates are also above average in Leith, indicating that many people are working or available for work.

**Defining Elements**

2.7 Previous proposals for Leith have concentrated on large-scale master-plan solutions. However, in the present climate a sensitive lower-key approach will be more appropriate, building on the foundations of Leith’s existing strengths. In this respect, Leith already has a number of elements which give the area its character, and therefore offer pointers which would help to anchor new initiatives. They are examined in more detail later, but include:

- **Leith Docks:** historically, the port has been at the heart of Leith’s economy since the 12th century. Although the majority of cargo is now dealt with at more modern facilities in other nearby ports, around 1m tonnes annually still pass through the docks, mainly dry bulk goods such as grain and cement. The port is also a base for North Sea oil and gas support vessels. Cruise liner visits are an area of expanding traffic;

- **Built Heritage:** much of the study area lies within the Leith or Newhaven Conservation Areas, with some 400 buildings listed as of architectural and/or historic interest including the Customs House *(see Figure 04)*. They are of a broader mix of past building types than most areas of the city, with a greater degree of foreign architectural influences. The mediaeval street pattern also remains over a large extent. The quayside ambience is a strong asset;

- **The Shore:** the original harbour area before the construction of the docks, now lined with stylish bars and restaurants in restored buildings with historic and waterside ambience;

- **Ocean Terminal:** 39,000 sq.m shopping mall, designed as the centrepiece of an unrealised major redevelopment, and now finding a new role. As well as a cinema and
gym, the centre hosts cultural and local community events in addition to its mainstream retail function;

- **Royal Yacht Britannia:** the Queen's former yacht Britannia, with 300,700 visitors per year, is the only one of Edinburgh's 15 major tourist attractions located in Leith (it ranks 13th by visitor numbers). The operators are now expanding their business with the addition of MV Windsor Castle as a 25-bedroom floating hotel;

- **Leith Walk:** wide 1.6km boulevard gateway to Leith and potential tram route, described by design champion Sir Terry Farrell as 'a fine street with the potential to become Edinburgh's equivalent to the Ramblas in Barcelona', and is currently the subject of a programme to improve the streetscape and address issues of clutter;

- **Scottish Government, Victoria Quay:** the then Scottish Office's new building on former dockland in 1994 was an early catalyst in the revival of Leith, and helped promote its changing role as a white-collar business area. 1200 civil servants work at Victoria Quay; however, with generous car parking, most commute from outside Leith and are well provided with facilities within the building, so the impact on local businesses and job creation is modest;

- **Food and Drink:** Scotland's food and drink sector has been identified as one of the fastest growing industries in Scotland, with industry forecasts of up to 15% growth in the next five years. Leith has already become a major gastronomic location, including fine-dining establishments with international reputations as well as quayside bistros and bars. This could provide a basis for the development into areas of retailing, marketing and export of high-quality brands;

- **Linkages with the wider Waterfront:** Leith Docks is only one part, albeit an important one, of the whole Edinburgh waterfront. The Council-promoted Promenade from Joppa to Cramond is a strong visual and functional element which links the city's waterfront communities together. Edinburgh dominates the Forth area city-region economy, and Leith is positioned to take advantage of this.

*Figure 05 The Shore*  
*Picture: Thinkstock*
LEITH AT A GLANCE

- an area with strong distinctive local character including waterfront ambience and legacy of historic townscape buildings and structures
- an area of significant change and improvement
- residential component is largely high-density flatted properties (90% compared to 64% city-wide), generally smaller and more crowded than rest of the city, intermixed with commercial uses
- considerable development of former industrial brownfield sites over last 20 years – mainly flatted - has resulted in high population growth and more mixed demographic, but not families
- land and property costs lower than city centre have traditionally encouraged SMEs and start-up businesses
- currently shortage of modern premises (<400m²) suited to smaller businesses
- some legacy industrial uses (eg scrapyards) in close proximity to residential with consequent amenity issues
- lowest open space provision per head of population of all Edinburgh’s NP areas. Leith Links is largest space in the area but does not meet Council standards
- docklands redevelopment no longer being pursued; now reverted to traditional port activities; wind turbine manufacturing unlikely
- high end bars/restaurant have seen significant growth
- concentration of creative sector activity (digital, visual arts, jewellery, architects & designers etc)
- below city average in employment in finance, tourism, academic research-and-development, administrative sectors
- very small percentage of Edinburgh’s tourists visit Leith; Britannia is only major tourist draw
- local arts festival and local events but few Edinburgh Festival / Fringe venues
- no small scale (eg 150seat) theatre /art cinema venue, studio or post-production facilities
- several historic buildings with uncertain future (on Buildings At Risk register)
- layout/streetscape not always easy to navigate (eg route from foot of Leith Walk to waterfront)
- mixture of signs and interpretation panels
3: LEGISLATIVE AND POLICY ALIGNMENT

The Framework nests within the context of a linked hierarchy of national and local plans and policies.

**National Planning Framework and Government Economic Strategy**

3.1 The National Planning Framework (NPF) sets the context for development planning in Scotland and provides a framework for the spatial development of Scotland as a whole. It sets out the Government’s development priorities over the next 20 to 30 years and identifies national developments which support the development strategy. An aim is to increase the resilience of the Scottish economy by building an international competitive advantage across a diverse range of sectors.

3.2 The September 2011 Scottish Government Economic Strategy (GES) focused on accelerating economic recovery, driving sustainable growth and developing a more resilient and adaptable economy, stating that:

“central to our approach will be a renewed focus on cities and their regions, recognising the critical contribution they make as the drivers of economic growth, and the need to work collaboratively to optimise growth for the benefit of the whole of Scotland”; and

“investment in infrastructure – whether through new capital investment projects or through the maintenance of the existing asset base – is a key driver of both short term and long-term economic growth and performance.”

3.3 In January 2012 the Government outlined a commitment to establish four Enterprise Areas in Scotland as part of the process of creating a supportive business environment. These four Enterprise Areas run until March 2017. Each Area has a clear sectoral focus.

3.4 The Low Carbon / Renewables East Enterprise Area, which comprises Leith and Dundee, is intended to support the transition to a low carbon economy while encouraging businesses in this sector to set up and grow in Scotland, therefore
establishing early mover advantages in an emerging sector which offers strong growth opportunities domestically, including the supply chain, and internationally. This could generate sustainable employment and act as a catalyst to attract further investment to Scottish locations. Incentives would encourage businesses to bring forward investment decisions while also providing the support necessary to enable start-ups to become established and to compete internationally, leveraging the human knowledge and natural resource advantages of each location. The Scottish Government has also agreed that the Enterprise Area can run in parallel with a Tax Incremental Finance (TIF) scheme.

**National Renewables Infrastructure Plan (N-RIP)**

3.5 The Scottish Government has set ambitious targets of generating the equivalent of 100% of electricity demand and 30% of total energy demand from renewable sources by 2020, hoping to encourage large-scale investment in renewable energy within Scotland. They have repeatedly set out their ambitions for creating large numbers of new jobs in the renewable energy industry.

3.6 The Scottish Government’s **National Renewables Infrastructure Plan** (2011) aimed to maximise the sustainable economic growth potential of a Scottish based offshore renewables industry that delivers offshore wind, wave and tidal energy with devices that are “made in Scotland”. An objective of the N-RIP was to make sure that appropriate sites were available in the right locations to provide the platform for the growth of the industry.

3.7 The **Low Carbon / Renewables East Enterprise Area**, which comprises Leith and Dundee, is intended to support the transition to a low carbon economy while encouraging businesses in this sector to set up and grow in Scotland, therefore establishing early mover advantages in an emerging sector which offers strong growth opportunities domestically, including the supply chain, and internationally. This could generate sustainable employment and act as a catalyst to attract further investment to Scottish locations. Incentives would encourage businesses to bring forward investment decisions while also providing the support necessary to enable start-ups to become...
established and to compete internationally, leveraging the human knowledge and natural resource advantages of each location. The Scottish Government has also agreed that the Enterprise Area can run in parallel with a Tax Incremental Finance (TIF) scheme.

3.8 N-RIP designated Leith Docks to support exploitation of the North Sea off-shore wind generation potential, with a focus on wind-turbine manufacture. The Port of Leith is described as: “providing uninterrupted access to the Forth estuary and North Sea, this is a key N-RIP site which offers significant opportunities to develop an offshore wind sector supply chain, especially as the 60 hectare site is the largest potential development area across all Scottish east coast ports”. The N-RIP estimated that such a facility could potentially directly employ 1,000 people, with substantial additional employment in the supply chain.

3.9 Scottish Enterprise commissioned an initial feasibility study to identify the infrastructure improvements required to service the emerging renewables sector, and the Scottish Government subsequently approved a scheme to raise £84m through Tax Incremental Financing (TIF) for the new infrastructure – a new east-west link road; a public esplanade; new lock gates; and a new finger pier. The Government also supported the announcement by Gamesa, a global technological leader in the wind industry, of a potential €125m investment in a centre for off-shore turbine manufacture, which would create 800 jobs.

3.10 Since then, for the reasons discussed in Appendix D, none of the TIF projects have progressed, and the Gamesa development has not transpired.

A Strategy for Jobs


3.12 Four investment programmes are proposed:

- invest in the city’s development and regeneration
• support inward investment
• support businesses
• help unemployed people into work or learning

3.13 The Economic Strategy is built around the theme of sustainable growth from investment in jobs. Key Performance Indicators in the Strategy are to

• support the creation or safeguarding of 20,000 jobs in Edinburgh
• support £1.3 billion of development in Edinburgh
• support the movement into work or learning of 10,000 people

3.14 Elements in these programmes of particular relevance to Leith include: tram line connectivity; innovative funding and delivery mechanisms; public realm investment; low carbon technologies; energy saving measures for buildings; new development to be high quality, sustainable and sympathetic to the city's character; create development opportunities; tourism; the creative industries; strong entrepreneurial culture; employment initiatives, including focus on young people and long-term unemployed; and joined-up cross-Council services to provide effective targeted support for investors and initiatives.

**Waterfront Zone Development Plan**

3.15 The city has four Zone Development Plans, one for each priority development area, to provide a platform for investors and developers to understand what activity is taking place in each area and to identify priorities for the Council and its partners. These plans fully align with the Strategic Development Plan and the proposed Local Development Plan.

3.16 The aim of the **Waterfront Zone Development Plan** (WZDP) is to “transform the Edinburgh Waterfront and its surrounding communities into one of the most vibrant and sustainable city quarters, one which regenerates and integrates old with new in inclusive communities together with an attractive mix of open space, thereby creating a safe high quality environment”. The 2013 Waterfront Zone Development Plan therefore supports the vision and strategy set out in the LDP.
3.17 The Zone Development Plans are currently being refreshed and updated (to be complete by spring 2015). The intension is to condense the presentation of material and enhance the focus on projects. The Leith Development Framework informs the Waterfront Zone Plan.

**Strategies and Master Plans**

3.18 With the long term decline of port-related uses, the 150 hectare dockland area had been identified as a key location for major mixed redevelopment, and was the subject of a series of appraisals and masterplans over many years.

3.19 These strategies were paralleled by associated planning submissions. The Leith Docks Masterplan, with the intention of regenerating the area as part of the city’s long term vision to transform the waterfront into a vibrant sustainable community and an internationally renowned leisure destination, was approved by the Council in 2008, subject to a legal agreement. Forth Ports’ proposals were the largest single planning application ever lodged with the City of Edinburgh Council, and were widely expected to be the key to the future growth of Leith.

A further outline application was submitted for the first two “villages”, Britannia Quay and the area around Ocean Terminal.

3.20 This waterfront regeneration proposal was the preferred option set out in the new **Local Development Plan Main Issues Report** (2012).

3.21 In the event, following the subsequent decision by new owners to concentrate on port activities rather than real estate development, and the disposal of the Ocean Terminal retail centre, the legal agreements were never signed, the consents never became live, and were eventually withdrawn by Forth Ports.

**Waterfront & Leith Area Development Framework**

3.22 The **Leith Docks Development Framework** (2005) was the initial document which placed the concept of a major mixed use waterfront redevelopment, in line with Forth Ports’ 30-year plan. This gave rise to other studies for the wider Waterfront which
explored how the waterfront regeneration scheme could be progressed. For example the Edinburgh Waterfront Visitor Destination Development Plan (2008) looked at how the Waterfront could be developed as a major visitor destination.

The development principles for Leith were then incorporated into the wider context of the waterfront as a whole in the **Waterfront & Leith Area Development Framework** (Oct 2011). The Area Development Framework derived from Sir Terry Farrell’s concept of ‘City Tiles’ to develop an awareness of place and go beyond traditional master-plan and ownership boundaries. Its aspirations are to

- transform an industrialised and largely inaccessible waterfront into one of the city’s most liveable and vibrant quarters that everyone can use and enjoy;
- attract high quality, high profile developments which will contribute towards economic prosperity in the city region;

**Planning Timeline**

- Leith Docks Development Framework 2005
- National Planning Framework 2 December 2008
- Edinburgh City Local Plan January 2010
- Scottish Government Economic Strategy September 2011
- National Renewables Infrastructure Plan September 2011
- Waterfront & Leith Area Development Framework October 2011
- Proposed Local Development Plan 1 March 2013
- Strategic Development Plan for South East Scotland June 2013
- National Planning Framework 3 June 2014
- Proposed Local Development Plan 2 August 2014
• create distinctive walkable neighbourhoods and build sustainable communities which exemplify the principles of environmental design in terms of land use mix, accessibility; and,
• add further stimulus to regeneration initiatives in adjoining areas.

Strategic Development Plan
3.24 The current Strategic Development Plan (SDP), produced by the South East Scotland Strategic Development Plan Authority (SESPlan), was approved by the Scottish Ministers in June 2013 with changes to increase the housing land requirements. The SDP identifies the Edinburgh Waterfront as a large-scale regeneration project with potential for new homes as well as commercial development, and in particular for offshore renewable energy infrastructure at the Port of Leith. It notes that this potential should be assessed through the Local Development Plan (LDP) (below) as the appropriate vehicle for considering the planning, transport and environmental implications in the round. Overall, the aim is to create sustainable mixed use development based on urban village concepts.

The programme for preparing, reviewing and consulting on the next updated version of the SDP is currently under way.

Local Development Plan
3.25 Currently the area is covered by the Edinburgh City Local Plan (2010). However, the implementation of large-scale waterfront regeneration was thrown into doubt by the economic recession of 2009, which had a serious impact of the strength of the housing market at the Waterfront. Another change element was that in 2011, the infrastructure fund Arcus took ownership of Forth Ports and announced its intention to focus on renewable energy opportunities rather than retail and real estate.

3.26 In line with changed government priorities, traditional local plans are being replaced by Local Development Plans (LDPs) to provide a clearer basis for determining planning applications and to allocate land to meet the needs and targets set out in the Strategic Development Plan for the wider city. The preparation of the new Edinburgh Local Development Plan Zonings for Leith Docks
Development Plan has been an opportunity to react to these changes and adjust land use planning strategies accordingly.

3.27 Waterfront regeneration was given as the preferred option set out in the new Local Development Plan Main Issues Report (2011). However, an alternative pattern of land uses was also consulted on. The “reasonable alternative” strategy, as required by legislation, reflected the National Renewables Infrastructure Plan (2011). This identified Leith Docks as a suitable location to support Scotland’s off-shore renewable energy industry through manufacturing and maintenance. Consultation responses to the Main Issues Report provided some qualified support for this option.

3.28 The first proposed LDP for Edinburgh was published in 2013. However, with the Scottish Ministers’ revisions to the SDP (above) a second LDP was prepared to take these into account. It was published in August 2014 and is currently undergoing due process with a view to final adoption in February 2016.

3.29 The LDP defines the long-term aims for the waterfront as:

- Transforming the waterfront into one of the city’s landmark features
- Attracting high-quality developments which will contribute towards economic prosperity in the region
- Creating distinctive high density urban quarters and build exemplar sustainable communities with a reduction in the influence of the car in design and layout
- Supporting regeneration in adjoining areas and providing an incentive for construction of the tram.

3.30 In the new LDP the Northern and Eastern Docks are allocated for business and industry uses rather than, as previously, for housing. However the overall concept still provides for new housing and complementary uses elsewhere in Leith to support the regeneration of the Waterfront.

3.31 Throughout the period described above, the local planning policy context has retained a general industrial and business designation over the Seafield area east of the docks, and north of Salamander Street. This was the subject of a specific business proposal in the
Edinburgh City Local Plan (BUS 3 Leith Eastern Industrial Area), and the Local Development Plan continues to support the establishment of new business / industrial / waste management / energy uses on that land (EW 1d in the LDP).
4: ECONOMIC DEVELOPMENT CONTEXT

Leith’s Existing Business Base

4.1 In the past Leith’s employment base was quite distinct from that of the rest of Edinburgh, with a higher concentration of industry and warehousing, often related to the presence of the port.

4.2 Leith Docks were historically central to the economy of Leith and are the reason for the town’s existence. They remain a unique feature within the city, although the level of port activity is now a fraction of its heyday.

4.3 Although shipbuilding and heavy engineering are largely gone, there are a few remaining heavy industries. Some relate to the port and North Sea activity – eg pipe coating, marine engineering. Others include stoneworking, scrapyards, scaffolding and skip hire.

4.4 Leith has also developed a role as an incubator for small businesses of varied types, encouraged by the cheaper property rents and availability of premises. Leith was the third highest area in Scotland for business formations in 2013.

These three sectors are examined in more detail:

Leith Docks

4.5 The Port of Leith occupies an extensive but largely inaccessible land concentration in the heart of the area (total land area 158 hectares – larger than Edinburgh’s Georgian New Town – and water area 100 hectares), yet now makes only a minor contribution to the local economy.

4.6 Leith is first mentioned as Edinburgh’s port in the 12th century, exporting coal, wool and animal skins. It has been in prolonged decline since the late 1940s, with the loss of coal exports as the Lothian coalfields worked out, and the transfer of traffic to other
neighbouring ports (Grangemouth, Rosyth etc) with more modern handling facilities, particularly for liquids and containers.

**Port Activity**

4.7 The overall use of the port is constrained by the width of the 1960s lock gates which limit ships to a maximum size of 210m x 30m and up to 40,000 dwt capacity. Most of the remaining activity is accommodated in the Western Harbour and the 1904 Imperial Dock, with the older restricted-entrance Victorian docks limited to berthing smaller vessels (see Fig 16).

4.8 With the complete loss of power station coal traffic, total tonnage of cargo has dropped from 2.2m tonnes in 2005 to around 1m tonnes per annum. It comprises mainly dry bulk cargoes: grain, animal feed, cement and aggregates, and road-salt imports, and scrap and cullet outwards; ie around 2-3 freighters per week which now represents less than 2% of Forth Ports’ overall business. The other remaining use is by North Sea oil-and-gas offshore support vessels – offshore equipment, mechanical trenching and burial, inspection, repair and maintenance, and large scale pipe spooling facilities, and a small amount of fishing and diving craft.

