

Report To: Policy and Resources Committee **Date:** 22 May 2018

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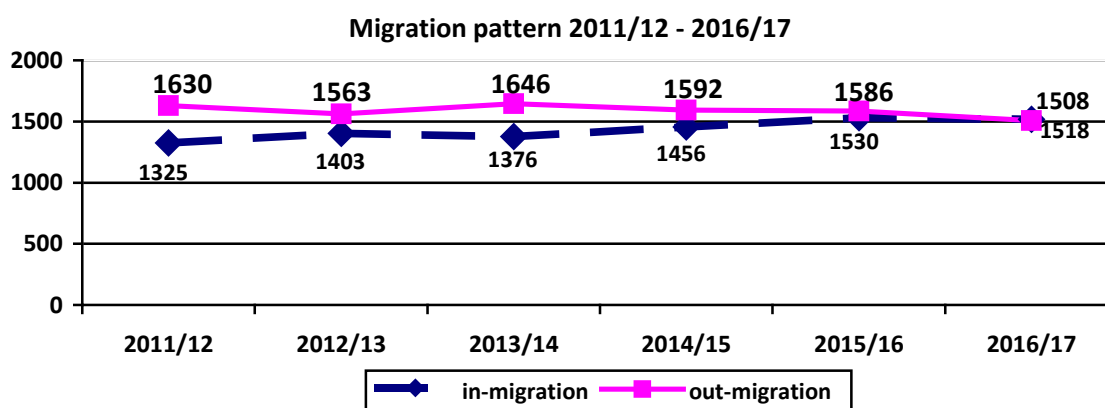
Subject: NRS mid-year population estimates (2017) and population projections (2016 based) for Inverclyde

1.0 PURPOSE

1.1 The purpose of this report is to provide the Policy and Resources Committee with details of the latest population projections published by the National Records of Scotland (NRS) on 28 March 2018 and the mid-year population estimates (2017) published on 20 April 2018.

2.0 SUMMARY

- 2.1 The population of Inverclyde as at 30 June 2017 was estimated to be 78,760. This is a -0.5% decrease compared to the 2016 mid-year population estimate (79,160). In contrast, Scotland's population is estimated to have increased by 0.37% between 2016 and 2017 to 5,424,800.
- 2.2 Inverclyde is one of 11 Council areas in Scotland to have had a decrease in population between mid-2016 and mid-2017. Shetland Islands and Aberdeen City both had similar population decreases to Inverclyde. Midlothian (+1.7%), City of Edinburgh (1.2%) and East Renfrewshire (1.0%) had the largest population increases in Scotland.
- 2.3 The population decrease in Inverclyde between mid-2016 and mid-2017 is largely attributable to natural change (-0.48%), with a far smaller proportion due to other changes (-0.02%). Scotland also suffered from negative natural change over the same period (-0.07%), but positive net migration (0.44%).
- 2.4 Encouragingly, for the first time, there has been a small population increase locally due to positive net migration. 1,518 people are estimated to have moved into the area with 1,508 people moving out (appendix 1). The graph below shows the positive trend in in-migration in recent years. This small increase (+10) however is offset by negative natural change (-382) and other changes (-28). Almost three quarters (73%) of in-migrants to Inverclyde have come from within Scotland. (appendix 2).