4.9 The Imperial dry dock was upgraded in 2010 and is leased by Dales Marine Services. It can take 2 ships at a time for repairs, maintenance, refits, overhauls and conversions, 12 accommodating larger vessels than at Dales’ Aberdeen facility.

4.10 Most other businesses within the dock area originally had a port-related dimension; they include

- Carntyne Transport, which provides 50,000 sq ft of cask and general warehousing space within Leith Docks
- Bredero Shaw, which operates a facility on the Imperial Dock for coating pipes. Bredero Shaw uses Leith Harbour both to import steel pipes for coating and to transport coated pipes to offshore pipelines. The company has a current £30m contract for a Black Sea gas pipeline
• Cement, concrete and aggregates supplier Cemex, which operates a batching plant on the Edinburgh Dock for the manufacture of ready-mix concrete. Cemex uses Leith Docks to export concrete and to import the cement used to produce the concrete
• Grass seed producer and distributor DLF Trifolium, which has its main agricultural production centre on the Edinburgh Dock
• Chancelot Mill, which uses grains imported via Leith Docks to produce flour

Around 800 persons are employed within the dock area, but most work in the other businesses located within the port boundaries; direct dock jobs are around 100.

Heavy Industry
4.11 The remaining heavy industries are mainly on the railway yards to the east. They include stonecutting, scrapyards, scaffolding and skip hire, which require large cheap sites of low environmental quality. While these uses can be untidy and raise environmental issues if located close to housing, they are essential to the city's economy, especially those which service the city's dynamic construction industry.

Small Business Incubator
4.12 Leith has long been a start-up point for small businesses, particularly those with less than 10 employees, which make up about 14% of the total jobs in the city. These are a mix of traditional (eg construction, manufacturing, repair, services, motor trades, storage) and newer innovative companies (eg media, electronics, consultancies, health and fitness, social enterprises and charities). Specialised incubator units such as the Creative Exchange and other serviced office initiatives have encouraged their growth. The Business Gateway service has supported 30 Growth Pipeline businesses in Leith over the past 18 months, and 918 new businesses were registered in the Leith EH6 postcode, representing 3% of all new business formations in the whole of Scotland and the third highest area in Scotland.

Changing Visions
4.13 The decline of port activity, and the examples set by other cities in redeveloping their harbour areas, gave the impetus to identifying the extensive and under-utilised
dockland as a prime area for some form of regeneration. A succession of visions were formulated, but unfortunately for various reasons none were carried through to completion, leaving a trail of uncertainty which does not assist investor confidence.

**Vision 1: Major redevelopment**

4.14 The first vision was predicated on complete cessation of commercial dock activity and its total redevelopment on the lines of the master plans noted above. The mixed-use plans proposed 9 new “villages” on the site, creating up to 15,200 new homes (including 3,800 affordable), business/retail/school etc, 35 hectares of new open and civic space, and 3 km of coastal promenade accessible for public use. There was to be a £28.9m contribution to the tram project. These proposals fitted well with the Council’s own aspirations to regenerate Leith as a vibrant location, and particularly to meet a large part of the city’s housing supply, which was under extreme pressure.

4.15 Although some elements remain, such as the ongoing redevelopment of Western Harbour for housing, and the eventual development of the areas around Ocean Terminal and Britannia Quay, the grand vision faded with the economic downturn and consequent reluctance on the part of house-builders, developers and financiers to tackle speculative single-site mega-schemes – the Leith proposals were estimated at £700m – and received a final blow in the abrupt change of direction from the new owners following their takeover in 2011.

**Vision 2: A 21st Century Port**

4.16 In 2011 Forth Ports’ new owners Arcus Infrastructure advised that, as they did not specialise in real estate development, they would concentrate on the continued operation of Leith Docks as an industrial port. As part of this strategy, Arcus disposed of the Ocean Terminal retail mall. Subsequently, the importance of the Port of Leith to the City and support for its continued development was formally recognised by Forth Ports, the Council and Scottish Enterprise in their Memorandum of Understanding.

4.17 The Strategic Vision in the draft Development Framework therefore sought to promote continued investment in the docks to create a world-class 21st-century port. Major expenditure would be necessary to bring the port up to modern standards.
4.18 However, Scotland already has a highly competitive port sector – Scotland accounts for 33% of the UK’s major ports but just 15% of cargo movements. There are many other existing ports in the Forth with more modern handling equipment than Leith, and Babcock plans to develop a new International Container Terminal at Rosyth, further increasing competition.

4.19 There is no evidence at Leith of significant numbers of new port-related jobs created in the last 5 years or so, or of proposals or strategies from the current operators for further port-related investment and growth which could result in new jobs. An analysis of their financial structure shows that they achieved their acquisition by heavy borrowing, so have very high leverage gearing (ie debt-to-capital ratio). Operating surpluses are focused on meeting interest payments, with the remainder going principally to fund high rates of immediate return in the form of substantial directors’ and management remuneration, rather than towards any value-adding reinvestment in the property. To date, no significant investment has been made or announced for modernising the port, even if a business case could be made for it.

4.20 Taking this financial focus together with the changed nature of cargo handling, the low remaining traffic at Leith, and the availability of adequate superior facilities such as container and bulk liquid handling in other nearby ports, there is little scope for any large-scale expansion of existing traditional freight activity. In the present situation the docks are therefore likely to remain an under-used investment-starved asset right at the heart of Leith.

**Vision 3: A centre for renewables manufacture**

4.21 The National Renewables Infrastructure Plan (2011) identified the Port of Leith as one of a limited number of Enterprise Areas, to focus on low carbon and renewables, with an emphasis on wind turbine manufacture. Leith was also identified as one of a very few sites as offering a suitable location to support Scotland’s offshore wind industry.

4.22 Scottish Enterprise commissioned a feasibility study to identify potential land use and infrastructure requirements to service the emerging renewables sector and other key port operations. The study confirmed that the docks would be a suitable location for the type of industry envisaged, providing that major investment in infrastructure of £100m
was undertaken. These included the provision of an outer berth on reclaimed land to the northwest of the existing docks, the infilling of 4.9 hectares of the Edinburgh Dock and the creation of a new route for heavy vehicles. The new berth would provide a suitable location for the loading and unloading of cruise liners and cargo ships linked to offshore wind farm developments, as well as providing additional lay-down and industrial space.

Fig 16 Historical development of Leith Docks showing proposed infrastructure required for modernisation

4.23 Exploratory discussions took place with multinational wind turbine manufacturers, and Gamesa signed a Memorandum of Understanding in January 2012, working towards a detailed planning application and agreement of terms for a £125m turbine-manufacturing development, due to start in spring 2013 with the creation of 800 jobs.
4.24 Forth Ports had already explored the renewables subsidies market through their proposals for a Biomass CHP plant, later withdrawn in the face of intense public criticism. They were therefore persuaded to support the N-RIP strategy. However, the turbine manufacturing proposals have not progressed as hoped; Gamesa have not pursued their interest, and the infrastructure improvements have not been carried out. The reasons include:

- A reduction in public funding for low carbon energy infrastructure projects which, set against the agreed guaranteed returns, has reduced forecast output from 20GW to 12GW. This in turn reduces demand for wind turbines until at least 2020. With a new facility at Hull, there will be room for only one further major player in the overall UK market; and Leith's (or Scotland's) likelihood of attracting this development against stiff competition must be realistically assessed.

- Off-shore turbines are extremely large; their manufacture requires considerable areas of clear space to lay out and fabricate components. Leith's existing traditional port layout has only sufficient space to offload cargoes which are then moved quickly away by road or rail. Without the £100m infrastructure investment identified, the existing dock would not be suitable for turbine assembly.

- There are several long-established existing tenants, employing some 700 persons, within the dock area. Some rely on proximity to the dock for sea delivery of bulk materials. To obtain sufficient clear space for turbine manufacture, these businesses would have to be re-located.

- Sourcing funding for the infrastructure works has been a challenge. Forth Ports are quoted as expecting ‘a substantial part’ of the required modernisation to be funded from public sources. However, at Hull a £130m upgrade of the port, comparable to the works identified as necessary at Leith including construction of an outer berth, is being undertaken by Forth Ports’ main competitors, Associated British Ports. This will unlock an £80m investment from the German Siemens group to build a factory to assemble parts for offshore wind turbines, and is being met entirely from private funds with no financial input from the public sector. By implication, the upgrade of Leith Docks could, in principle, be funded in the same way.
4.25 Realistically, for all these reasons it is doubtful that large-scale wind turbine manufacture, or any similar proposal, would be implemented in the foreseeable future. None of the companies originally approached have committed to investing in Leith, and their interest has now receded. Interest is now focused on the site of the decommissioned Cockenzie power station in East Lothian. Scottish Enterprise is exploring options for a “Marine Energy Park” to support the offshore wind sector, and is progressing with development of a masterplan and consenting process. A Planning Application Notice was submitted to East Lothian Council in June 2014. There is however no firm commitment as yet to invest in the Cockenzie site; Scottish Enterprise’s decision will depend on the outcome of the consenting process, clarity on the investment required and – crucially – confirmation of market demand.

4.26 The only other major renewables presence at the docks is Pelamis, one of the two world leaders in wave energy. Pelamis is headquartered in Leith, and has a quayside facility from which it designs and assembles its wave energy converters. These are currently being testing at the European Marine Energy Centre in Orkney. However, the technology is still many years away from commercial exploitation, and Pelamis has recently gone into administration after failing to secure enough funding to develop its technology. Further background to the renewables opportunity in Leith is contained in Appendix D.

**Employment**

4.27 Leith has lost some 3,500 jobs from 2009-2013, which represents an 18% drop and is significantly more than the city average. The long term unemployment rate in Leith, at 5%, remains higher than Edinburgh as a whole (4%).

4.28 However, although many long-standing residents remain, the influx of young professionals seeking affordable houses, and the more recent arrival of skilled European migrants, has changed the demographic of the area considerably. Compared with the previous census, the number of residents with a university degree is now higher, at 45%, than the city average (41%); and this is also true of other higher educational qualifications.

4.29 Buoyant areas which have seen employment expansion include:
• the **creative** sector, ranging from traditional arts to graphics and the digital industries
• the **food and drink** sector, including world-class restaurants
• the incubator / nursery role that Leith increasingly plays in providing the right conditions for new **business start-ups**

4.30 Compared with the city as a whole, specific sectors currently under-represented are

• **major financial institutions**, although there are some small-scale business and financial services
• **tourism**; although an above-average number of people work in the hotel and restaurant sector, most are employed outside Leith, and the number of tourist-related businesses is few
• **academic research and development** such as life sciences and renewables – none of Edinburgh’s four universities have a presence in the ward, although some private R&D (eg wave power, software development) takes place on a limited scale
• **administrative services**; despite the presence of the Scottish Government at Victoria Quay, as most of their employees commute from outside Leith

4.31 Using historical trends and shift-share analysis for the city and applying this to Leith, it is possible to calculate Leith’s share of projected changes in city employment. In total there is forecast to be a net increase of 3,400 jobs in Leith over the period 2013 to 2030 – approximately 200 jobs each year. The majority of new jobs are projected to be created in two broad sectors: “administrative and support service activities” and “accommodation and food service activities”. These categories are listed in the Standard Industrial Classification and contain a wide variety of sub-sectors.

**Business support issues**

4.32 Many smaller-scale and fledgling businesses have been attracted to Leith because of the better availability and cheaper costs of premises compared to the city centre.

However, the displacement of industry by competing higher-value land uses, which is already a feature in the centre, also affects Leith. Several former industrial sites – such as that at Salamander Street – have been redeveloped for housing, resulting in a steady
decline in the supply of suitable affordable premises for businesses. This contrasts with Glasgow and Leeds, where lower rates of competing economic activity provide still-inexpensive property, and specialist developers and landlords meet the market needs. Planning policies which require new redevelopment proposals on former employment sites to incorporate some flexible business space have helped to slow the decline. There can also be environmental conflicts between new housing inappropriately sited close to existing industrial premises, which can eventually result in crippling restrictions being placed on established businesses in terms of hours or noise.

4.33 Successive Small Business Space studies show a long-term demand for small industrial and business premises of up to 400m², with greatest demand at the lower end of the scale. A 5 year estimate suggests that 100 new premises will be required city wide to meet demand, half to accommodate new growth and half to replace obsolete premises. Of these, around 38 are required in the North East sector of the city (Leith) alone. Requirements are good access, visibility, proximity to the urban area for customers, employees and suppliers. Up to 20% of the demand could be accommodated in multi-storey premises. Currently, only around half the total demand is met.

**Q.** A city needs an area which is affordable. Can we make all these improvements to Leith without it ceasing to be affordable and therefore no longer meets these needs?

4.34 Small businesses are therefore an important component of the overall employment pattern, particularly in Leith, and will become more so as continuing redundancies from traditional companies channel more individuals into starting up new small businesses. New innovative types of business provision are supporting this trend, and could be developed or expanded in Leith:

- small business incubator units, including provision for craft / industrial processes as well as office-type activity
- live-work units – residential accommodation with workshop / studio / office space attached
- virtual offices, where users who normally work from home or on line can obtain meeting spaces, services, temporary office space
• provision of networking / socialising / interactive facilities for like-minded practitioners to meet and exchange information
• showcasing and promotional opportunities, including group or sector marketing
• availability of mentoring and advice provision

Summary

4.35 Leith has a distinct economic structure compared with Edinburgh, with significantly lower employment in financial services and the public sector. A greater proportion of residents of Leith are in employment than the Edinburgh average, but unemployment in Leith is higher than in Edinburgh. Residents of Leith have a similar educational and occupational profile to residents of Edinburgh as a whole.

4.36 Jobs in Leith are projected to rise by 3,400 from 2013 to 2030, mainly in the area of administrative and support services, and accommodation and food services. The analysis on which this conclusion is based plus other supplementary material related to jobs potential in Leith is attached as Appendix B.
5: KEY INVESTMENT OPPORTUNITIES

5.0 With the fading of the original visions (major redevelopment, 21st century port, centre of renewable manufacture), other alternative options which offer growth potential have been reviewed.

5.1 Seven key sectors have been identified by the Scottish Government; these are “sectors [that] offer particular opportunities for growth – in all or part of that sector – due to existing comparative advantages or through the potential to capitalise on Scotland’s unique natural assets. These are sectors where Scotland typically has distinctive capabilities and businesses with the potential to be internationally successful.”

The sectors are energy (including renewables); creative industries (including digital); tourism; food and drink; financial and business services; life sciences; and universities. Given the potential economic role played by Leith Docks and Ocean Terminal, the port and retail sectors are also reviewed.

Energy

5.2 For the reasons set out in the previous section, it is unlikely that Leith will become a major area of renewables equipment manufacture and assembly. A remaining opportunity is the supply chain activity associated with the developments in the Forth and Tay areas, building on the existing North Sea oil and gas servicing. However, if Edinburgh does not secure any of the assembly jobs then the impact on Leith is likely to be modest, restricted to activities supporting the operation and maintenance of the wind farms such as the servicing of vessels used to transport engineers to the farms, if indeed they are not lost to other neighbouring ports with more modern facilities.

Other Opportunities for low carbon sustainable development

5.3 There is still scope for embedding low carbon / sustainable energy principles into existing and new developments, and nurturing SMEs in the sustainable sector. Building a body of expertise in these areas could create a saleable skill base which would support the local economy and create new jobs in supply, installation and maintenance.
5.4 Methods of delivery include creating the right conditions to encourage and support:

- companies which manufacture components or equipment (the “supply chain”)
- businesses and organisations which carry out research and development and/or design
- companies which buy in and install equipment or systems
- local companies and organisations not directly in the sustainable low-carbon field to assist them in ensuring that their operation, premises and processes are as “green” as possible
- passive and active retrofit upgrading of the energy efficiency of existing residential and other buildings

5.5 All of these offer opportunities for businesses to save costs and create saleable skills. The Council’s existing Business Gateway service already offers advice to companies on how to “go green”.

5.6 Edinburgh is well provided with other initiatives to support this approach, with programmes of presentations, information provision, training and events to raise awareness of renewable / low carbon opportunities amongst businesses and the general public; eg through the University Outreach programmes. Spreading these to a wider audience can be very effective.

5.7 Practical demonstration projects operate in many places and are useful in capturing the interest of young people and the public in general. An effective temporary use for undeveloped land might be a visitor-oriented Energy Park with complementary initiatives such as a Scottish version of Ecobuild, residential construction in conjunction with building companies which demonstrates innovation in building design and management using the latest environmental and ICT technologies. This has been successful in other locations such as Glasgow (Homes for the Future), Inverness and Dunfermline, and there are parallels with the Garden Festivals of the late 20th century. Other aspects ranging from sustainable food production to low-carbon transport can also be showcased. If pitched at the right level of quality and information, an Energy
Park could be of greater than purely local interest, drawing visitors and boosting the local economy and profile.

5.8 Other available technologies for businesses and domestic properties include solar arrays on building roofs, district heating or combined heat and power systems if a suitable base-load is identified (e.g., schools, public housing, care homes, etc.) and could be administered through a local ESCo (Energy Supply Company); and energy-efficiency retrofits, for instance improving insulation and replacing boilers.

5.9 The necessary skills base required to support these initiatives can be developed; currently there is a shortage of STEM (science, technology, engineering, mathematics) skills in the workforce, exacerbated by unhelpful gender perceptions of science amongst some pupils, and limited dialogue between educational providers and industry requirements. The Council is already working on this area, and Leith could provide an advance platform for trialling new initiatives.

5.10 Overall, even if the aspiration for a major centre of manufacture remains unfulfilled, there is scope for Leith to be a centre of excellence for practical sustainable low carbon / renewable initiatives. However, unlike the North Sea renewables, there is no particular reason why these should be located in Leith, and indeed they may be more attracted to university campus locations where back-up research, development and testing facilities exist. If Leith aspires to become a centre for this type of industry a conscious investment and marketing programme would be required.

The Circular Economy

5.11 The circular economy – where goods are reused, repaired, remanufactured, or upgraded rather than thrown away – is a specialist area of sustainability which has been advocated for many years, but is now becoming mainstream with increasing fuel and material prices.

Leith already has a tradition of scrap yards and small scale recycling businesses. Typical sectors already operating elsewhere in the UK include architectural salvage of building components, remanufacturing of car engines, gearboxes, turbochargers and machine...
tools, through to items such as printer ink cartridges. There are opportunities to take it to the next stage by encouraging the formation of businesses to specialise in this area.

5.12 Currently, Zero Waste Scotland (ZWS) is looking to support the set up of “reuse and repair” centres in Scotland. There may be potential funding to cover setting up and establishing a business. Edinburgh is well placed to develop an exemplar reuse and repair site.

5.13 Re-use and repair centres can take many forms, such as:

- Shops at Home Waste Recycling Centres
- Re-use hubs, which wholesale to partnering retail operations
- Repair centres, which provide repair services to partners
- Repair and re-use centres which carry out all operational functions including retail.
- Repair, re-use and trading centres for public sector bodies like NHS, higher education and Scottish Government estate
- Generation of supply of goods for sorting, repairing, refurbishing, altering and upgrading for resale or wholesale
- The potential for a retail space and warehouse with the capacity to sell quality items and materials from a typical retail setting or through wholesale
- The potential for deconstruction of products into materials for secondary recycling markets
- Operation of the centre from home waste recycling centres, warehousing, yards, and located close to road and public transport links and communities
- Target and accept all types of products like furniture, EEE, textiles, bric-a-brac, children’s goods, buildings materials (domestic and SMEs), paint and bicycles
5.14 A typical operation could include all or some of these activities – bulky refuse uplifts, collections, private and commercial clearance services, take-back contracts with retailers, returns and faulty and damaged stock clearances. ZWS suggests that the project could be taken forward on a “whole council” basis across all relevant service areas, and it could be an opportunity to highlight the city’s strengths. It would be essential to move quickly on this initiative to avoid it going elsewhere.

5.15 Some parts of Leith are less sensitive environmentally than other areas, where scrap yards and similar uses are already established. There is also the presence nearby of a major municipal waste collection and sorting centre at Seafield. If presented in the right way a circular economy operation could also contain an educational / visitor element which would provide an unusual attraction of the type which could benefit Leith.

**Creative Industries**

5.16 The creative industries play a strong role in animating an area and generating vibrancy. Edinburgh has a reputation for creativity and innovation, and 25% of all creative employment in Scotland is located in the Edinburgh City region, representing around 26,000 jobs in 4,000 registered organisations and businesses, and contributing £803m GVA to the Scottish economy.

5.17 Leith is an increasingly popular location for creative enterprises, with around 350 businesses in the area employing some 1700 people (10% of all employment in the area compared with 6-8% in Edinburgh as a whole). The area has the appropriate ambience – a developing café culture, gallery spaces, events and activity – for a Bohemian / arts district, and could absorb further input. There is a concentration of activity around the Water of Leith / Shore / Bernard Street area.

5.18 Leith is particularly dominant in the advertising and marketing sub-sector, accounting for a third of all employment in this sector in Edinburgh; two of Edinburgh’s largest advertising agencies – The Leith Agency and DigitasLBi – are based in Leith, as is the Edinburgh branch of the global media planning agency MediaCom. Other enterprises include design – the largest sector in numbers of businesses, although not employment – visual arts and crafts, sculpture, ceramics, architects and designers, performing arts,
lighting design, film and media, audio and radio, photography, printing and publishing, fashion and jewellery and digital businesses including software development and gaming. The breakdown between the sub-sectors is shown in Appendix C.

5.19 To support these activities there are various “creative platforms” – facilities which support clusters of creative people working in joint venues and networking. These include the Creative Exchange, Coburg House Studios, Out of the Blue, Creative Edinburgh and a new community of creative workers based at Ocean Terminal.

5.20 A local authority cannot manufacture a genuine “creative cluster”, but it can set in place the conditions that would help it flourish. There are some key issues to address:

- A shortage of suitable workspace. Initiatives such as the Creative Exchange, funded by the Council and Edinburgh College and providing creative and digital workspace, encourage new and growing businesses to the area. Ocean Terminal also offer gallery / display space to local organisations when available. However, there is a shortage of both small studio / workspace units (eg up to 100m$^2$) – many of the traditional creative studio spaces have waiting lists – as well as larger spaces for established organisations seeking to expand their facilities;

- A lack of a central hub / information exchange on the Middlesbrough model, where creative practitioners can meet, discuss ideas, and which offers services such as meeting rooms, café, exhibition areas, administration, secretarial and similar services;

- A low public visibility and engagement profile. Studio spaces are rarely open to the public, there is no central information on the various activities and businesses, and no active joint marketing campaign to promote the creative sector and attract customers;

- Minimal support facilities for supplies and back-up services such as specialist materials, printing, casting, equipment servicing, short-run manufacture. There is no local properly equipped small-venue theatre space for dramatic arts and dance, although there is an active pub circuit. Despite the presence of independent film makers and photographers in and around Constitution Street, there are no post-production facilities, small arts-cinema screening venue, or rentable studio space.
5.21 If these issues can be addressed, there is potential to create the appropriate atmosphere to encourage the creative arts to develop further in Leith, although with the caveat that the sector is unlikely to directly generate large numbers of jobs or major investment – the arts rely heavily on public and private patronage. There is scope for going beyond conventional boundaries, using innovative technologies and including outcomes for disadvantaged social groups. Further background analysis of Leith Creative Sector is contained in Appendix C.

Tourism & Destination Marketing

5.22 Edinburgh has some 3.7m staying and 19m day visitors per year, creating employment for 30,000 people and worth £1.6bn to the city’s economy. Edinburgh has a huge pull as a cultural centre both in terms of its built and natural heritage and its year round festivals, events and conferences. Whilst Leith has a vibrant history and culture and has hosted elements of the Edinburgh Festival (eg Forest Fringe), its attractions are mainly of local scale and are seen as peripheral to the main tourist offer, which is concentrated in the centre; there is little that would encourage city centre visitors to come to Leith. Of Edinburgh’s top tourist attractions, only one, the Royal Yacht Britannia, is located here.

5.23 The result is that less than 2% of Edinburgh’s tourists visit Leith even though it is only 1½ miles from the centre, suggesting that many tourists have limited awareness that Edinburgh has a waterfront at all. This contrasts strongly with other European cities, where refurbished dockland areas make a lively and active contribution to the local tourist economy. Nonetheless, Leith is the only other part of the city apart from the centre which has potential to develop a significant lively urban tourist economy, with all the job creation and economic benefits that would bring.

Q. Shifting the centre of gravity in a city is very difficult.

5.24 If tourists could be persuaded to spend even half a day at the waterfront, there would be a considerable boost to the local economy and employment. The reasons that they do not at present might include

- being overshadowed by the strength of the Edinburgh City offering
• insufficient “iconic” and supporting attractions to act as tourist magnets
• the inaccessibility of much of the docklands to the public
• inadequate publicity and joined-up promotion
• lingering negative perceptions of Leith
• lack of clear direct connectivity with the centre

5.25 Leith’s tourism centres on Ocean Esplanade, Britannia Quay and the Shore. Ocean Esplanade is the berthing point for the Royal Yacht Britannia, which attracted 300,700 visitors in 2012, making it the sixth most popular paid visitor attraction in Scotland and the 24th most popular attraction overall; in 2014, TripAdvisor users voted the ship the UK’s top visitor attraction. Data from the Edinburgh Visitor Survey indicates that slightly over 10% of visitors to Edinburgh visit the Royal Yacht Britannia. While the ship is accessed via Ocean Terminal, it is within walkable distance to The Shore along the attractive Commercial Quay route. There is an opportunity to capitalise on the visitors to the ship by improving the offering on and around Ocean Esplanade, creating a more rounded visitor offer that encourages longer dwell times and great spending.

5.26 The Shore is home to a number of acclaimed restaurants, including two with Michelin Stars, and is now a popular destination for fine dining.

5.27 Leith is also home to the Trinity House Maritime Museum, a small “by appointment” attraction near the foot of Leith Walk. There are also plans to convert Customs House, a listed building on Commercial Street, into a visitor attraction incorporating a Museum of Leith.

5.28 The “Majestic Tour” sightseeing bus operated by Edinburgh Bus Tours includes Leith in its itinerary.

5.29 Sustainable tourism defines and animates the distinctive local identity, acknowledging and drawing on existing strengths. In Leith, these include the maritime character, mediæval pattern of lanes and streets, stylish food and drink provision, historic architecture, industrial history, and the growing creative community.
5.30 Britannia Quay is the location of Edinburgh’s cruise terminal, at which cruise ship passengers alight. As they are already in the area, they have been identified as a particular target. Leith’s status as Edinburgh’s principal port means it is a key point of arrival for visitors arriving in Edinburgh by cruise ship. While the numbers of visitors arriving by cruise ship is small (around 13,500 per year disembark in Leith), there is already a local initiative to encourage a greater proportion of them to dwell for longer in Leith. The success of Edinburgh as a cruise liner destination will, ultimately, be dictated by practical considerations, including the lack of a deepwater cruise berth.

5.31 **Business tourism** is also an opportunity – Edinburgh is the UK’s most popular conference destination which generates £74m annually for the economy, and more of this demand could be met in Leith by provision of suitable facilities. At present there are only two hotels of any scale in Leith: a 145-bedroom Holiday Inn Express on Ocean Drive and a 138-bedroom Premier Inn at the Western Harbour. There are also a number of boutique hotels and small apart-hotels. Currently under development is MV Windsor Castle, a former tender acquired by the Royal Yacht Britannia Trust that is to be moored at Ocean Esplanade and converted into a 25-bedroom floating luxury hotel. Planning consent was granted some time ago for a new 250-bedroom hotel at Ocean Point on Ocean Esplanade, but no developer is currently pursuing the project. The relative paucity of hotel accommodation in Leith relative to the implied number of visitors to the area suggests that the majority of visitors to Leith stay elsewhere in the city or do so as part of a day trip, with only a small proportion of visitors opting to stay in Leith.

5.32 Interventions, which could also include **temporary landscaping and uses**, could benefit the local ambience and community economy as well as tourists. With the exposed seafront climate, wet weather alternatives should also be available.

5.33 Marketing Edinburgh and Edinburgh Tourism Action Group have city-wide responsibility for promoting Edinburgh. In 2013 the Leith Business Association and Leith Civic Trust have set up a local organisation, Marketing Leith, which has produced promotional material for businesses, arranged “pop-up” events of short-life focussed exhibitions and displays, and are pursuing signage, street improvements and the like.
5.34 There is a legacy of at least 3 heritage trails, including that along the Water of Leith, in the form of plaques on buildings and other isolated inscriptions. They do not all include the same list of attractions, and rely on explanatory leaflets which are now out of print and unavailable on the internet. The Leith Local History Society has however produced an up-to-date downloadable guide, *Explore Historic Leith*, which identifies and describes historic buildings and sights. It is noted that only 8 of the 36 attractions listed can be visited by the public without prior special arrangement or requiring purchase, eg of food and drink. In particular, despite Leith’s long industrial heritage, there are no businesses or studios which invite the public to watch demonstrations of the production process, despite this being a very common feature abroad – eg craft shops, potteries, glassworks, weaving, printmaking, cuisine etc.

5.35 Adequate **signage**, especially to direct visitors from the foot of Leith Walk through the confusing maze of streets to the waterfront, is vital.

The Council, together with Historic Scotland, Edinburgh World Heritage, Essential Edinburgh and Marketing Edinburgh, is at present progressing a comprehensive coordinated way-finding strategy for the city, starting with the World Heritage Site in the city centre. The intention is that it would then be extended to other areas, which could include Leith; it would draw together the various past initiatives into an up-to-date inclusive navigation system to allow visitors and residents to find and enjoy Leith’s attractions.

5.36 Leith was an associate of the mediaeval Hanseatic League of northern European trading towns. In 1980 former member cities established a “new Hanse” to foster and develop business links and cultural exchanges. This could offer an unusual tourism angle which would apply exclusively to Leith rather than the rest of Edinburgh.

5.37 The Royal Yacht Britannia demonstrates the necessity of iconic **major attractions** as key features to draw tourists into an area. The *2020 Tourism Strategy for Edinburgh* generally focuses on improving existing visitor attractions rather than delivering new ones, but Leith could be an exception in view of the paucity of major attractions in the area. Other potential attractions have been explored, such as a 120m “Leith Eye” Ferris Wheel, a 5000-seat multi-use arena, a white-water rafting centre, and the berthing of
destroyer HMS Edinburgh, but these have failed to reach fruition on various grounds including costs and feasibility.

**Q.** It would be difficult to create a facility with sufficient draw to attract people from the city centre unless it is on the scale of RY Britannia

5.38 A number of **events** already take place in Leith each year – Leith Festival, Leith Late Festival, Parents Like Us, Edinburgh Mela etc, as well as one-off initiatives such as the Local Memories project supported by Creative Scotland’s Traditional Arts Commissioning programme. Past high-profile events have included the MTV Music Awards, The Tall Ships Race, and the less successful International Festival of the Sea. There are opportunities for developing further programmes of events, including a greater number of International Festival Fringe venues.

**Q.** We should not be tempted to ‘parachute’ in festivals and events. They need to be organic and home-grown.

5.39 The **extension of Edinburgh’s tram line** to Leith could encourage a greater proportion of visitors to the city to journey to Leith, as a fixed-route system with distinctive named stops is much easier to negotiate than a myriad of bus routes. A tram link between Leith and the city centre could also make Leith a more attractive place for visitors to the city to stay, unlocking developments such as the potential Ocean Point hotel and increasing the patronage of existing hospitality providers.

**Culture and Leisure**

5.40 **Cultural uses** are currently under-represented in Leith – there is only one small museum, and no public art gallery or modern well-equipped venue for music, drama or sport. New initiatives could assist in increasing the attractiveness of Leith as a tourist destination. Ideas for museums, galleries, music venues and sports facilities have been suggested over the years but they have not been taken to the stage of developing a sound supporting business case. Currently, the only **museum** in Leith is the small maritime collection at Trinity House, open by appointment only. The collection of the
former Newhaven Heritage Museum (closed 2007) is currently in store, as are the Leith collections of the Edinburgh City Museums. Another historical artefact, the steam-powered fisheries research vessel SS Explorer, is currently under restoration by a volunteer group at Edinburgh Dock. A campaign for a Leith museum has been pursued for some time.

5.41 The Council has agreed to purchase the historically important grade A-listed Custom House, with a view to securing appropriate use of the building for a museum/heritage purpose to the benefit of Leith and the wider city. The purchase is expected to be completed in April 2015. National Museums of Scotland, the current owners, have confirmed that they are concentrating their secondary and stored collections at Granton.

5.42 The conversion of Customs House into a visitor attraction has the potential to consolidate Commercial Street and The Shore as a visitor hub. The maritime connection could provide a focus, including ship restoration (eg SS Explorer) and a maritime museum pitched at a city wide / national scale rather than a purely local one.

5.43 Other suggestions for Leith have included a transport museum and a technical science/industry museum. To be most effective, any new museum / heritage function would need to be of a scale and coverage to attract interest beyond Leith itself; should integrate with the maritime heritage and waterfront location; and contain a sufficient commercial element to ensure its continuing viability.

5.44 Ocean Terminal houses the VUE multiplex cinema, showing mainstream content. The lack of a fully-equipped small theatre / art cinema venue has been noted. At present there are two disused Listed venues on the Buildings At Risk register – Leith Theatre, currently with an active preservation group, and the State Cinema, a listed art-deco structure unused apart from its ancillary snooker hall. There are a few smaller venues which have occasional screenings.

5.45 The main concentration of outdoor sports facilities are at Leith Links. The Links also has historic interest as the site of an early 5-hole golf course, home of the Honourable Company of Edinburgh Golfers, now at Muirfield, who drew up the official rules of golf in 1744. The Links also has one of Scotland’s longest-established cricket pitches, dating
from 1820.

5.46 The Links is one of the few parklands within the Framework study area, which is generally under-provided with open space. A park is proposed for Western Harbour, but delivery has stalled with the reduced rate of overall development of the site. There is a requirement for more greening and landscaping, even on a temporary basis, to tidy up wasteland or undeveloped sites. The green space need not necessarily be conventional parkland but could be combined with local sustainable food growing initiatives; nor does it have to be concentrated but could be spread across a number of smaller sites (“pocket parks”).

5.47 There is potential for new sports provision to help animate the area, particularly capitalising on the seafront location. Edinburgh Leisure is currently undertaking a review of provision but findings will not be available until spring 2015. The existing dock areas are currently unsuitable for recreational boating uses, partly because of access issues to the open sea and partly because of safety considerations when mixed with larger vehicles. However, there is scope for consideration of new-style or unusual sports, even on a temporary basis, such as skateboard parks or the emerging surfing lakes (controlled waves) which could build on Scotland’s reputation for high-quality surfing and the waterfront ambience. An arena, capable of hosting intermediate-sized events including sports, might also be considered. New sports activities would also promote job generation.

Q. We don’t want Leith to be “Starbuck-ised” or “Costa-ised”.

Food and drink

5.48 The hospitality food and drink sector is a particular success story in Leith, which has a growing reputation for high-quality bars and restaurants including top-end establishments with celebrity chefs. Restaurant visits in Leith are rising at up to 20% annually, and could be supported by events such as the Food Festival, and quality farmers'/seafarers’ produce markets. There is also a thriving sector of small

Figure 21  Commercial Quay  Photo: Commercial Quay
independent coffee shops and cafés – Leith is refreshingly limited in penetration by the standardised offerings of the large chain operators.

5.49 In terms of manufacturing, the most significant Leith business is the Chancelot Mill, owned by American firm Archer Daniels Midland. It produces flour and other baking ingredients for sale to bakeries in Scotland and the North of England, as well as processing vegetable oil. The raw materials used by the mill include grain brought in to Leith Docks by sea.

5.50 There is a small cluster of food and drink companies with factories and stores within the Tennant Street industrial estate. These include the Shortbread House of Edinburgh; Napier’s the Herbalist; Edinburgh Community Food; and the French Food Company.

5.51 Overall, the food and drink sales sector is the fastest growing industry in Scotland and exports over £6bn per year, so there are opportunities to develop the fine dining reputation into the food sales market, eg through franchises, and to take advantage of this trade. However, the global fast-moving consumer goods market is intensely competitive and smaller firms may to struggle unless they have a specific competitive advantage. The future food and drink industry of Edinburgh is likely to be concentrated around gourmet food manufacturers and micro-breweries and distilleries with premium niche offerings, perhaps with “celebrity chef” tie-ins to the restaurant trade. Within Leith, there may be an opportunity to attract additional food manufacturers, particularly for those reliant on regular deliveries of imported dry bulk supplies where proximity to the port is attractive.

Financial and business services

5.52 While Leith is recognised as a commercial centre within Edinburgh, it has not emerged as a major financial services hub in the same way as the city centre and Edinburgh Park. This may be due in part to perceptions that connectivity to Leith (including to the airport and station) is weaker than at the other two locations, coupled with the shortage of large-scale office developments in Leith.

5.53 The Ocean Point office development at Ocean Esplanade is currently home to the technology operation DataCash, a global payments processing firm. DataCash is the
highest profile financial services firm with a significant presence in Leith. Back office functions of this type, for which physical proximity to customers or clients is not crucial, are natural occupiers for non-core locations such as Leith.

5.54 The extension of the tram line to Leith could potentially increase the attractiveness of the area to occupiers in the financial and business services sector. This in turn could unlock gap sites in Leith such as Ocean Esplanade for office development.

5.55 Employment projections suggest that Leith is will experience growth in the “administrative and support service activities” sector. This sector includes a wide range of activities, such as office administration; contact centres; renting and leasing; human resources activities; travel agencies; security; industrial cleaning; landscaping; and packaging. The diversity of this sector means that job creation is likely to be spread across multiple sub-sectors.

**Life sciences**

5.56 The life sciences sector in Edinburgh is concentrated in the science parks at the BioQuarter and Heriot-Watt Research Park. Firms in this sector will frequently require access to modern laboratory facilities, which are unavailable in Leith.