- 2.5 The birth rate in Inverclyde has slowly been declining for a number of years (from 857 in 2007 to 688 in 2017), while the death rate fluctuates (from a low of 937 to a high of 1070). Charts showing the birth and death rates and natural change for the last 10 years are set out in appendix 3.
- 2.6 Looking ahead, the NRS population projection report focuses on population estimates for the next 10 years to 2026. The 2016 based population projections have a different starting point to the last projections (2014 based) and are therefore not directly comparable. The change in methodology between the 2014 and 2016 projections has resulted in a +1% difference in Inverclyde's projected population by 2026. This means that, although Inverclyde's overall population is still projected to decline, the decline is not as great as set out in 2014 based estimates. It is worth noting that NRS changes in methodology between the 2012 and 2014 based population projections also meant that the rate of depopulation forecast in 2014 was not as severe as that projected in 2012. A comparison of Inverclyde's projected population between the NRS 2012, 2014 and 2016 based projections is provided in appendix 4.
- 2.7 It is estimated that Inverclyde's population will have fallen to 76,172 by 2026. This is a –3.8% decrease on the 2016 population and is the second largest projected population decrease of all Scottish councils. This is largely attributable to anticipated natural change, -3.4% and a small negative net migration, -0.2%. Inverclyde is one of only two councils, the other being Shetland Islands (-0.3%), projected to have a small decrease in net migration by 2026.
- 2.8 Scotland's population is projected to rise by 3% over the next 10 years from 5.4 million to 5.58 million. This increase is expected to be largely driven by migration. One quarter of Scottish councils however are expected to experience a population decrease by 2026 (appendix 5). The eight councils that are expected to experience a population decrease have arranged to meet to discuss how collectively they might influence national and local policy in this regard.
- 2.9 The age structure of Inverclyde and Scotland's population is projected to be different in 10 years time:
- The percentage of the population that are children aged 0 to 15 years is projected to fall by 6% in Inverclyde, compared to a 2% increase in Scotland,
 - The percentage of working age population is projected to fall by 5% in Inverclyde, compared to a 3% increase in Scotland,
 - The percentage of the population that is of pensionable age and over is projected to increase by 1% in Inverclyde, compared to a 5% increase in Scotland.
 - The percentage of the population that is aged 75 and over is projected to increase by 21%, compared to 27% in Scotland

A comparison of the change in age structure in Inverclyde compared to Scotland is provided in appendix 6.

- 2.10 Stemming and ultimately reversing population decline is a key policy issue for the Council and its partners involved in the regeneration of Inverclyde. As part of the Council's 2018/19 budget, £500,000 has been allocated to fund a Repopulation Strategy and action plan geared towards promoting repopulation measures to attract people to Inverclyde. Work around repopulation is primarily the responsibility of the Inverclyde Alliance Population Partnership (formerly the SOA Repopulation Outcome Delivery Group).

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee:

- Notes the publication of the NRS Population Projects for Scottish areas (2016 based) and that the population projections are less pessimistic than in previous years;

- Notes that the mid-year population estimates show a small positive increase in net-migration in 2017; and
- Remits it to the Inverclyde Alliance Population Partnership (formerly SOA Repopulation Outcome Delivery Group) to consider these latest population statistics and agree any additional actions in connection with these.

Grant McGovern

Head of Inclusive Education, Culture and Communities

4.0 BACKGROUND

- 4.1 Stemming and ultimately reversing population decline is a key policy issue for the Council and its partners involved in the regeneration of Inverclyde. As part of the Council's 2018/19 budget, £500,000 has been allocated to fund a Repopulation Strategy and action plan geared towards promoting repopulation measures to attract people to Inverclyde. Work around repopulation is primarily the responsibility of the Inverclyde Alliance Population Partnership (formerly the SOA Repopulation Outcome Delivery Group).
- 4.2 The National Registers of Scotland (NRS) is the responsible agency of the Scottish Government that handles all matters relating to population and household statistics, including the Census and mid-year estimates. On 28 March 2018 the National Records for Scotland (NRS) published 'Population Projections for Scottish area (2016 based)'. This was followed by the publication of 'Mid-Year Population Estimates Scotland, Mid 2017' on 20 April 2018.
- 4.3 Population estimates are based on the census and are updated annually to account for the population change in the period 1 July - 30 June. The two main contributors to population change are natural change (births minus deaths) and net migration (the difference between long term moves into and out of the UK or local areas). NRS also consider 'other changes' which are changes in the armed forces and prisoner populations and rounding adjustments.
- 4.4 In addition, every two years the Office of National Statistics (ONS), in consultation with NRS and the other constituent countries of the UK, produces a principal population projection and a number of variant projections based on alternative plausible assumptions of future fertility, mortality and migration, at a national level for the UK and its constituent countries.
- 4.5 The census and associated population measures have a significant bearing on a number of strategic issues most notably Government Funding and Housing / Planning Policy Development. Projections are also used as a framework for resource allocation and local planning in areas such as education and health.
- 4.6 When considering these projections it is important to note some key limitations:
- A projection is a calculation showing what happens under certain assumptions about future fertility, mortality and migration.
 - Assumptions are based on past trends and do not take into account any future changes that may occur as a result of policy initiatives, but may reflect the past impact of policy and economic changes.