5.57 The most significant life sciences company currently trading in Leith is the medical imaging firm Toshiba Medical Visualisation Systems, which is based in Bonnington Bond.

**Universities**

5.58 Since the closure of Queen Margaret University's campus on Duke Street in 2007-2008, there have been no university campuses in Leith. All of the universities in Edinburgh have clear plans for the future of their estate, with the main focus on consolidation rather than creating new satellite campuses. It is therefore felt to be unlikely that there are any significant opportunities for job growth in this sector.

**Leith Docks**

**Forth Ports’ potential role in the wider Leith community**

5.59 Traditionally, dockland operations have tended to be self-contained and segregated from their surroundings by a defensive architecture of walls and gates. This in turn can
lead to an autonomous mindset where management focuses solely on their own activity and has a limited need to engage with the local community, even where major decisions would impact on the local area. In Leith, the cycle of promotion and then withdrawal of master plans and renewables proposals has generated considerable public interest. Forth Ports has not always felt able or willing to share information on its activities and future plans, partly because it is not legally required from a private company. However this has sometimes been perceived locally as a lack of appreciation of community aspirations. The operators, receiving hostile comments, then in turn become defensive about community engagement. More recently there have been signs of improved relations which can be assisted through local organisations such as the Chamber of Commerce.

5.60 Historically, the port has been a major part of Leith. The reversion to port activity is fully compliant with planning and other official regulations. However, the legacy of previous major redevelopment plans has created expectations among residents – and especially new buyers – of a new waterfront environment which is very different from the reality of the continuing industrial port uses. Whilst the port has the right to operate and will inevitably generate a certain amount of noise, access and visual impacts, the result has been conflict with the newer residential uses. The lack of public relations activity from the operator including exploration with the community of the issues raised and potential mitigation, has added to the difficulty of achieving open and constructive dialogue.

5.61 Forth Ports’ granting of free berthing to the Vine Trust barge (an international charity concerned with children’s education and health) is a welcome sign of corporate social responsibility. There is an opportunity to assist the operators develop their business in a way which adds value to the city’s economy and job supply, exploring potential for growth – for instance, port-related businesses to act as successful supply companies further afield – identifying barriers and issues, and building positive links to better position the activity and integration of the port within the city and the community.
**Cruise Liners**

5.62 The City of Edinburgh Council and Forth Ports have identified cruise liner visits as a potential area of traffic growth. The port is less than 3 miles from the city centre, with public transport connections. The Cruise Tourism Strategy being developed by the Council (due for reporting in February 2015) aims to highlight ways that the Edinburgh economy can better benefit from cruise tourism and enhance the value of the industry for Leith.

5.63 The River Forth attracted 75 liners during 2014, 26 of which berthed directly in Leith Docks; and a further 48 which are too large for the dock gates at Leith anchored at South Queensferry, where passengers are ‘tendered’ ashore in smaller vessels; or berthed at Rosyth Docks, which is packaged as ‘Edinburgh’, with coach transfer. For the first time in 2014, an additional liner anchored outside Newhaven Harbour. This generated some 90,000 passengers in the Forth area as a whole, 55,000 of whom offloaded at South Queensferry; only 13,841 passengers disembarked within Leith Docks itself, because of the size restrictions.

5.64 Taking into account the trend towards increasingly larger liners, these size limitations on berthing at Leith are not ideal and may discourage some companies from visiting what would otherwise be an ideal cruise destination. Currently Forth Ports are examining the seabed to potentially enhance the capacity of Newhaven Harbour by dredging, although this will only improve the tendering capability rather than accommodating the cruise ships themselves.

5.65 The construction of a new deep water cruise liner terminal outside the existing lock-gated port was discussed between the port operators, the Council and Scottish Enterprise as part of the previous major redevelopment proposals, and preliminary plans were drawn up. However, the proposal foundered over the cost of the design together with unresolved issues of passenger access and safety through a restricted working dock area, and the changed priorities of the port operators.

Suggestions of alternative facilities have been put forward, such as Scottish Power’s proposal for a £30m marine terminal at the site of the former Cockenzie Power Station.
5.66 The terminal facility at Britannia Quay does not present an appropriate quality for the gateway to a major historic city and would benefit from some relatively simple improvements. Britannia Quay is allocated in the Council’s Local Development Plan for redevelopment for housing and commercial uses including a permanent cruise facility. The current expressed view of Forth Ports is that the site is critical to continued port operation as one of only two areas of deep-water provision suitable for Chancelot Mill bulk unloading and cruise liners, and are therefore strongly opposed to the housing allocation.

**Land release and public access**

5.67 The overall usage of the docklands, especially along the southern side, is not intense and represents an under-used asset. Much of it is inaccessible to the public. In the absence of Forth Ports’ commitment to a detailed (and funded) investment plan, statements that all this land is ‘essential’ for port purposes (unspecified) have to date, not been substantiated with evidence. There is an opportunity to work with Forth Ports to identify areas which can be released for other uses, either permanently or temporarily, and to identify opportunities to extend waterside public access including a through promenade connection.

**Retail**

5.68 The main retail areas within Leith are the Ocean Terminal mall; the Kirkgate and adjoining Junction Street; and Leith Walk. Generally Leith is well-provided with shops for the size of the population; there is probably little scope for major new input, although upgrading would be beneficial. The issue may lie more in the range and quality of the offer and addressing shop unit vacancies.

**Q.** We need conventional regular shops as well as the unique specialist ones. There should not always be a need to go into the centre of Edinburgh.

5.69 The 39,000 sq.m **Ocean Terminal** shopping mall, owned by Resolution Properties, has 70 units anchored by Debenhams, BHS and a VUE cinema, and is, along with the nearby ASDA superstore (3800 sq.m), a major part of North Leith’s retail offering. Ocean
Terminal’s management has a good record of community involvement in accommodating temporary alternative uses such as art exhibitions in vacant shop units within the mall. They also act as Forth Ports’ agents for the triangular area in front of the centre, which has hosted cultural and leisure uses. The property includes the idiosyncratic listed paint shed building at the rear, and the landscaped area around it. The construction of the tram stop and diversion of the existing road eastwards will create an opportunity to re-design the entrance as part of a new plaza. The owners are exploring a range of options to enhance the retail and leisure offer and build in innovative arts and culture elements to the brand. The approach is aimed at developing the Centre’s potential as a tourist destination in its own right.

5.70 The Kirkgate centre (9,200 sq.m) offers useful basic retail provision but in an environment which would benefit from improvement. It contains two little-known gems in Trinity House of 1816, and South Leith Parish Church, which dates back to the 15th century. What should be an attractive pedestrian route is spoiled by the general ambience, and the quality of the links to the north which are confusing and difficult. There is scope for a major refurbishment which would take in the entire centre from the Foot of the Walk to Tolbooth Wynd, opening up a legible through route to the Shore area.

5.71 There is also a Tesco supermarket (3700 sq.m) on Duke Street, and traditional parades of shops on Great Junction Street, Commercial Street and Bernard Street with a typical mix of independent traders and national chains. Major individual retail units in Leith include Kinloch Anderson (kilts) and Tiso (outdoor clothing and equipment), both on Commercial Street.

5.72 Leith Walk, while not the focus of this review, is nonetheless the gateway to Leith and has ‘boulevard’ potential. A number of streetscape improvements including paving and shopfronts are being undertaken.

5.73 The prospects of the retail sector of Leith ultimately depend on the custom that retailers in the area can attract. The growth of the sector would require securing greater expenditure, whether from an increase in the number of people living in the area (or their spending power) and/or an increase in the number of people visiting Leith.
6: ENABLERS

A Leith Brand

6.1 Brands have been used by cities in several ways to promote their image, identity and reputation; for instance, "GLASGOW’S MILES BETTER 😊" campaign successfully rekindled a sense of civic pride among the citizens in a city which, like Leith, had lost its traditional industries and its self-respect, and had not yet found a new role; similarly New York’s “I ♥ NY”. Brands can also be used to advertise themselves to investors – eg Copenhagen’s “Open for Business” – and generally to raise the profile of a city, particularly where there is no internationally-recognisable iconic landmark such as the Eiffel Tower which can act as an instant symbol.

6.2 Providing it appears natural and not engineered or imposed, a branding exercise for Leith could be useful to emphasise its distinctiveness and sense of identity, to raise its profile and to highlight and showcase the positive aspects of living and working there.

6.3 The Leith Neighbourhood Partnership has a logo whose design reflects those of the other Neighbourhood Partnerships across the city, but has also been granted an exclusive Coat-of-Arms by the Lord Lyon. Both the logo and the Leith Neighbourhood Partnership Coat of Arms are used to identify the Leith Neighbourhood Partnership in documents, reports and advertising.

6.4 The Neighbourhood Partnership considers that the biggest strength within the Leith area is service providers and local people working together in a variety of ways to improve Leith as a place to live. For that reason procedures have been put in place to enable other partner organisations, community groups and other agencies to apply, through the Partnership, to use the Coat of Arms. However, there are legal restrictions on the use of armorial bearings for commercial purposes, so there is a case for a parallel branding exercise to meet such requirements. The use of the brand needs to be carefully controlled so that it is not misused or brought into disrepute.
**The Community**

6.5 The Council’s *Economic Strategy* puts great emphasis on collaboration, working with public, private and third sector partners. Around 150 local groups operate in the Leith area: 6 tenants’ associations registered with CEC and others with Housing Associations; 15 parents’ councils; 70 voluntary organisation members of the Voluntary Organisation Local Forum in Leith; 3 main business groups; interest groups such as Leith Festival, Leith Theatre Trust, Greener Leith; faith groups; many activity groups such as Guides, BBs, Scouts, Sea Cadets as well as arts and crafts, sports and other interests.

6.6 There has been considerable past public consultation in Leith on specific subjects. Events include:

- Town centre business surveys
- Local Development Plan and consultation on major planning proposals and strategies
- Waterfront charrette
- Consultations carried out as part of the development of the Leith Local Community Plan
- Leith Business Survey (Leith Chamber of Commerce)

There has also been joint collaborative working through initiatives such as the Leith Programme. Not all of the events were formally recorded in standalone reports, however the results fed into a number of strategies and plans – for example, the town centre surveys fed directly into the Leith Town Centre Strategy; the Local Plan consultations contributed to the development plan process. The results of past consultations also fed directly into this Study Report.

6.7 Early feedback from the consultation process for the Leith Economic Framework indicated that large-scale master plans were not seen as an appropriate methodology to deliver the required objectives. Instead, a more sensitive lower-key approach is sought. This may be likened to the “conservative surgery” approach pioneered, appropriately in Edinburgh, by Patrick Geddes, in which the positive aspects and challenges of Leith would be identified, and solutions built on qualities which already exist. Where new
input is required, it should be introduced at a rate at which it can be comfortably absorbed without destabilising the existing community.

6.8 The community inputs to this study have been achieved mainly through the Neighbourhood Partnership and other established local organisations. Informal consultations with residents known to the study team were also incorporated.

6.9 In an area with such a diverse range of interest groups, a key objective will be engagement to foster greater collaboration by improving the linkages and creating networking and information opportunities, allowing local organisations to take ownership.

Investment and the role of the public sector

**Q.** The Council need to provide the right growing conditions but not to plant all the vegetables.

6.10 The Council has provided support and advice, working with businesses (which can include social as well as commercial enterprises) from single-person start-ups and SMEs to national companies wishing to locate in Leith. It includes working with local organisations and the community to establish links and networks, researching examples of good practice from other places that could be appropriate for Leith, and exploring enabling mechanisms.

6.11 This is in line with the Scottish Government’s view, set out in Scotland’s Cities: Delivering for Scotland:

“The public and private sectors have different strengths to offer to this approach. The private sector, the primary source of investment, brings a commercial awareness that can help identify those opportunities that are closest to market and that will attract the interest of investment funds. The public sector brings the capability to enhance the supporting infrastructure and skills required to underpin investment. Greater alignment and partnership between the public and private sectors will create even stronger city visions and more compelling investment propositions. Combining these skills and
developing a clear shared agenda will ensure that we maximise the collective impact of our interventions on sustainable economic growth”.

6.12 The Council’s “One Stop Shop”, delivered primarily through the Economic Development and Planning Services, and includes the Business Gateway, advises on

- sector development
- business formations and management
- encouraging moves to low carbon sustainable business practices
- helping to identify potential funding and support mechanisms
- planning advice
- land assembly including use of CPOs
- other regulations such as licensing and environmental health
- specialist parts of the Council where required such as housing

6.13 The Council also supports development in other ways through multi-agency initiatives (eg Leith Programme, Leith Walk shopfronts), arms-length companies (EDI, Lothian Buses), environmental improvements, direct involvement in projects such as the tram extension, educational and employability programmes to raise skill levels.

6.14 Leith has a particular strength in attracting entrepreneurs who wish to set up new small-or-medium businesses, attracted by the lower property costs, the support from small service businesses around them, and in many sectors the collaborative exchange of information and ideas from other like-minded enterprises.

**Resilience**

6.15 In common with the rest of Edinburgh, Leith faces the problem of the number of people looking for work rising faster than the supply of jobs. The Council places emphasis not just on the numbers but also on the sustainability – ie the quality and longevity – of these new jobs. The Centre for Local Economic Strategies considers that resilience is not about the passive maintenance of an existing situation, but is more concerned with
being ready to take on opportunities; responding to shocks; dealing with change; being adaptable; and ensuring that the local economy does not go into decline.

6.16 Balancing the public economy (public sector); social economy (social enterprise, community infrastructure, voluntary sector) and commercial economy (private sector contribution) is fundamental to creating a resilient place.

Climate Change
6.17 Given the proximity to the seafront, there has been concern about the impacts of a possible rise in sea level at Leith. A flood risk assessment was undertaken as part of the Scottish Enterprise study on the environmental impact of increasing activity at the port. It concluded that, given the height of the ground surface level of the proposed development and the capacity of the existing drainage system, the risk of flooding would be low. Notwithstanding, flood risk will continue to be addressed as part of the Local Development Plan and planning applications. Assessment of flood events and ongoing consultation with SEPA will continue to be undertaken as required.

Creating conditions for sustainable jobs

Q. Jobs have disappeared, but what sort of replacements would be ideal? Do entrepreneurial jobs, including the “creative” sector, create as many jobs, or for all types of people?

6.18 Although public sector initiatives can usefully stimulate new investment, “manufactured” jobs with no sound commercial basis and dependent on public funding are very vulnerable to changes in budget priorities and political interference. There is scope for social economy enterprises, subject to these same caveats and structured so that they are viable in themselves and not dependent on grants. The main priority is a thriving private sector economy on a realistic commercial footing to creating viable sustainable long term jobs.
6.19 The role of the Council is to stimulate the job creators and investors and create the right conditions which attract them to Leith. The criteria which might lead certain types of investment to be given priority in terms of Council resources and focus could include:

- investment which supports the creation of high quality jobs that add value to the city's economy
- jobs of a type which local people have a good chance of accessing
- investment which “plays to Leith’s strengths”, supporting sectors in which Leith already possesses a comparative advantage
- investment with minimal displacement impact, i.e. not likely to disadvantage other areas of Leith or of Edinburgh more generally
- investment which is sustainable – ie financially self-supporting and not exposed to the vagaries of public sector funding
- investment which has a catalytic effect, encouraging further investment.

6.20 Many of the Council’s Economic Development Service initiatives support investment growth – eg the “Edinburgh 12”, for instance, in the city centre, which aims to remove barriers to development of key sites. This approach could form a model for localised support in other areas of the city such as Leith.

6.21 Various **publicly funded initiatives** have also contributed to the redefinition of Leith. One of the most successful was the Leith Project of the former Scottish Development Agency (SDA) which ran from 1981-1986, an integrated area-based initiative aimed at securing urban regeneration by encouraging private-sector investment. As part of this, the SDA undertook widespread environmental improvements and landscaping of derelict sites. The Project was one of the turning points in the economic revival of Leith.

6.22 Currently the Council is undertaking the [Leith Programme](#) of street and environmental improvements along Leith Walk with total funding of £9.1m (£5.5m from the Council and an additional £3.6m from the Scottish Government). Apart from basic road
reinstatement and repair, the Programme delivers improved pavements, streetscape, cycle provision, greenery and less clutter.

6.23 The Government’s brief for the Scottish Cities Alliance requires that public investment should be aligned a way which helps support and maximises private sector investment. Suitable areas to be considered for investment will include:

- Buildings – refurbishment, retrofitting, energy-saving measures etc
- Public realm – improvement and creation of streetscape, green open space, provision of signage and interpretation
- Upgrading and occasionally providing new roads
- Provision of pedestrian and cycle routes, especially where they provide missing links
- Public transport infrastructure, and in particular the tram
- Schools and community facilities
- ICT
- Other infrastructure such as service and utility routes, flood defences etc.
- Developing effective city-region UK and international city-focused collaborations

**Q. What can trigger new investment?** The tram line is the key, together with improving the gateway, which is not appealing at present

**Tramway extension as a major catalyst**

6.24 The extension of the tram line to Leith and Newhaven has been identified by many of the consultees as a major piece of investment which would stimulate the local economy. Experience from the first phase of the Edinburgh tram and from other cities (eg London Docklands) shows that provision of a high-quality fixed-alignment transport route could potentially raise the capital value of properties along the line, unlock key gap sites currently seen as remote or difficult to access, and attract users such as hotels who would not otherwise consider locating there. The stimulus to the local economy is not
purely the improved connectivity in terms of times and visitor numbers, but also the
statement as a major piece of public investment that gives confidence to other potential
investors that Leith is a promising area in which to invest.

6.25 Since its opening on 31 May 2014, the tram now averages around 90,000 passengers per
week. Both the Gyle shopping centre and Edinburgh Airport have reported double-digit
percentage increases in sales due to increased footfall, while interest in a number of
development sites along the site has increased. The extension of the tram line can be
expected to unlock key gap sites close to tram halts along the route which are currently
perceived as remote and/or difficult to access.

Property values

6.26 Evidence shows that fixed-infrastructure transport systems such as trams and metros
positively affect the value of properties within walking distance of stations. The greatest
uplifts in value are seen in densely-populated areas with low levels of car ownership,
low property values and weak public transport links. The Royal Institute of Chartered
Surveyors has found that the average distance from a station within which property
values are appreciably uplifted by rail-based transport systems is 1,000 metres for
residential properties and 400 metres for commercial properties. Uplifts in property
values are typically realised over a period of several years.

6.27 The wards of Leith and Leith Walk had a combined population in 2011 of 56,798 and a
combined area of 775 hectares, representing a population density of 73.3 persons per
hectare (compared to 18.1 persons per hectare for Edinburgh as a whole). Leith Walk is particularly densely populated, with 123.5 residents per hectare. 51% of households in Leith and Leith Walk (54% in Leith Walk alone) do not own cars (compared to 39% for Edinburgh as a whole). Residential property rents in the EH6 postcode (the Study Area) are among the lowest in Edinburgh, above only the adjacent EH5 (Granton / Pilton / Forth area). These factors suggest that Leith and Leith Walk would achieve considerable growth in property values due to the tram, with Leith Walk benefiting in particular due to its exceptionally high density and levels of non-car ownership.

6.28 The greatest second-phase increases to property values are expected to be in the stretch between York Place and the Foot of the Walk, while the greatest regeneration impact could be realised in the stretch between the Foot of the Walk and Ocean Terminal.

**Regeneration**

6.29 The extension of the tram line has the potential to catalyse development along the tram route. There are a relatively small number of major gap sites along this section. The regenerative effects of the tram line will be felt most keenly in the stretch between the Foot of the Walk and Ocean Terminal due to the perceived remoteness and inaccessibility of sites in this area. Edinburgh commercial property agents advise that Leith is perceived as “remote” by occupiers. The extension of the tram line to Ocean Terminal could change this perception, making Leith a more attractive location to both residents and visitors and encouraging additional development. An investment of this scale in Leith would send a strong signal to developers, boosting confidence.

6.30 There is a gap site of approximately 5 hectares located between Ocean Way and Bath Road. With the exception of the concrete batching plant to the southeast, this land is largely unused or used for low value activities such as parking and open storage. The proposed Local Development Plan designates this area as suitable for housing-led mixed use development. Fully developing the site for housing to a similar high density as the Leith Walk ward would deliver approximately 350 dwellings. The extension of the tram line to Ocean Terminal has the potential to help unlock the development of this site by strengthening linkages to the city centre, making it a more desirable and, therefore, commercially viable location.
6.31 There is a further 5.5 hectares of undeveloped land at Waterfront Plaza to the east and southeast of Ocean Terminal. This land is currently used for open storage, parking and for temporary events. The proposed Local Development Plan designates this area for a combination of commercial-led mixed use development and housing-led mixed use development. The use for this site with the greatest potential is perhaps office development. The existing Ocean Point 1 office building is over 90% let with a number of blue chip tenants, but it remains a standalone development, despite planning consent having been granted for an additional 16,800sq.m. Additional developments on the scale of Ocean Point 1 could each be expected to support approximately 500 full-time equivalent employees if fully-let. Additionally, the agglomeration effects from co-locating businesses would strengthen productivity.

6.32 A second development along the lines of Ocean Point 1 could be expected to increase employment in the immediate area by over 20%. Waterfront Plaza could also lend itself to hospitality uses: planning consent has previously been granted for a 250-bedroom hotel, which could support some 125 full-time equivalent jobs. These plans were predicated on the extension of the tram line to Ocean Terminal and could therefore be expected to be revisited in the event of the tram line being extended. Finally, was the site to be fully developed for residential uses to a similar density as the Leith Walk ward, this could be expected to support approximately 385 dwellings. A combination of the above uses would create hundreds of new jobs, provide new homes and animate the area by drawing additional visitors, with particular benefits for retailers in Ocean Terminal and hospitality businesses on The Shore.

**Innovative Funding Models**

**Enterprise Area**

6.33 Leith Harbour has been designated part of the “Low Carbon / Renewables East” Enterprise Area by the Scottish Government. Business involved in the “design, fabrication, manufacture and assembly of components required for the generation of renewable energy” occupying properties within the Enterprise Area that were either constructed after 1 April 2012 or have lain vacant for at least three consecutive months
are eligible to claim relief on their business rates. The degree of relief available is based on the rateable value of the property, ranging from 100% relief for properties valued at €120,000 or less to 2.5% for those valued at over £2.4 million, with an absolute cap of 200,000 over three years. Businesses in the Enterprise Areas can also access special support from Scottish Enterprise and Scottish Development International, along with “streamlined” planning controls.

6.34 The sectoral criteria set out for the Enterprise Area mean that only a very small pool of businesses are eligible for rates relief, and it is understood that no businesses have claimed rates relief in the Leith Enterprise Area to date. The maximum available level of support – equivalent to approximately €66,700 per annum – is also relatively modest when compared to the scale of investment that would be required for the renewable energy projects mooted for Leith. Finally, the requirement that businesses occupy a newly-built or formerly vacant property means that existing businesses are ineligible for rates relief without relocating.

6.35 The Enterprise Area designation will expire in April 2017 unless new legislation is introduced to extend it. Given the position on renewables, explained elsewhere in this report, it is not clear whether or if Leith will be in a position to benefit from the Enterprise Area Designation.

**Tax Incremental Financing**

6.36 The consented **tax incremental financing** (TIF) scheme for Leith was conceived as a means of funding key enabling infrastructure to unlock development in and around the port. Forth Ports then advised the Council that, given its changed priorities for Leith Harbour and its move away from property development, the infrastructure in question would not be required unless large-scale development occurs in future at the port. The Council is currently working with a development partner on a proposition to refocus the TIF scheme on projects elsewhere in the defined area (which covers much of the waterfront), with a view to approaching the Scottish Government in late-2014 / early-2015.
City Deal
6.37 The Council is discussing the terms of a possible “City Deal” or equivalent proposal with other local authorities in the city region – the Lothians, Fife and Scottish Borders. A similar initiative in Glasgow City Region is intended to unlock £1.3bn of investment, funded jointly by the Scottish and UK governments and with contributions from Councils across the region. The funding is intended to finance major projects within the area. While the initiative would cover the city region, there may be potential for infrastructure projects in Leith to be considered as part of a tranche of prioritised schemes, subject to agreed criteria.

Business Improvement Districts
6.38 The Council supports Business Improvement Districts (BIDs) in the City and works with business-led initiatives where there is an interest in taking forward a BID. There are currently three BIDs in Edinburgh and discussions are underway to establish other BIDS elsewhere in the city. The Council will continue to work with businesses, the Chamber of Commerce and other organisations to explore opportunities for Business Improvement Districts in Leith and Leith Walk.

6.39 Discussions with the Leith Chamber of Commerce and Marketing Leith, concluded that, until there was significant interest from the business community and the timing was right, a Leith BID or BIDs should be put on hold. As BIDs are business led, representation and support from a wide range of businesses in Leith would need to be evidenced before the process can progress. As in other city BIDS, a steering group led by the business community and with Council representation would be the appropriate vehicle to drive the process forwards.

Connections
6.40 Leith Waterfront is 2 miles from the city centre, and good accessibility from, and connectivity to, the rest of the city is a key requirement, in addition to good internal circulation. Leith Walk is the gateway to Leith, and the current streetscape initiative to improve it, will encourage movement to and through Leith. Leith Walk itself is a
distinctive boulevard style street with diverse specialist multi-cultural shops and restaurants, and could benefit from a parallel marketing exercise.

**Road**

6.41 Leith is at the centre of a congested road network with problematic access from the west and from the centre and south of the city. Accessibility from the east via Seafield Road is somewhat easier, although still becomes congested at Bernard St / Commercial Street.

6.42 A new east-west road through the docks was proposed in previous master plans because the existing network would not cope with the extra traffic. In 2011 the Scottish Government approved the use of Tax Incremental Financing (TIF) to fund this road as part of a group of high-priority dock-related projects. The provision was retained in the National Renewable Infrastructure Plan’s aspirations for renewable energy manufacturing in the docks. The road was seen as improving connectivity in the port and unlocking surrounding development land. An updated business case was to be prepared.

6.43 In the event, with the Gamesa proposal now obsolete and Forth Ports’ re-focus on low-intensity dock uses, the anticipated additional traffic generation will not arise and the new road is longer essential for that purpose. Experience elsewhere suggests that increasing the capacity of the network could in fact have the counter effect of encouraging additional unwanted through traffic.

6.44 However, a scaled-down version, including a link along the south of Albert Dock, the re-opening of Albert Road, and a connection to Salamander Street, would open up under-used land within the area and encourage its development.

**Pedestrian & Cycle**

6.45 Leith is linked from west, east and south by high quality segregated walkways and cycle routes including the Water of Leith Walkway. The Leith to Portobello route was upgraded in 2012 at a cost of £1.1m, and further improvements to particular pinch points are proposed. It will eventually become part of the Waterfront Promenade from Cramond to Joppa.
6.46 At present these pedestrian and cycle routes stop at the edge of the study area, and would benefit from complementary proposals to link them together into a traffic-free network. There are currently no firm proposals to undertake this work.

6.47 Leith Walk itself provides a clear pavement-walking route to its foot, but the linkages from there to the Shore are less obvious. The route through Henderson Street / Gardens is convoluted and not obvious to visitors. The most logical pattern would be to re-open the original route blocked by unsympathetic 1960s development, through a heavily upgraded Kirkgate Centre into Tolbooth Wynd / Water Street. This would require removal of the dominant and unsightly Linksview House, which would therefore also be
beneficial in townscape and visitor experience terms.

**Bus**

6.48 The area has good penetration by buses, the key route being the 22 to Ocean Terminal, although the complexity of routes can be confusing to visitors or occasional users. Connectivity to the east towards Portobello is poor – there is no service along Salamander Street or most of Seafield Road, despite the presence of a large bus depot at the Portobello end.

**Tram**

6.49 The extension of the tramway from York Place to Leith and Newhaven, in line with the original proposals and consents, is perceived as critical to the economic regeneration of the area, both by providing a clearly identified high-quality sustainable link which is legible and easy to use, and also by making a high-profile practical statement of the commitment to invest in the future of Leith and to catalyse further development activity. The tram is therefore a key building block in unlocking Leith’s potential.

6.50 The route is safeguarded in the Local Development Plan and is still within the timescales imposed by the enabling legislation. Technically, the extension could be achieved at a relatively reasonable cost compared with the initial scheme because lessons have been learnt, and much of the necessary preparatory work on Leith Walk including utility diversions have already been carried out.

**Heavy Rail**

6.51 None of Leith’s 16 passenger stations survive, although it was once possible to travel directly to Ayr in 80 minutes. The 3-mile branch line for rail freight between Leith Docks depot and the national network at Portobello remains in place and is safeguarded in the Local Development Plan, although there are no current plans to resume passenger services on this line. The Leith Docks depot is only 400m from the proposed tramway route across a flat section of derelict dock land, and it is noted that Sheffield is experimenting with tram-trains that can use existing rail lines.
Sea
6.52 At one time sea voyages of considerable length to Europe, the Americas and Africa were undertaken from Leith, primarily for freight but also with a sizeable passenger dimension. Current freight activity and tourist cruise liner traffic have already been noted under Port Activity. Various options for reinstating the Forth crossing to Fife by ship or hovercraft have been explored from time to time, but have faced the challenge of finding a practicable berthing location on the Edinburgh Waterfront. Leith is the obvious choice but is rendered unattractive because of the time delay in entering and leaving the harbour through the lock gates.

e-connectivity
6.53 In April 2014, BT Openreach announced that the Leith exchange would be among 163 exchanges included in the next phase of rollout of "Fibre on Demand". Businesses in the Leith exchange requiring “superfast” broadband connections, but without subscribing to a leased line, can now pay for a fibre-to-the-premises connection, offering download speeds of 330 megabits per second and upload speeds of 30 megabits per second. The City of Edinburgh Council offers grants of up to £3,000 towards initial connection costs, so that almost all businesses served by the Leith exchange will be able to access superfast broadband at no upfront cost.

Housing
6.54 Although the master plan proposals for the docks included substantial commercial and business uses, housing was envisaged as the key economic and social driver for leading the redevelopment, with 18,000 units proposed over the whole of the former dock area. The provision was intended both to replace Leith’s substandard existing housing and relieve overcrowding, and to meet the city’s overall housing targets to accommodate the rising population. The effect would have been to increase the population of Leith without putting pressure on existing housing, thereby widening the social and economic mix, supporting local retail and other businesses, animating the area, and enhancing the viability of major investments such as the tram, Ocean Terminal, leisure and community facilities.
6.55 Until 2011, Forth Ports were enthusiastic promoters of this wholesale redevelopment, seeing their Leith dockland areas as obsolete and surplus to the group’s requirements. However, following the takeover by infrastructure fund Arcus, their concentration on port activities rather than real estate development has led to the withdrawal of the planning applications submitted by their predecessors. This change of focus will produce a shortfall of 1,500 residential units in the first SEPlan period, and a longer term loss of around 15,000 residential units overall.

6.56 Delivery rates for new housing are currently around 200 units per annum over the entire waterfront, with a heavy reliance on the National Housing Trust Initiative (NHT – Scottish Government underwriting council loans to jointly purchase properties with developers). The 3,000 units consented and partially built at Western Harbour are still proposed, albeit development has slowed in line with the rest of the industry. However, NHT funding will unlock a further 94 units there shortly.

6.57 There are around 600 potential units at various stages in the planning and development process elsewhere in the study area, but not all are being progressed. Most recent activity has been focused on affordable housing provision, mainly of small one- or two-bedroom flats; only one scheme of 31 family-sized townhouses has been recently completed at Albert Dock.

6.58 Compared with the average suburban development, Leith can offer by contrast a lively cultural urban lifestyle with a sense of community which appeals to many. However, the concentration on meeting residential targets and on maximising financial returns has favoured very dense development schemes, with minimal provision of affordable larger units to cater for family users. It is important to avoid further reinforcement of a monocultural demographic or a market dominated by transient short-term occupants by having a sufficiently wide range of tenure options and market placement to provide a balanced and stable community. It is more difficult for achieving good townscape and placemaking qualities in standard high-density schemes, which are often dominated by parking with minimal useable open space. If the density targets were revisited, it would allow private builders and housing associations to diversify their product to include larger units.
6.59 In another direction, there are opportunities for Leith to set a lead in ground-breaking sustainable residential provision including:

- Low/zero carbon innovative housing types demonstrating a range of environmental solutions
- Live work units to suit small businesses
- New typologies of housing which provide facilities to attract families (open space, adequate room sizes, storage etc) but without the heavy land-take and anonymity of traditional suburbia
- Urban layouts which create a sense of place and community, as well as a balance of tranquillity
- Achieving an appropriate demographic mix

6.60 These aims could be pioneered initially through expo / ecobuild type demonstration schemes in collaboration between RSLs, enlightened private house builders, architects and academics. While the lower densities necessary to support this quality of built environment would have an impact on housing numbers, solutions which are feasible, and therefore likely to be built and occupied, make a more practical contribution to the city’s housing problems than striving for ambitious notional targets which remain unrealised. In economic development terms a thriving full-spectrum residential sector would animate the area and support local businesses and services, as well as providing training skills and creating new jobs in the construction industry – Scottish Government estimates are that further NHT schemes alone could provide 800 jobs in Edinburgh.
**Placemaking**

6.61 The Scottish Executive’s *Designing Places* policy statement (2001) states that good urban design “has always been valued by those who appreciate architecture. Today its value is recognised also as a practical means of achieving a wide range of social, economic and environmental goals, making places that will be successful and sustainable”. Quality of place and environment is not just about architectural quality and “prettiness”; it is also an indicator and a catalyst of the quality of life in an area, and is a key economic factor in attracting investment and jobs.

6.62 The policy sets out the essential characteristics that contribute to good place making:

- identity
- safe and pleasant spaces
- ease of movement
- a sense of welcome
- adaptability
- good use of resources
- beauty

6.63 In terms of identity, Leith has a strong sense of place which derives from its distinctiveness and ability to adapt. But initiatives are still needed to fully meet the criteria set out in the policy, particularly in terms of safety (both the perception and the reality, with a still higher than acceptable crime rate), the ease of movement and legibility of getting around the area, and the sense of welcome.

6.64 Many attractive older buildings were demolished in the indiscriminate slum clearance of the 1960s and 1970s, and replaced with schemes – mainly social housing and the Kirkgate shopping precinct – which are now “showing signs of physical and social distress”. However, Leith’s remaining historic architecture is now protected by Conservation Area Status (the Old Leith Conservation Area was designated in 1977, and has subsequently (1998) been absorbed into the larger Leith Conservation Area which covers the extent of the historic town and also Leith Walk). The Conservation Areas contain some 400 buildings listed as of architectural and/or historic interest. They are of
a broader mix of past building types than in most areas of the city, with a greater degree of foreign architectural interest – many warehouses and offices show elements of Dutch, Nordic and French styles.

6.65 Although there are still swathes of derelict land, there has been considerable redevelopment since that time – within 15 years every building on The Shore has been restored and all the gap sites redeveloped to an aesthetic which, if not historically accurate, nonetheless generally reflects the scale and proportions of the original townscape. The Council through EDI embraced this spirit of “New Leith” by holding design competitions for two of its key sites.

6.66 In townscape terms “pleasant spaces” have emerged – eg The Shore, Commercial Quay, Bernard Street – but there are also others, such as the “gateway” entrance space at the Foot of the Walk and the area around Ocean Terminal, which have distinct opportunities for improvement. Bringing the key anchor areas (the Defining Elements identified above) up to a high standard, and with suitable interpretation material where appropriate, would have a disproportionately beneficial impact on the perception of the area as a whole. Public art – sculpture, paving and murals, a Leith speciality – and well-chosen street furniture have enlivened areas in which they have been located.

Q. Should we be retaining the history of Leith rather than turning it into some other area’s culture?

“In order to turn around the negative image of industrial dereliction, an element of place marketing has been inevitable. References have been made to the twenty-first century New Town, the Forth Riviera and the Cool Sea. The reality of the biting wind whipping in from the North Sea and the rainy Scottish climate contrasts sharply with the Mediterranean imagery.”

(Forsyth & Higgins)
Land supply and site assembly

6.67 Traditionally, industrial land values in Leith were lower than in Central Edinburgh, which attracted businesses to the area. As vacant sites have gradually filled and existing business premises are redeveloped, demand for space has become stronger and more competitive, and there is now a shortage of small modern units (up to 90m²) for distribution and manufacture. Incubator units are also in demand. At the other end of the spectrum, businesses seeking large spaces (eg for multi-user creative industry hubs, or serviced hot-desk operations) also have difficulty in identifying suitable premises.

Figure 33
6.68 There are however a number of vacant or underused sites and buildings, and in particular some with a low intensity of use that do not make the level of contribution expected in terms of corporate social responsibility in supporting the local economy and providing sustainable job growth. The Council traditionally has a role in making sites available for more productive uses and facilitating new development by assisting in land assembly through negotiations, reinforced if necessary by compulsory purchase orders and other means.

**Re-Use of Existing Buildings**

6.69 Leith has a good variety of *traditional buildings*, many of which have been reused to good effect – eg Malmaison, the Commercial Street warehouses – which give the area its distinctiveness and help define the ambience and history. However, other buildings of character are disused or underused and in danger of being lost unless means are found to restore them. Some of the most historic are on the Buildings at Risk register, compiled by RCAHMS, and should be considered for potential new uses:

- 22 John's Lane (*2-3 storey stone warehouse*)
- 1-5 Baltic Street, Edinburgh & Leith Gas Works (*3-storey stone built former processing plant building*)
- 204-208 Great Junction Street, former State Cinema (*art-deco complex with 2xbilliard halls, skittle alley, shops and cinema, mostly disused*)
- 29-30 Ferry Road, Leith Theatre (*part of inter-war municipal complex, leased to voluntary Leith Theatre Trust for restoration*)
- 15 Duke Street, Bonded Store (*long narrow 2-storey warehouse*)
- 119 Constitution Street, St James Episcopal Church and Hall (*Gothic building, currently for sale*)

Other historic buildings with an uncertain future include:

- Western Breakwater, Lighthouse (*disused*)
- Former Port Offices, Tower Place
- Commercial Street, Custom House (*acquired by City of Edinburgh Council for possible cultural / heritage use*)
• Ocean Drive, Paint Shed (at rear of Ocean Terminal complex)
• Imperial Dock, Grain Warehouse (within operational port area, subject of various attempts for permission to demolish)

In addition there is a changing list of vacant non-historic industrial units, eg at Albert Road, office units in Salamander Street (1000m², mainly empty) etc.