5.0 INVERCLYDE MID YEAR POPULATION ESTIMATE (30 JUNE 2017)

- 5.1 As at 30 June 2017, the population of Inverclyde was estimated to be 78,760, this is a -0.5% decrease compared to the 2016 mid-year population estimate, 79,160.
- 5.2 Inverclyde is one of 11 Council areas in Scotland to have had a decrease in population between mid-2016 and mid-2017. Shetland Islands and Aberdeen City both had similar population decreases to Inverclyde.
- 5.3 The population decrease in Inverclyde between mid-2016 and mid-2017 is largely attributable to natural change (-0.48%), with 688 births compared to 1,070 deaths. A far smaller proportion is due to other changes (-0.02%). 'Other changes' includes changes in the number of prisoners or armed forces populations.
- 5.4 Encouragingly, for the first time, Inverclyde had a small population increase due to net migration (+10). 1,518 people moved into the area and 1,508 people moved out (appendix 1). This however was offset by negative natural change (-382) and other changes (-28). The majority of in-migrants (73%) to Inverclyde have come from within Scotland (appendix 2).

- 5.5 The birth rate in Inverclyde has slowly been declining for a number of years (from 857 in 2007 to 688 in 2017), while the death rate fluctuates (from a low of 937 to a high of 1070). Charts showing the birth and death rates and natural change for the last 10 years are set out in appendix 3.
- 5.6 The age structure of Inverclyde's population in mid-2017 broadly reflects the national picture:
- 16% of the population is aged under 16 years (Scotland, 17%)
 - 63% of the population is aged 16-64 years (Scotland, 64%)
 - 21% of the population is aged 65 years and over (Scotland, 19%)

6.0 POPULATION PROJECTIONS FOR INVERCLYDE (2016 BASED)

- 6.1 On 28 March 2018 the National Records for Scotland (NRS) published 'Population projections for Scottish area (2016 based)'. The report focuses the population estimates for the next 10 years to 2026. NRS have also published online population projections for the next 25 years (to 2041), but advise that projections this far ahead becomes increasingly uncertain.
- 6.2 It should be noted that the 2016 based population projections have a different starting point to the last projections (2014 based) and therefore are not directly comparable. There are also differences between the two sets of projections due to changes in fertility, mortality and migration assumptions. As a result of these changes, there is a +1% difference in Inverclyde's projected population by 2026 between the 2014 based and 2016 based projections. This means that, although the overall population is still projected to decline, the decline is not as great as projected in 2014 based estimates. It is worth noting that NRS changes in methodology between the 2012 and 2014 based population projections, meant that the rate of depopulation forecast in 2014 was also not as severe as that projected in 2012. The Council had approached NRS about the overly pessimistic projections in the past and the changes to methodology which seem to reflect the true situation better is welcomed. A comparison of Inverclyde's projected population between the NRS 2012, 2014 and 2016 based projections is provided in appendix 4.
- 6.3 It is estimated that the population of Inverclyde will have fallen to 76,172 by 2026. This is a -3.8% decrease on the 2016 population and the second largest projected decrease in Scotland, with Na-h Eileanan Siar having the largest decrease, -4.8% (appendix 5). This is largely attributable to anticipated natural change, i.e. more deaths than births. Over the period 2016-2026 it is estimated that there will be 7,119 births in Inverclyde compared to 9,786 deaths.
- 6.4 A far smaller proportion of the anticipated population change is due to negative net migration (-0.2%). Between 2016 and 2026 it is projected that Inverclyde will suffer from a negative net migration of -141. Inverclyde is one of only two councils, the other being Shetland Islands (-0.3%), projected to have a small decrease in net migration.
- 6.5 The age structure of Inverclyde's population in 10 years' time is projected to change:
- The percentage of the population that are children aged 0 to 15 years is projected to fall by 6%
 - The percentage of working age population is projected to fall by 5%
 - The percentage of the population that is pensionable age and over is projected to increase by 1%
 - The most significant population increase in Inverclyde is projected for the age group 75 and over, with an estimated increase of 21% by 2026