**Vacant and Underused Land**

6.70 Forth Ports is by far the largest landowner in Leith, with a total holding of 158 hectares of land in addition to a water area of another 100 hectares. Arcus Infrastructure have reverted to port-type operations at Leith Docks rather than pursuing the redevelopment ambitions of the previous owners. Given the history of the port acquisition financing and level of debt, together with the outdated facilities, it is unrealistic to expect major capital investment in Leith Docks when there are adequate alternative facilities at nearby locations. While part of the area on the north side of Western Harbour and Imperial Dock is in port-related uses, there are also large areas which are not used for dock purposes or are underused or semi-derelict. These sites are therefore identified as potential development opportunities subject to resolving land acquisition and assembly issues:

• Western Harbour (49 ha; consent for housing-led mixed use development – 3000 residential units, of which 1000 now built – with (partly completed) local centre and extensive park area (not yet started))
• Central Leith Waterfront (61 ha, partly already developed, zoned for mixed-use development with suggested residential potential up to 5,600 units, but realistically probably considerably lower in terms of density / marketability / achieving mix of scale, tenure, family units etc). Remaining development sites comprise:
  – parking / tarmac area at Britannia Quay (identified in Local Development Plan as housing-led mixed use site but currently opposed by Forth Ports on basis that it is "essential" to port operations)
- area in front of Ocean Terminal (used for occasional temporary events [managed by resolution on behalf of owners Forth Ports] and zoned in LDP for mixed development with major commercial content)

- land on north side of Ocean Drive (consent for additional office tower at Ocean Point; expired consents for 230 residential flats [CALA] and 250 bed hotel)

- land on south side of Edinburgh Dock (CEC car pound / salt store; POLHA site for 50 to 60 houses; concrete batching plant and derelict port land)

- Edinburgh Dock (limited entrance width, used for berthing smaller ships which could be contained in Albert Dock. Part previously infilled to accommodate Parsons Peebles [now Pelamis] building)

- Network Rail Seafield Road Leith Docks freight depot (mainly in use for various industrial purposes but some vacant land and buildings, including large unit on Albert Road)

There are also sites along Salamander Street which are vacant, derelict, underused, or inappropriately used (eg scrapyard adjacent to housing) which could also be freed up for new development.
Opportunity Sites

6.71 The following can be identified as key priority opportunities to explore as potential redevelopment sites, in addition to other vacant buildings listed above. It should be noted that inclusion on this list does not imply that a site or building is currently available, but is intended to promote discussion and interest.
1. **Land in front of Ocean Terminal** – in short term, for temporary uses (eg events, Fringe etc) which animate the area; tram stop; longer term, redevelopment for mixed-use commercial / leisure / community / residential uses as per master-plan (Forth Ports ownership)

2. **Land at Britannia Quay** – residential-led high-density mixed development which incorporates a better-quality quayside and cruise liner terminal and parking (Forth Ports ownership)

3. **Land at Western Harbour** – residential-led medium-density mixed development with consented master plan permission, including a park (by Forth Ports). Opportunity for temporary use meantime, eg sports or leisure (Forth Ports ownership)

4. **Land on North side of Ocean Drive** – opportunity for high-quality comprehensive new proposals, addressing tram development and quayside walkway / ambiance (private developer ownership incl Cala)

5. **Land to South of Edinburgh Dock** – currently multiple ownerships; opportunity for Council to promote land-assembly exercise to create viable mixed-development site (Council, PoLHA, Cemex / Forth Ports ownership)

6. **Network Rail Freight Depot** – opportunities for further industrial uses (Network Rail ownership)

7. **Scottish Government Buildings** – potential development site along Commercial Quay by reducing existing employee parking provision in line with Government sustainability principles (Scottish Government ownership)

8. **Custom House** – opportunity for creation of heritage centre / museum space (City of Edinburgh Council ownership)

9. **State Cinema** – opportunity for cultural / leisure complex including performance space, arts cinema, galleries etc (various private ownerships)

10. **Leith Theatre** – refurbishment and conversion of civic hall for performance / events space (The City of Edinburgh Council ownership)

11. **Salamander Street Office Space** – potential newly-built location for Creative Exchange type activity or other SME use (private developer ownership)
12. **Salamander Street Scrap Yard** – currently inappropriate use next to housing *(private developer ownership)*

13. **Kirkgate Shopping Centre** – opportunity to reconstruct and reposition as entry point to Leith with improved ambience, including removal of obstructive 1960s development to re-instate through route to the Shore *(Council and private developer ownership)*

14. **Police Station**, Queen Charlotte Street – potential re-use if police station is incorporated in former Tram Depot redevelopment *(The City of Edinburgh Council ownership)*

15. **Salamander Place**, housing site *(private developer ownership)*

APPENDIX A:
COUNCIL CONSULTATIVE WORKSHOP

A collaborative workshop was held on 9th October 2014 for City of Edinburgh Council staff. Representatives from the Economic Development, Planning, Transport, Estates Services / Corporate Property, Arts and Culture, and Neighbourhood Partnership Teams attended.

The purpose of the workshop was to familiarise colleagues across different services and departments with the current stage of the Framework project, and to provide them with the opportunity for input. A key question put to the workshop was to identify the priorities for capital investment in Leith.

Leith Background  Presentation by Lesley Martin

A.1 The presentation, intended as a scene setter, explained that the study area initially looked at Leith Docks and what could be done to support the regeneration and investment here, taking account of the changed development priorities. The study was subsequently expanded to incorporate a wider area around the docks and beyond, where relevant. The overall goal is to produce a Leith Economic Framework supported by a study report and waterfront exemplars case study report.

A.2 The presentation explained that the main drivers for the production of the Framework were:
   - the need for alternative sources of jobs
   - new groups and facilities
   - the extension of the tramline

A.3 The presentation covered a number of themes including:

   Accessibility: Leith is often considered as peripheral to the city centre, despite only being about 1½ miles away. Currently, tourism in Leith accounts for only 2% of all
visitors in Edinburgh. There is a need to ‘open-up’ the city and embrace Leith in an attempt to raise this figure and reduce the separation between the two areas.

Port: Historically, port activity has dominated in Leith but the decreased use of the docks has led to the need to diversify. The economic framework identifies areas most in need of investment, and the level of investment required.

**Creative Sector:** estimated 400 creative businesses currently operating in Leith

Restaurants: a boom in the quality of restaurants and bars, some of which are the best in Edinburgh

Affordability: housing and business premises

Conflicts in land uses eg Port, scrapyards near residential

Scope for regeneration eg Salamander Street

Masterplanning: A key finding from the local community is that they would not welcome any further ‘grand plans’ for their area, which take too long to devise and achieve little in terms of implementation.

**Discussion by participants**

A.5 Various areas were identified as crucial for attracting investment. Particular topics of discussion included:

**Improving Connectivity and Extension of Tramline**

A.6 The extension of the tram was highlighted as critically important to the area’s success. The tram would simultaneously improve connectivity whilst also attracting investment. It was noted however that it might also be a double-edged sword; not only making it easier for people to get to Leith, but also making it easier to leave, especially from the cruise liners which bring tourists into Leith; or simply allow people to travel through, without alighting to move through the area and visit the shops, restaurants, and
attractions. One potential solution could be to limit the number of stops along the tram route, so that travellers would walk slightly further and interact with the local area.

**Footpaths and cycle routes**

A.7 These need to be considered in great detail. How much will they be a priority over cars or public transport? Movement throughout Leith is just as important as movement to Leith. Pedestrian and cycle routes need to be high quality and take priority over other modes of transport.

**Promoting/Branding Leith**

A.8 Leith has improved significantly in the last few decades. There was strong support therefore for celebrating Leith’s successes. Good things are already happening here, and need to be consolidated as well as looking at further improvements. Investment might be better directed at existing areas rather than speculative opportunities.

**Defining Individual Areas within Leith**

A.9 Instead of simply looking at ‘Leith’ as a single entity, it could be more beneficial to think of it as three separate areas. Each sector is distinctive with different needs, and therefore requires a different approach to obtain maximum benefits, thus contributing to the overall benefit of Leith as a whole.

**The Docklands:** Much of the area is in the ownership of Forth Ports and in active port use, limiting regeneration activity. Further interaction between the Council and Forth Ports needs to be established as well as encouraging them to engage more with the local community. The development process has remained fairly dormant here and needs to be accelerated.

**Leith Walk:** This is main connection between Edinburgh City Centre and Leith, and improving its quality and visual appeal will encourage more people to use it, therefore increasing visits to the other parts of Leith. There should be a concentration on retail, connectivity and public realm improvements.
Central Leith: The focus should be on housing, employment and open space improvements. Some diversification of housing will be necessary in order to encourage people to choose not to move out of the area. A decision needs to be made on what the key employment opportunities are and how they might be supported.

Creation of Sustainable Jobs
A.10 Jobs have been lost, but what sort of replacements would be appropriate? Creating a variety of jobs would be ideal: both at entry level and also more advanced jobs which are available to local people. Job sustainability is another aim, improving jobs in Leith whilst having a minimal displacement impact either on other areas in Leith or in Edinburgh. One sector which is growing in Leith is the creative industries.

The Creative Industries
A.11 “Trust in the messiness of it” – slogan from Toronto’s creative sector. To what extent should we be trying to plan a creative cluster in Leith? Can the Council manufacture a creative cluster? The view was they could not explicitly, but must create the conditions for one. Are art studios and artists the type of jobs and uses which are sustainable, or do they rely too heavily on funding? Entrepreneurial jobs do not create as many jobs as other sectors and are not readily accessible for many people. Should boosting the creative sector be a priority because it is already established in Leith, or should it be a last resort? At present, there is an exercise underway into collecting data and mapping the existing creative businesses in Leith.

Public Realm and Open Space Improvements
A.12 In the same way as boosting tourism, improving the public realm and open space is important because it helps catalyse the development of other areas. If a place is visually appealing then more people will visit it and live there. This will help in retaining and attracting visitors.

Improving the Gateway
A.13 Improving Leith Walk and highlighting it as a gateway should see the most extensive amount of improvement. There needs to be a vision for what this will entail as well as
sufficient resources put into it. Leith Walk is the main artery connecting the heart of Leith to the body of Edinburgh as thus it needs to be the section with easiest movement, best quality streetscape and top restaurants and shops, preferably with periodic attractions.

**Retention of People and Families**

A.14 A smaller percentage of families live in Leith compared with the city as a whole; the demographic comprises professionals, couples, singles and students. How can these people be retained once they decide to have a family? Currently, 94% of dwellings are flats, which are not particularly suited to families. More residential variety is required; in particular more houses would be one way to combat the issue. This could be complemented by improving family facilities such as nurseries and schools as well as improving the safety and reputation of the area.

**Increasing and Retaining Tourism**

A.15 This was frequently brought up as one of the main priorities. The consensus was that most effort should be directed to increasing the cultural draw to the area. Increasing the amount of tourism will have beneficial knock-on effects for many of the other elements. More tourism means greater usage and more income for the area, which will in turn support businesses and even help in creation of jobs. This will improve ‘animation’ and activity as well as acting as a driver for general improvements to the area. Tourism attracts other kinds of investment.

**Engagement with the Community and Local Bodies**

A.16 There may be a gap between what the people of Leith want and what the Council and organised groups think. It is vital that the community is engaged as fully as possible, in particular the active groups in the area. Promoting communication and improving their links with each other would also benefit both the groups and engagement with the Council. Many groups are covering similar ground, completely unaware of other work, while some groups do not agree with others. The Council could act as a mediator while facilitating cooperation. This will result in a more effective mechanism for communication and likely provide easier, better feedback and information. Encouraging groups and businesses to take more control is a must.
A.17 **Other Questions Raised**

- Who are ‘Leithers’ and should we use that term, or does it further segregation between Leith and Edinburgh?
- What are the vacancy rates of shops? (Around 8% - this is down from 18%).
- How can we meet the needs of the large migrant population? (Spanish, Poles, Italians, Chinese etc). Should this be addressed keeping in mind the retention of Leith’s culture, opposed to converting into another culture’s area?
- What’s missing? Not as many gap sites in comparison with Granton and much better location.
- Are the people of Leith seeing the changes?
- What has come out of previous consultations and engagement events?
- Other individual or cultural events could be capitalised on: The Sikh temple (Guru Nanak Gurdwara) off Mill Lane brings in Sikhs from all over the country. Large weddings are commonplace and attract many people. Are sufficient facilities in place e.g. catering and accommodation? Can more be done to facilitate this and engage with the users?
- What else could trigger investment?

A.18 **Other Issues**

- Events and festivals may be a great platform to boost the status and tourism in the area. However, would it be best to focus on ‘home-grown, organic festivals’ rather than ‘parachuting them in’?
- A City needs an area which is affordable. If too many improvements are made to Leith then this area could disappear. Ensure Leith doesn’t go the way of Shoreditch; where its affordability made it a victim of its own success.
- One important thing which is missing: Momentum.
- Need for regular as well as specialist shops, but don’t want other end of scale with a saturation of Starbucks/Costa shops (avoid becoming ‘starbuck-ised’). Must ensure there isn’t always a need for locals to travel to city centre.
Prioritising Investment

A.19 The question set to the work groups was: *What should be the priorities for capital investment in Leith?*

Participants decided to respond to the question on broad terms rather than list specific projects.

A broad categorisation was produced, judged by how many participants commented and where given, their own ranking.

<table>
<thead>
<tr>
<th>Highest Priority</th>
<th>Medium Priority</th>
<th>Lower /Longer term priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>The jobs should be of a type that local people will have a good chance of accessing</td>
<td>Public realm and open space/green space improvements</td>
<td>Build a cultural requirement into planning permission/policy</td>
</tr>
<tr>
<td>Focus on improving less desirable areas rather than places like The Shore or Constitution Street</td>
<td>Playing to Leith’s strengths-supporting sectors in which Leith already possesses an advantage.</td>
<td>Philanthropy and encouraging local people to invest/participate in culture &amp; art development</td>
</tr>
<tr>
<td>Job creation, particularly for locals, across all sectors, not just creative industries</td>
<td>Celebrate and publicise the successes of Leith and raise its profile</td>
<td>Refurbishment and retrofitting</td>
</tr>
<tr>
<td>Extending the tramline to go through Leith and improve connectivity and movement</td>
<td>More variation in housing types-need for some larger houses/flats to encourage families to stay</td>
<td>Define the geography/boundaries within Leith as well as the types of communities</td>
</tr>
<tr>
<td>Focus on improving what is there already</td>
<td>Improved education access in the area to improve people's skills</td>
<td>Grow events over time, not just host drop-in events and leave</td>
</tr>
<tr>
<td>Investment is sustainable-financially self-supporting and not exposed to vagaries of public sector funding</td>
<td>Improve streetscape and safety to encourage people/businesses to locate to and stay</td>
<td>Capitalise on Scottish Government's resource efficiency agenda-much recycling/scrappage activity in Leith</td>
</tr>
<tr>
<td>Investment should have a catalytic effect, encouraging further investment</td>
<td>Further engagement with the established leaders/groups in Leith</td>
<td>Identify sites for public art and create attractions</td>
</tr>
<tr>
<td>There is minimal displacement impact-not likely to disadvantage other areas of Leith/Edinburgh</td>
<td>Much data collection is needed to understand the current situation and potential economic prospects</td>
<td>Identify and invest in key events all year round</td>
</tr>
<tr>
<td>Support the creation of high quality jobs, adding value to the city's economy</td>
<td></td>
<td>Offer empty units to creative practitioners</td>
</tr>
</tbody>
</table>
A.20 **Individual comments from participants were as follows:**

- “Leith – it Edinburgh too”
- Connect the existing infrastructure better
- Create the ‘cook and feel’ to promote business confidence
- (Maritime) cultural offer
- Use extensive tram down Leith Walk to create a street that is really attractive and works for people on foot – pedestrian priority. Trees.
- Allow to encourage Leith to take ownership, be responsive to their needs but don’t try to control
- **State Cinema:** Great Junction St key development opportunity for potential cinema, fantastic 1930’s building
- Allow Leith’s economy to grow organically
- Create the right climate for growth
- Leith has ‘developed’ a unique investment offer – it already has this offer
- Data needed to support action
- Grow events etc over time – don’t “drop in” events then leave
- Creative success stories are needed
- Build on cheap rents and migrant worker’s drive to start more businesses
- Improve positive communications
- Stories around great progress to date:
  - Ocean Terminal
  - Michelin starred restaurants
  - Multi-cultural mix of shops
  - Large reduction of vacancy rate already achieved
- Vibrancy required for Leith Walk
- More information needed to understand the economic prospects of Leith
- Leith already has local leadership – we should be engaging them
- Could the way infrastructure is set up in Leith eg; transport and streets be limiting Leith?
- To transform Leith it has to have a ‘Christmas feel’ everyday – culture change
- Animation and beautification of public realms and streets
- Promotion – tell the story about what is there already – positive narrative
- Re-look at the infrastructure priorities
- Vibrancy & animation activities
- To capitalise on the Scottish Governments Resource efficient agenda given the amount of current recycling/scrappage activity happening in Leith eg: priority materials (Port activity) and re-use/repaint hub
- Philanthropy – engaging local people to participate in culture and development through investment in art
- Prepare people for jobs wherever they are
- Improve streetscape and safety so people want to stay and businesses want to move to area – including trams
- Don’t focus on Commercial Street and the Shore which are more desirable – areas like Great Junction St don’t look appealing
- Improved education access in the area to up-skill
- Jobs at all levels – entry level (retail, hospitality) but also jobs at higher levels for people to up-skill in to, this creates a cycle of freezing up entry level jobs.
- Local jobs for local people across all sectors, not just creative industries
- What comes first? Infrastructure – tram completion or jobs?
- Is the focus on Creative Sector not a response to ‘last resort’ use?
- Strong identity – push same direction, having strategy “done to” them – “Carnival”
- Celebrate, make most of – diversity – retail – creativity
- Vision? 3 acre for Leith Walk site: residential, commercial, cultural, creative
- Create and attractive environment both commercial and creative for welcoming events
- Act as a broker/relationship manager eg: vacant units
- Don’t necessarily leave all local initiatives to local – offer choice for ‘views’ rather than delivery eg; negative Leith…..
- Leith Walk needs a reason for people to walk down it, a reason to stop, a reason to get off the bus or tram. Would a strategically placed attraction half way down help enable this?
- Lack of accommodation for business both start ups and new businesses to the area
- Engagement with Forth Ports and the opportunity for business space creation.
- Investment will support the creation of high quality jobs that add value to the city’s economy.