Clearly, this will have a significant impact on the public sector services most frequently used by this section of the population such as Health and Social Care. Appendix 6 shows how the change in age structure of Inverclyde's population compares to Scotland over the same period.

- 6.6 Male life expectancy in Inverclyde is expected to increase from 75.7 years in 2016/17 to 78.1 years in 2025/26. Life expectancy for males remains below the Scottish average, 79.4 years.
- 6.7 Female life expectancy in Inverclyde is expected to increase from 80.7 years in 2016/17 to 82.3

years in 2025/26. This is close to the Scottish average, 82.7 years.

7.0 NATIONAL POPULATION CHANGES

Mid-2017 estimates

- 7.1 Scotland's estimated mid-2017 population was 5,424,800. Between mid-2016 and mid-2017 Scotland's population increased by 20,100 people (0.37%). This increase has been driven by positive net migration, which despite being 25% lower than in the previous year, still saw 23,900 more people arriving in Scotland than leaving (0.44%). In contrast, Scotland has negative natural change (-0.07%) with 3,800 more deaths than births over the same period.
- 7.2 The population has increased in 21 Council areas across Scotland while 11 council areas have experienced a population decrease in the year to mid-2017.

Population projections

- 7.3 Scotland's population is projected to rise by 3% over the next 10 years from 5.4 million to 5.58 million. This increase however is not projected to occur across all areas of Scotland and a quarter of councils are expected to experience a population decrease by 2026. The eight councils that are expected to experience a population decrease have arranged to meet to discuss how collectively they might influence national and local policy.
- 7.4 The council areas projected to show the largest relative increases over this period are Midlothian (+13%), East Lothian (+9%) City of Edinburgh (+8%) and East Renfrewshire (+9%). Migration is driving the projected increases in population in most areas, with the exception of Inverclyde and Shetland. 10 councils are projected to have a population increase due to natural change whilst the remaining 22 are expected to experience negative natural change.
- 7.5 The areas projected to decrease in population are all concentrated in the west of Scotland. The largest relative population decreases are projected in Na h-Eileanan Siar (-4.8%), Inverclyde (-3.8%) and Argyll and Bute (-3.4%).
- 7.6 The population aged 75 and over is projected to increase in all council areas between 2016 and 2026. 29 out of the 32 council areas are also projected to experience an increase in their population of pensionable age and over.
- 7.7 Most areas are projected to see an increase in their working age population, with 21 of 32 council areas in this category. Parts of the west of Scotland and Scotland's island councils are projected to have a smaller working age population in 10 years' time.
- 7.8 Life expectancy is expected to increase in all areas of Scotland for both males and females.

8.0 OUTLOOK

- 8.1 Inverclyde Council welcomes the development of improved methodology for predicting migration in Scotland, and the recalculation of the population projections for Inverclyde. This will have a positive impact on the Council's Grant Aided Expenditure settlement and the allocation of other resources as well as local planning in a number of different areas such as education and health, for environmental scanning and for land-use and transport models.
- 8.2 The projections highlight potential future resource pressures on services used by populations over 75 years of age as this proportion of the population is expected to increase significantly.
- 8.3 As noted in paragraph 4.6, population projections have limitations. Many social and economic factors influence population change, including policies adopted by both central and local government. It is hoped that the work on delivering positive outcomes for the people of Inverclyde, coupled with the work being carried led by the Population Partnership to raise the profile of Inverclyde will have a positive impact on future migration and natural change and

encourage more people to come and live here.