Public Realm
- Address ‘dead zones’ and key sites eg Leith Walk
- Simple interventions can transform perception(s), both visitor/residential
- Empty units – allow use by creative practitioners through social media enterprise model
- Build a motivated locale – communicate success and plans
- Build a cultural requirement/ % into planning/dev permissions
• Identify sites for key/anchor public art – create attraction/footfall (Bibao/New York etc)
• Transport and orientation – real difficulty for non residential
• Identify and invest in key events – year round
• Promote strengths/successes consistently
• Night time economy (safe/perception/link to realm?)
• Vision? Council Role? Partner – others at development table?
• Invest/encourage in anchor cultural developments
• Green spaces?
• Secure the Tram
• Public realm improvement
• Refurbishment/retrofitting
• “Trust in the messiness” – creatives like this!
• Understand the potential benefits but also the negatives
• A tram would change the look and feel of Leith
• Other things will flow from the tram
• Current assets
  - World/international retail officer
  - LA Rambla book-end, St James to Ocean Terminal
• Unlock all stakeholders – Forth Ports
• Demographic – all population need
• Jobs in Leith/for Leither’s? Volume – micro opportunity
• All lots of service provision
• Much existing employability activity EG/JET – build on this
• Address unemployment rate in Leith
• Define the geography – boundary
• Leith Community – who are they? One voice?
• Investment – change dynamic

Suggestions for action
A.21 The following were suggested action areas for inclusion in the Economic Framework:

• Definitively decide the role of the Council in all areas of Leith’s development
• Increase engagement with the community, local groups/leaders, and Forth Ports
• Continue/further progress public realm improvements
• Facilitate better communication and linkage between existing bodies/groups in Leith
• Council should act as an ‘enabler’ and help people with information and funding
• Conduct the necessary research needed to make informed decisions
• Agree what the priorities for investment are
• Support business case for tram and ensure its delivery
• Improve connectivity via better pedestrian and cycle links

These are some other aspects which participants felt needed to be addressed:
• Consider ways to improve Leith’s profile and establish a branding (marketing)
• Work out a strategy for increasing the cultural draw to attract and retain tourists
• Collaborate with cruise liner operators in an attempt to capture some of their passengers in Leith
• Concept for Leith Walk – drastic improvements/alterations and possible boulevard-style walkway. The start of Leith Walk should act as a ‘gateway’ to the rest of Leith
• Choose preference for job types – Creative or not?

A.22 Next Steps
• Finalise Leith Study Report
• Progress Economic Framework to Economy Committee on 18 December 2014
• Build in final consultations and refinements
• Incorporate into Waterfront Development Zone Plan in February 2015 and thereafter into operational plans
A.23 **Participants**

Lesley Martin (Chair)  *Economic Development*  
Alex Blyth  *SfC Housing*  
Ian Buchanan  *SfC Neighbourhood Partnership*  
Kyle Drummond  *Economic Development*  
Jamie Fowler  *Economic Development*  
Michelle Fraser  *SfC Neighbourhood Partnership*  
Jim Galloway  *Economic Development*  
James Gellini  *SfC Planning*  
Stephen Hajducki  *Economic Development*  
Graham Hatton  *Economic Development*  
Iyke Ikegwuono  *Economic Development*  
Michael Kellet  *Economic Development*  

David Kelly  *Corporate Property*  
Alistair McArthur  *SfC Property*  
Brian Martin  *Economic Development*  
Phil Noble  *SfC Transport*  
Robbie O'Donnell  *Corporate Property*  
Lesley Porteous  *SfC Planning*  
Janice Robertson  *SfC Arts & Culture*  
Susan Robertson  *Economic Development*  
Greg Ward  *Economic Development*  
Katie Weavers  *Economic Development*  
Lindsey Sibbald  *Economic Development*  
Jane Williamson  *Corporate Property*
APPENDIX B:
LEITH JOB CREATION POTENTIAL

This paper has been produced in support of the Leith Economic Framework, a document setting out how employment in Leith can be supported and retained. This paper seeks to contribute to the question of where jobs in Leith are most likely to come from in the short, medium and long term.

In this paper, “Leith” is used to refer to the Leith multi-member ward unless otherwise specified. It is noted that this definition could be considered both too broad – in that it captures Newhaven, which is generally considered to be a distinct neighbourhood within Edinburgh, and too narrow, in that it excludes Leith Walk.

B1. The table below shows the economic activity of residents of Leith aged 16 to 74 in 2011, and the comparison with Edinburgh as a whole.

<table>
<thead>
<tr>
<th>Economic activity of residents aged 16 to 74 in Edinburgh and Leith (2011)</th>
<th>Edinburgh</th>
<th>Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sector</strong></td>
<td><strong>Number</strong></td>
<td><strong>Percentage</strong></td>
</tr>
<tr>
<td>In full-time employment</td>
<td>149,117</td>
<td>40.3%</td>
</tr>
<tr>
<td>In part-time employment</td>
<td>42,272</td>
<td>11.4%</td>
</tr>
<tr>
<td>Self-employed</td>
<td>29,284</td>
<td>7.9%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>14,517</td>
<td>3.9%</td>
</tr>
<tr>
<td>Retired</td>
<td>42,947</td>
<td>11.6%</td>
</tr>
<tr>
<td>Student</td>
<td>58,478</td>
<td>15.8%</td>
</tr>
<tr>
<td>Looking after home or family</td>
<td>12,978</td>
<td>3.5%</td>
</tr>
<tr>
<td>Long-term sick or disabled</td>
<td>13,518</td>
<td>3.7%</td>
</tr>
<tr>
<td>Other</td>
<td>6,907</td>
<td>1.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>370,018</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Census
The most pronounced difference is the significantly higher proportion of residents of Leith in full-time employment. Nearly half of all residents of Leith were in full-time employment, compared to just over two-fifths of residents of Edinburgh as a whole. Leith also had a much smaller student population, reflecting the lack of any major university or college campuses or student housing complexes in Leith.

**Employment by sector**

A total of 16,000 people were employed in Leith as of 2013 – around 5% of total employment in Edinburgh. The table below shows a breakdown of employment in Leith by sector as of 2013.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh</th>
<th>Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number</strong></td>
<td><strong>Percentage</strong></td>
<td><strong>Number</strong></td>
</tr>
<tr>
<td>Primary industries</td>
<td>3,000</td>
<td>1%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7,000</td>
<td>2%</td>
</tr>
<tr>
<td>Construction</td>
<td>9,100</td>
<td>3%</td>
</tr>
<tr>
<td>Wholesale and retail</td>
<td>37,100</td>
<td>12%</td>
</tr>
<tr>
<td>Transport and storage</td>
<td>10,600</td>
<td>3%</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>28,700</td>
<td>9%</td>
</tr>
<tr>
<td>Information and communication</td>
<td>13,900</td>
<td>4%</td>
</tr>
<tr>
<td>Financial services</td>
<td>35,000</td>
<td>11%</td>
</tr>
<tr>
<td>Business and professional services</td>
<td>59,900</td>
<td>19%</td>
</tr>
<tr>
<td>Public sector</td>
<td>94,000</td>
<td>30%</td>
</tr>
<tr>
<td>Other services</td>
<td>17,000</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>315,300</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: Business Register and Employment Survey*

*Numbers are rounded to the nearest hundred*

The most significant difference in employment structures between Edinburgh and Leith is in financial services, which account for 11% of all jobs in Edinburgh (one of the
highest proportions of any UK local authority) but only 1% of jobs in Leith. The only significant financial services employer in Leith is the payment processing services company DataCash, which has an office on Ocean Drive. Unlike the city centre and West Edinburgh, Leith has not emerged as a location of choice for the financial services sector.

B.4 Despite being home to Victoria Quay – the single largest Scottish Government building in Scotland – employment in the public sector in Leith is considerably lower than the figure for Edinburgh as a whole. This reflects the concentration of national and local government functions in Edinburgh’s city centre and the absence of any hospitals or other large single-site public sector employers in Leith.

B.5 4% of employment in Leith is in manufacturing – modest, but double the proportion for Edinburgh as a whole. There is a substantial cluster of industrial units around Salamander Street and in Leith Harbour. These include companies using the harbour for import and export, such as the pipe coating firm Bredero Shaw and the flour supplier ADM Milling, which operates out of Chancelot Mill.

B.6 Wholesale and retail accounts for 17% of jobs in Leith, compared with 12% of jobs in Edinburgh as a whole. This can be attributed in part to the presence of Ocean Terminal, one of Edinburgh’s largest shopping malls. There are also a number of wholesalers in Leith with connections to Leith Harbour.

B.7 Despite being home to Leith Harbour, the share of employment in transport and storage in Leith is actually lower than the average for Edinburgh as a whole. Employment in port uses is outweighed by employment in other forms of transport.

B.8 The table below shows changes in employment levels in Edinburgh and Leith over the period 2009 to 2013.

<table>
<thead>
<tr>
<th>Employment in Edinburgh and Leith (2009-2013)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2011</td>
</tr>
<tr>
<td>2012</td>
</tr>
</tbody>
</table>
Between 2009 and 2013, the number of jobs in Leith fell by 3,500 – a decrease of 18%. Over the same period, jobs in Edinburgh rose by 1%. As opposed to the number of jobs in Edinburgh as a whole, which rose and fell over the period, the number of jobs in Leith has diminished steadily over the course of the five years.

The table below shows a breakdown by sector of the changes in employment in Edinburgh and Leith between 2009 and 2013. It can be seen that the fall in employment in Leith over the time period was largely due to a fall in public sector jobs. While there was a slight decrease in public sector jobs at the Edinburgh level, Leith experienced a far greater reduction, with the number of public sector jobs in the area nearly halving over the time period. Leith also experienced a large decline in business and professional services jobs.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh</th>
<th>%Δ</th>
<th>Leith</th>
<th>%Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary industries</td>
<td>−600</td>
<td>−16%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>−1,700</td>
<td>−20%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Construction</td>
<td>−2,000</td>
<td>−18%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Wholesale and retail</td>
<td>+200</td>
<td>+1%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Transport and storage</td>
<td>−400</td>
<td>−4%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>+2,500</td>
<td>+10%</td>
<td>+600</td>
<td>+38%</td>
</tr>
<tr>
<td>Information and communication</td>
<td>+300</td>
<td>+2%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Financial services</td>
<td>−3,200</td>
<td>−8%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Business and professional services</td>
<td>+6,400</td>
<td>+12%</td>
<td>−800</td>
<td>−18%</td>
</tr>
<tr>
<td>Public sector</td>
<td>−1,900</td>
<td>−2%</td>
<td>−3,500</td>
<td>−48%</td>
</tr>
<tr>
<td>Other services</td>
<td>+2,000</td>
<td>+14%</td>
<td>+100</td>
<td>+23%</td>
</tr>
<tr>
<td>Total</td>
<td>+1,700</td>
<td>+1%</td>
<td>−3,500</td>
<td>−18%</td>
</tr>
</tbody>
</table>

Source: Business Register and Employment Survey
*Numbers are rounded to the nearest hundred
Employment by occupation  
B.10 The table below shows a breakdown of employment in Edinburgh and Leith as of 2011 by occupation. The occupational breakdown of Leith was broadly similar to that of Edinburgh as a whole.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Edinburgh</th>
<th></th>
<th>Leith</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage</td>
<td>Number</td>
<td>Percentage</td>
</tr>
<tr>
<td>Manangers, directors and senior officials</td>
<td>22,664</td>
<td>9.6%</td>
<td>1,413</td>
<td>9.8%</td>
</tr>
<tr>
<td>Professional occupations</td>
<td>60,676</td>
<td>25.6%</td>
<td>3,400</td>
<td>23.5%</td>
</tr>
<tr>
<td>Associate professional and technical occupations</td>
<td>35,609</td>
<td>15.0%</td>
<td>2,399</td>
<td>16.6%</td>
</tr>
<tr>
<td>Administrative and secretarial occupations</td>
<td>28,002</td>
<td>11.8%</td>
<td>1,542</td>
<td>10.7%</td>
</tr>
<tr>
<td>Skilled trades occupations</td>
<td>17,545</td>
<td>7.4%</td>
<td>1,143</td>
<td>7.9%</td>
</tr>
<tr>
<td>Caring, leisure and other service occupations</td>
<td>18,771</td>
<td>7.9%</td>
<td>1,141</td>
<td>7.9%</td>
</tr>
<tr>
<td>Sales and customer service occupations</td>
<td>19,712</td>
<td>8.3%</td>
<td>1,225</td>
<td>8.5%</td>
</tr>
<tr>
<td>Process, plant and machine operatives</td>
<td>8,868</td>
<td>3.7%</td>
<td>530</td>
<td>3.7%</td>
</tr>
<tr>
<td>Elementary occupations</td>
<td>25,065</td>
<td>10.6%</td>
<td>1,676</td>
<td>11.6%</td>
</tr>
<tr>
<td>Total</td>
<td>236,912</td>
<td>100%</td>
<td>14,469</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Census

Unemployment  
B.11 The table below shows Jobseeker Allowance claimants in Edinburgh and Leith in the month of August from 2009 to 2014. There was a substantial fall in claimants in both Edinburgh (35%) and Leith (30%). However, the claimant rate in Leith remains considerably higher than that of Edinburgh as a whole.
The table below shows young (aged 18-24) Jobseeker Allowance claimants in Edinburgh and Leith in the month of August from 2009 to 2014. There was a substantial fall in claimants in both Edinburgh (44%) and Leith (41%). The youth unemployment rate in Leith is broadly similar to that of Edinburgh as a whole.

### Young Jobseeker’s Allowance claimants in Edinburgh and Leith, month of August (2009-2014)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh</th>
<th>Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage</td>
</tr>
<tr>
<td>August 2009</td>
<td>10,206</td>
<td>3.1%</td>
</tr>
<tr>
<td>August 2010</td>
<td>10,545</td>
<td>3.2%</td>
</tr>
<tr>
<td>August 2011</td>
<td>11,241</td>
<td>3.3%</td>
</tr>
<tr>
<td>August 2012</td>
<td>11,383</td>
<td>3.4%</td>
</tr>
<tr>
<td>August 2013</td>
<td>9,926</td>
<td>2.9%</td>
</tr>
<tr>
<td>August 2014</td>
<td>7,546</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

Source: Department for Work and Pensions

The table below shows long-term (claiming for over 12 months) Jobseeker Allowance claimants in Edinburgh and Leith in the month of August from 2009 to 2014. There was a significant increase in the number of long-term claimants in both Edinburgh (135%) and Leith (95%), albeit the proportion has fallen from a peak in 2012-2013.

### Long-term Jobseeker’s Allowance claimants in Edinburgh and Leith, month of August (2009-2014)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh</th>
<th>Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage</td>
</tr>
<tr>
<td>August 2009</td>
<td>2,840</td>
<td>1.0%</td>
</tr>
<tr>
<td>August 2010</td>
<td>2,840</td>
<td>0.8%</td>
</tr>
<tr>
<td>August 2011</td>
<td>3,045</td>
<td>0.9%</td>
</tr>
<tr>
<td>August 2012</td>
<td>2,880</td>
<td>0.8%</td>
</tr>
<tr>
<td>August 2013</td>
<td>2,280</td>
<td>0.7%</td>
</tr>
<tr>
<td>August 2014</td>
<td>1,580</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

Source: Department for Work and Pensions
B.14 The table below shows the proportion of people claiming Jobseeker's Allowance claimants in Edinburgh and Leith who have been claiming it for over 12 months. The proportion has risen sharply in recent years, with more than a quarter of all claimants in Edinburgh and Leith now claiming for over 12 months. This suggests the emergence of a “hard core” of unemployed residents with considerable barriers to employment. This change may be linked to welfare reforms that have seen considerable numbers of former Employment and Support Allowance recipients migrating to Jobseeker's Allowance, many of whom will have some level of disability or other health condition that makes it challenging for them to obtain employment.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh</th>
<th>Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Claimants</td>
<td>Total Claimants</td>
<td>Percentage</td>
</tr>
<tr>
<td>August 2009</td>
<td>840</td>
<td>10,206</td>
</tr>
<tr>
<td>August 2010</td>
<td>1,725</td>
<td>10,545</td>
</tr>
<tr>
<td>August 2011</td>
<td>1,665</td>
<td>11,241</td>
</tr>
<tr>
<td>August 2012</td>
<td>2,815</td>
<td>11,383</td>
</tr>
<tr>
<td>August 2013</td>
<td>2,705</td>
<td>9,926</td>
</tr>
<tr>
<td>August 2014</td>
<td>1,975</td>
<td>7,546</td>
</tr>
</tbody>
</table>

Source: Department for Work and Pensions

Skills
B.15 The table below shows the highest qualifications of residents aged 16 and above in Edinburgh and Leith as of 2011. The education profile of residents of Leith was broadly
identical to that of Edinburgh as a whole, with slightly over two-fifths of residents holding degree-level qualifications or above and slightly under one-fifth holding no qualifications.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh Number</th>
<th>Edinburgh Percentage</th>
<th>Leith Number</th>
<th>Leith Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No qualifications</td>
<td>69,306</td>
<td>17%</td>
<td>4,052</td>
<td>19%</td>
</tr>
<tr>
<td>Standard Grade, etc</td>
<td>74,970</td>
<td>19%</td>
<td>4,046</td>
<td>19%</td>
</tr>
<tr>
<td>Higher, A Level, etc</td>
<td>62,021</td>
<td>15%</td>
<td>2,621</td>
<td>12%</td>
</tr>
<tr>
<td>HNC, HND, etc</td>
<td>30,544</td>
<td>8%</td>
<td>1,983</td>
<td>9%</td>
</tr>
<tr>
<td>Degree, etc</td>
<td>167,583</td>
<td>41%</td>
<td>8,932</td>
<td>41%</td>
</tr>
<tr>
<td>Total</td>
<td>404,424</td>
<td>100%</td>
<td>21,634</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Census

Employment forecasts

B.16 The table below shows projected changes in employment in Leith by sector over the period 2013 to 2030. The sectors for which data is shown are definitions used for the purposes of official statistics and therefore do not correspond with the Scottish Government’s growth sectors.

B.17 These figures have been calculated using shift-share analysis, in which changes in employment are separated into regional, structural and local components. The regional component represents the change in employment attributable to overall trends in the regional economy (i.e. the economy of Edinburgh), while the structural component represents the change attributable to trends in individual sectors. The local component represents change attributable to the broad mix of local factors influencing competitiveness. By examining historical trends, it is possible to use shift-share analysis to forecast how changes in employment in Leith will differ from changes in Edinburgh as a whole. The shift-share analysis has been applied to employment forecasts prepared for Edinburgh as a whole by Oxford Economics to calculate Leith’s share of projected changes in employment.
### Projected change in employment in Edinburgh and Leith (2013 to 2030)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Edinburgh</th>
<th>Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary industries and utilities</td>
<td>+200</td>
<td>0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>−2,200</td>
<td>−100</td>
</tr>
<tr>
<td>Construction</td>
<td>+1,500</td>
<td>+200</td>
</tr>
<tr>
<td>Wholesale and retail</td>
<td>+4,000</td>
<td>+300</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>+4,700</td>
<td>+200</td>
</tr>
<tr>
<td>Accommodation and food service activities</td>
<td>+6,400</td>
<td>+1,100</td>
</tr>
<tr>
<td>Information and communication</td>
<td>+3,600</td>
<td>+300</td>
</tr>
<tr>
<td>Financial services</td>
<td>+3,700</td>
<td>+100</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>+500</td>
<td>0</td>
</tr>
<tr>
<td>Professional, scientific and technical activities</td>
<td>+10,900</td>
<td>+300</td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>+700</td>
<td>+1,600</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>−1,700</td>
<td>−300</td>
</tr>
<tr>
<td>Education</td>
<td>+900</td>
<td>+100</td>
</tr>
<tr>
<td>Health and social work</td>
<td>+5,600</td>
<td>−800</td>
</tr>
<tr>
<td>Arts, entertainment and recreation</td>
<td>+5,000</td>
<td>+300</td>
</tr>
<tr>
<td>Other service activities</td>
<td>+3,000</td>
<td>+200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>+46,900</strong></td>
<td><strong>+3,400</strong></td>
</tr>
</tbody>
</table>

B.18 In total, it is forecast that employment in Leith will see a net increase of 3,400 over the period 2013 to 2030. This represents a growth rate of 21%, compared to 15% for Edinburgh as a whole. Leith is therefore projected to outperform Edinburgh in terms of job creation.

B.19 The major sector contributing to this growth are projected to be administrative and support service activities (for example, secretarial work, cleaning, security, contact centres, and security) (+1,600 jobs) and accommodation and food service (+1,100 jobs). The sectors in which the greatest number of job losses are projected are health and social work (−800 jobs) and public administration and defence (−300 jobs).

B.20 Leith is projected to account for only a very small share of the jobs in financial and professional services (for example, legal services, accounting, engineering and consultancy) projected to be created in Edinburgh between 2013 and 2030. Leith is,
however, projected to account for around 17% of all jobs created in accommodation and food services over the period. Leith is also projected to perform more strongly in administrative and support service activities than Edinburgh as a whole.

**Creative industries**

B.2.1 Leith is recognised as a hub for the creative industries within Edinburgh. Data from the Business Register and Employment Survey indicates that approximately 1,700 people were employed in the creative industries in Leith in 2013, representing around 10% of all employment in the area (compared to 4% for Edinburgh as a whole).

<table>
<thead>
<tr>
<th>Sub-sector</th>
<th>Edinburgh</th>
<th>Leith</th>
<th>% Leith</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>800</td>
<td>200</td>
<td>32%</td>
</tr>
<tr>
<td>Architecture</td>
<td>1,300</td>
<td>200</td>
<td>13%</td>
</tr>
<tr>
<td>Visual art</td>
<td>200</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Crafts and antiques</td>
<td>100</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Fashion and textiles</td>
<td>200</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Design</td>
<td>1,000</td>
<td>200</td>
<td>15%</td>
</tr>
<tr>
<td>Performing arts</td>
<td>700</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Audio-visual</td>
<td>1,200</td>
<td>100</td>
<td>9%</td>
</tr>
<tr>
<td>Writing and publishing</td>
<td>1,700</td>
<td>200</td>
<td>12%</td>
</tr>
<tr>
<td>Libraries and archives</td>
<td>800</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Software/electronic publishing</td>
<td>5,100</td>
<td>700</td>
<td>13%</td>
</tr>
<tr>
<td>Cultural education</td>
<td>100</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,100</td>
<td>1,700</td>
<td>13%</td>
</tr>
</tbody>
</table>

*Source: Business Register and Employment Survey*

*Numbers are rounded to the nearest hundred*
APPENDIX C:
CREATIVE INDUSTRIES ANALYSIS

This first stage report was collated by Council staff from a review of existing creative strategies, complemented by an in-depth review of Leith’s creative sector, drawing from primary sources. Although not exhaustive, it provides a springboard for further work.

C.1 The Department for Culture, Media and Sport (DCMS) defined the Creative and Cultural Industries as “those industries which have their origin in individual creativity, skill and talent, which have a potential for job and wealth creation through the generation and exploitation of intellectual property” (Creative Industries Mapping Document, DCMS, 2001).

C.2 In Edinburgh, there seems to be a separation of the creative industries from cultural industries. This can be seen in the different departments that support these sectors locally. Some other cities have tried to bring these departments to work more closely together, e.g. Toronto (See Creative Capital Gains 2011) and Berlin.

C.3 In this report, creative industries are referred to as ‘the industrial sector that lies at the intersection of arts, culture, creativity, business and technology, with latent to create economic value’. This definition technically eliminates those creative agencies that are charitable organisations only, but includes those that simultaneously hold charitable and business statuses.

Background and Context

C.4 The City of Edinburgh has a reputation for creativity and innovation. The creative industries play an increasingly important role to the vitality and sustainability of the local city economy. It is now estimated that the creative industries contributes between 6-8% of all Edinburgh’s local economic output, servicing about 26,000 jobs in 4000
registered organisations and businesses (Creative Growth Report, commissioned by the Institute for Creative Industries at Edinburgh Napier University 2011).

C.5 In this sector the Edinburgh and Lothians city region performed much better economically than other Scottish regions between 2008 and 2010. 25% of all creative employments in Scotland were from Edinburgh and the Lothians, with creative businesses in the region contributing about £803 million gross value added (GVA) to the Scottish economy.

C.6 Over the last 5 years Edinburgh’s creative industries have continued to grow in numbers, size and profile. This has been assisted by the City of Edinburgh Council’s recognition of the creative industries as a key sector, and the subsequent development of the Enterprise and Innovation team’s “3P Strategy” to support business growth in the creative industries sector in Edinburgh, in response to their rising profile.

C.7 The 3P Strategy contains three major strands of work - ‘People, Place and Pound’. People, promoting and connecting Edinburgh’s creative businesses to each other and potential customers; Place, promoting Edinburgh as a top destination for investment in the creative industries, identifying creative spaces, including locations that can act as ‘incubators’ for new and existing creative businesses; and Pound, providing business development support to help new creative start-ups get off the ground, and exploit the economics of creativity.

C.8 The first two years of the strategy saw the successful relaunch of Creative Edinburgh Ltd in 2011, a not-for-profit membership organisation connecting creative industry businesses and individuals in Edinburgh to available support, programmed events, business-to-business networks, skills development and investment opportunities. Creative Edinburgh currently has about 1400 creative individuals and businesses in their membership, and has attracted further interest from Edinburgh Universities and Colleges, Creative Scotland, and other Scottish cities.

C.9 Following the launch of the new Strategy for Jobs 2012-17, the 3P strategy was realigned to provide continued support to Creative Edinburgh, to launch the Creative Exchange, and to work closely with the Cultural Enterprise Office, a specialist agency
that delivers business development services to micro creative businesses and workers in Scotland.

C.10 All three support agencies collaborate with Business Gateway as part of a mutual service level agreement, to help creative and cultural practitioners and businesses to access business support services in Edinburgh.

C.11 The increased profile of the creative industries in Edinburgh can be seen in the high number of new creative businesses starting up in the city, and in the greater number of success stories in the Edinburgh’s creative and tech community, including Skyscanner, Digitas Lbi, The Union, Leith agency, etc. This is further augmented by the growth of Creative Edinburgh Ltd.

C.12 A feature of the citywide sectoral growth is the emergence of creative clusters in Edinburgh, confirmed by the NESTA (2010) report, which recognised Edinburgh as the only Creative Cluster in Scotland. Florida (2005) posits that Creative Clusters grow organically, built around specific urban frameworks – they are not policy ‘fabricated’. No other area of the city mirrored that sentiment more than Leith, with a considerable number of creative workers, musicians, filmmakers, writers, artists, designers, and craft-makers budding out from the area.

C.13 And, although other clusters have emerged since then, e.g. in Edinburgh Quartermile, Leith still remains one of Edinburgh’s leading creative clusters, with a visible high number of creative, digital and tech workers in the area.

Profile of the creative sector in Leith

C.14 Leith has a strong creative industries presence. Some 350 creative businesses have been identified in the area. Design, photography, film & media, architecture, advertising and marketing are some of the major subsectors that make up the creative industries in Leith. The table shows the breakdown in sub-sectors as represented in the types of trade they practice. Percentages are rounded to the nearest whole number.
<table>
<thead>
<tr>
<th>Subsector</th>
<th>Numbers</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising &amp; Marketing</td>
<td>36</td>
<td>10%</td>
</tr>
<tr>
<td>Architecture</td>
<td>38</td>
<td>11%</td>
</tr>
<tr>
<td>Art &amp; Craft</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>Audio &amp; Radio</td>
<td>4</td>
<td>1%</td>
</tr>
<tr>
<td>Creative</td>
<td>4</td>
<td>1%</td>
</tr>
<tr>
<td>Design</td>
<td>100</td>
<td>29%</td>
</tr>
<tr>
<td>Digital &amp; Software</td>
<td>24</td>
<td>7%</td>
</tr>
<tr>
<td>Fashion &amp; Jewellery</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>Film &amp; Media</td>
<td>34</td>
<td>9%</td>
</tr>
<tr>
<td>Game</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Music</td>
<td>5</td>
<td>1.5%</td>
</tr>
<tr>
<td>Performing Arts</td>
<td>7</td>
<td>2%</td>
</tr>
<tr>
<td>Photography</td>
<td>54</td>
<td>15.5%</td>
</tr>
<tr>
<td>Printing &amp; Publishing</td>
<td>21</td>
<td>6%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>350</td>
<td>100%</td>
</tr>
</tbody>
</table>
Post code areas

C.15 All of Leith’s Creative businesses are located in postcode areas EH6 and EH7. About 79% of all Creative businesses in Leith are based at the EH6 postcode area, the other 21% are located at EH7 postcode area (Fig 1)

There are no significant findings to show that some sub-sectors cluster in any particular postcode area compared to others. In fact, the result showed a ‘good’ mix of creative businesses from varied subsectors clustering together. The co-location feature has been strongly evidenced as a key strength of Creative Clusters (NESTA, 2010), with trade sectors supporting the work of each other. The Leith creative sector has a strong ‘altruistic’ support network.

Sector cluster

C.16 Fig 2 shows the various clusters of the creative industries in Leith and their size. Design is the largest subsector, with about 100 businesses represented, that shows that 29% of all Creative businesses in Leith are design business. Although design, including graphic design, web design, and brand design take a large part in the overall business numbers,
photography and film & media have a wider spread across the two post code areas investigated.

C.17 The large share of the creative workforce in Leith involved in design reflects the demand for design services by the other subsectors, and from the Scottish Government and other corporate sector businesses in Leith. Advertisers, marketers, web developers and architects, all require the services of designers. A key element in the sustainability of the creative community in Leith is this collaborative working and cross-servicing.

![Fig C2](image_url)

C.18 There is also a cluster of creative support platforms in Leith. These platforms are industry bodies, incubators, creative studio spaces, and network groups that bring creative people together to ignite some sort of ‘random collision’ and creativity, and include Out of the Blue in Dalmeny Street, Creative Exchange in Constitution Street, Coburg House, the presence of Creative Edinburgh in Leith, and a new community of creative workers meeting at Ocean Terminal. Each platform has a cluster of creative people working from their venues.

C.19 This indicates that creative people work most effectively in collaborations, and reflects the Creative Growth (2011) report, which also highlighted collaboration as a major factor for fuelling growth in the creative industries in Edinburgh and the Lothians; and
particularly, how new and emerging creative companies in the region work together to explore new market opportunities.

**Job levels**

C.20 The Appendix *Jobs in Leith* shows that the creative industries employ an estimated 1,700 people in six subsectors, namely advertising, architecture, design, audio-visual, publishing, and software.

C.21 Of significance is that Leith creative jobs are dominated by advertising, even though there are more actual design businesses (and also photography and architecture) than advertising agencies. This suggests that advertising businesses typically have more employees than design firms, but may also indicate that creative jobs in Leith are heavily under reported.

**Conclusions**

C.22 This study found about 350 creative businesses, across 14 subsectors and support platforms. It also found evidence of a creative cluster, covering a variety of sub-sectors, from design to film-making, marketing, media, art and craft, etc.

C.23 The research also found a unique pattern in the way creative businesses co-locate and collaborate in Leith. It seems that the sector services itself and other public and corporate sectors in the area, which suggests that creative industries sector in Leith is on a sustainable path.

C.24 It is possible that current evidence of creative jobs in Leith is hugely under reported.

**Sources**


EKOS (2014) Report on Creative Networks in Scotland including Creative Edinburgh
APPENDIX D:
BACKGROUND TO THE LEITH RENEWABLES OPPORTUNITY

Renewables

D.1 The National Renewables Infrastructure Plan (2011) identified the Port of Leith as one of a limited number of Enterprise Areas, to focus on low carbon and renewables manufacturing and construction. In particular Leith was also one of a very few sites identified in the National Renewables Infrastructure Plan as offering a suitable location to support Scotland's offshore wind industry.

D.2 The Crown Estate allocated 12 sites in Scottish coastal waters for offshore wind farms, five of them in the Forth and Tay area: Firth of Forth; Inch Cape; Bell Rock; Neart na Gaoithe; and Forth Array. The developers of the Bell Rock and Forth Array wind farms have since withdrawn and these sites are no longer being developed. Consent for the three remaining wind farms was granted in October 2014. These would comprise a total of 335 turbines generating over 2.26 gigawatts of power each year. Given the costs and complexity associated with transporting large-scale wind turbines, there is a requirement to encourage the assembly of the wind turbines on the east coast of Scotland.

D.3 The publication of the National Renewables Infrastructure Plan generated strong interest amongst stakeholders in Edinburgh. The Local Development Plan was revised to reflect the potential for industrial developments at Leith relating to renewable energy developments in Leith. The proposed tax increment financing scheme for Leith was also refreshed in light of the alternative infrastructure needs of an industrial development and the rateable income associated with these developments.

D.4 Scottish Enterprise commissioned a feasibility study to identify potential land use and infrastructure requirements to service the emerging renewables sector and other key port operations. Consultants were subsequently appointed to prepare a development...
framework, supporting planning applications, a harbour revision order and an environmental impact assessment.

D.5 Scottish Enterprise’s commissioned studies were never completed, although redacted versions of the draft Development Framework and Non-Technical Environmental Statement have been released under Freedom of Information legislation.

**Offshore Wind Turbine Manufacture**

D.6 Exploratory discussions took place with multinational wind turbine manufacturers such as Gamesa, Areva and Mitsubishi, and Gamesa signed a Memorandum of Understanding with Forth Ports Ltd in January 2012, working towards a detailed planning application and agreement of terms for a €125m turbine-manufacturing development, due to start in spring 2013 with the creation of 800 jobs. This prospect was a major part of the Scottish Government’s strategy in identifying Leith Docks as a centre of renewables activity.

D.7 Since then, on a national level, the Government has allocated £7bn UK-wide in total for potential low carbon electrical energy infrastructure projects (including nuclear, renewables, and gas). This amount, combined with the agreed “strike price” (the guaranteed return to providers) has resulted in shrinkage of the forecast output from 20GW to 12 GW. One impact will be a reduction in the demand for wind turbine orders until at least 2020. Siemens, who have the largest market share, are locating a major facility at Hull, so there will only be room for one more major player at most in the total UK market. Leith’s (or Scotland’s) likelihood of attracting this development against stiff competition must be realistically assessed.

D.8 Off-shore turbines are extremely large, their manufacture requires large areas of clear space for laying out and fabricating components, and their shipping requirements are infrequent. N-RIP suggests that typical requirements for a construction base with the capacity to handle 100 turbines a year should include:

- At least 80,000 m² (8 hectares) suitable for lay down and pre assembly of product
- 200–300 m length of quayside with high load bearing capacity and adjacent access
• Water access to accommodate vessels up to 140m length, 45m beam and 6m draft with no tidal or other access restrictions
• Overhead clearance to sea of 100m minimum (to allow vertical shipment of towers)
• Sites with greater weather restrictions on construction may require an additional lay-down area, up to 300,000 m² (30 hectares)

D.9 Other requirements relating to cranes and load bearing points are also important and can be achieved through investment in the site. In addition sites should have good land-side transportation access to facilitate their use, and to allow transportation to onshore wind farm sites.

D.10 Scottish Enterprise’s feasibility work confirmed that the docks would be a suitable location for the type of industry envisaged, providing that major investment in infrastructure was undertaken.

D.11 However, Leith’s existing infrastructure is set out as a traditional port layout, with only sufficient space to offload cargoes which are then moved quickly away by road or rail. However, the type of “land-hungry and tonnage-light” activity associated with turbine manufacture is the antithesis of a traditional port operation and would normally be more suited to a former ship-building or oil-platform yard. An investment of £100m to build a new outer berth and creating new space by infilling dock areas would be required to make the dock suitable for turbine assembly.

D.12 There is no indication from the port operators that they would be prepared to fund this, or any other substantial, improvement to the docks. There is an expectation that ‘a substantial part’ of the required modernisation would be funded from public sources. However, directly comparable work on the £130m upgrading of the port of Hull, including construction of an outer berth, is being funded privately by Forth Ports’ main UK competitors, Hull’s owners Associated British Ports (ABP), with no financial input from the public sector. ABP’s input will unlock an £80m investment from the German Siemens group to build a factory to assemble parts for offshore wind turbines.

D.13 There are also a number of long-established existing tenants, employing some 700 persons, within the dock area. Some of these rely on proximity to the dock for sea
delivery of bulk materials. To obtain sufficient clear space for turbine manufacture, these businesses would have to be relocated elsewhere.

D.14 A further hurdle is a perception within the industry is that, although Edinburgh has a high offering in terms of professional and academic staff for research and development (almost half of all Leith adult residents have a degree), it does not necessarily have the right labour market in terms of numbers or availability of high-quality experienced practical engineering skills required for the actual manufacture of renewable equipment. A former construction yard would already have this type of legacy workforce with appropriate skills.

D.15 The lack of clarity for private investors in the renewable electricity market, with its history of volatile subsidy levels, has also been highlighted by Forth Ports as a barrier to progress.

D.16 Realistically, for these reasons it is doubtful that this, or any similar proposal, will be implemented. None of the companies originally approached have committed to investing in Leith, and their interest has now receded. Interest is now focused on the site of the decommissioned Cockenzie power station in East Lothian. Scottish Enterprise is exploring options for a “Marine Energy Park” to support the offshore wind sector, and is progressing with development of a masterplan and consenting process. A Planning Application Notice was submitted to East Lothian Council in June 2014. There is however no firm commitment currently to invest in the Cockenzie site; a decision will depend on the outcome of the consenting process, clarity on the investment required and – crucially – confirmation of market demand.
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Leith Trust
Marketing Leith
Ocean Terminal/Resolution Properties
Forth Ports Ltd
Network Rail
Port of Leith Housing Association
Scottish Enterprise
Edinburgh Tourism Action Group
Visit Scotland
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