9.0 IMPLICATIONS

9.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
n/a					

Financial Implications - Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
n/a					

9.2 Human Resources: none at present

9.3 Legal: none at present

9.4 Equalities: The population projections highlight a rise in an elderly population going forward which has implications for the Council in regard to the protected characteristic of age. Services are aware of this predicted increase and work such as reshaping care for elderly people will have a positive impact on the services older people receive.

9.5 Repopulation: The adjusted population projections confirm that previous predictions were unduly pessimistic. However, Inverclyde's population is still predicted to fall, and a continuing focus on making Inverclyde an attractive place to live is required. This work will be taken forward by the Population Partnership.

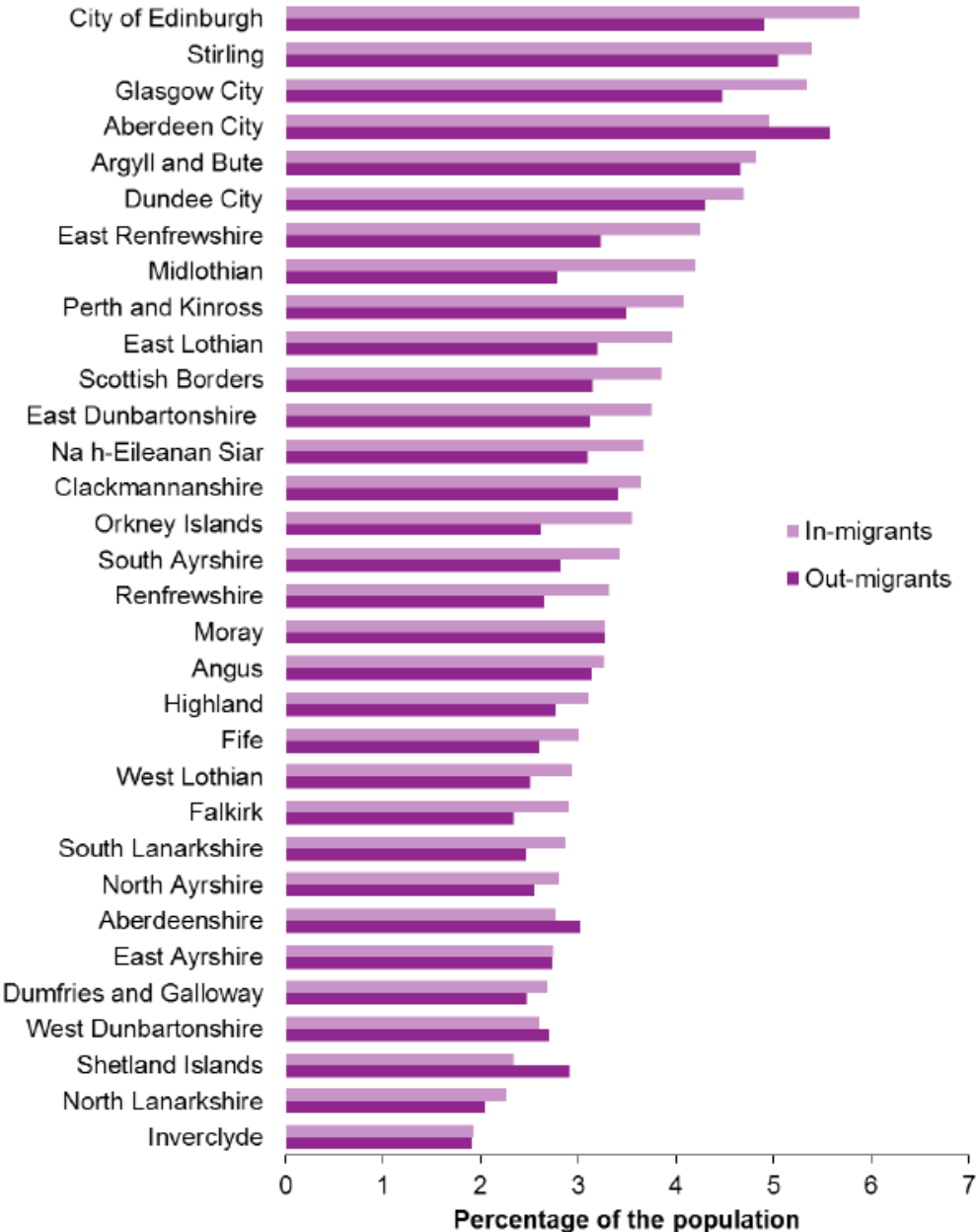
10.0 CONSULTATION

10.1 None

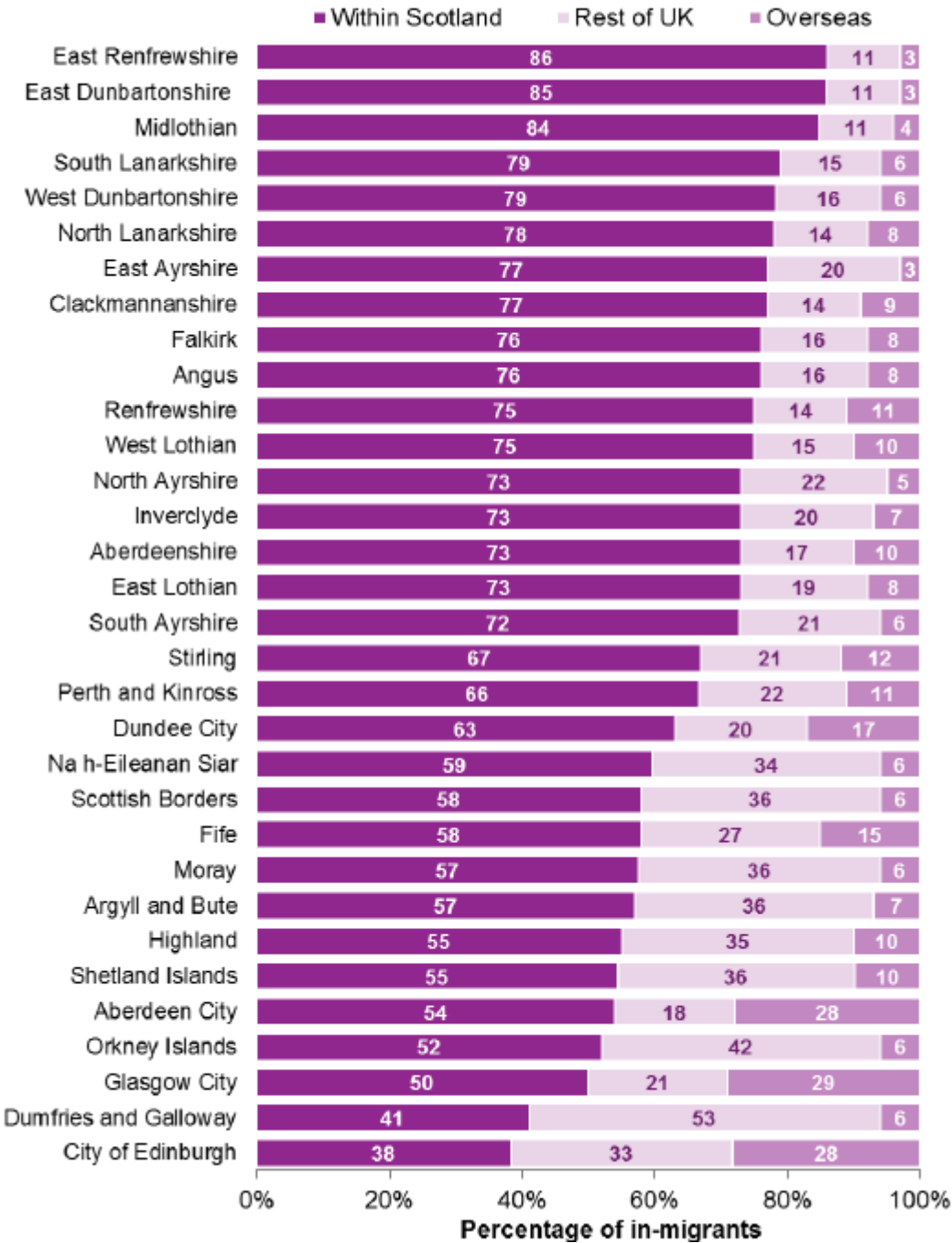
11.0 LIST OF BACKGROUND PAPERS

11.1 None

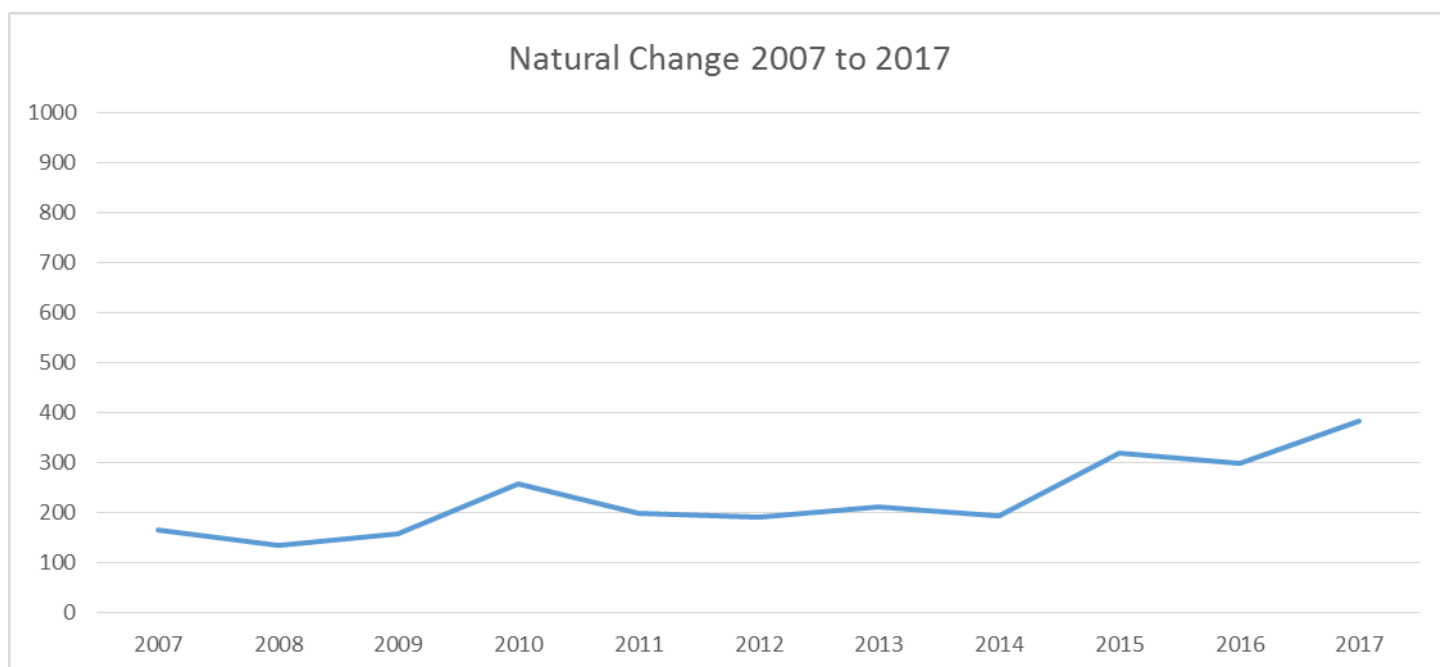
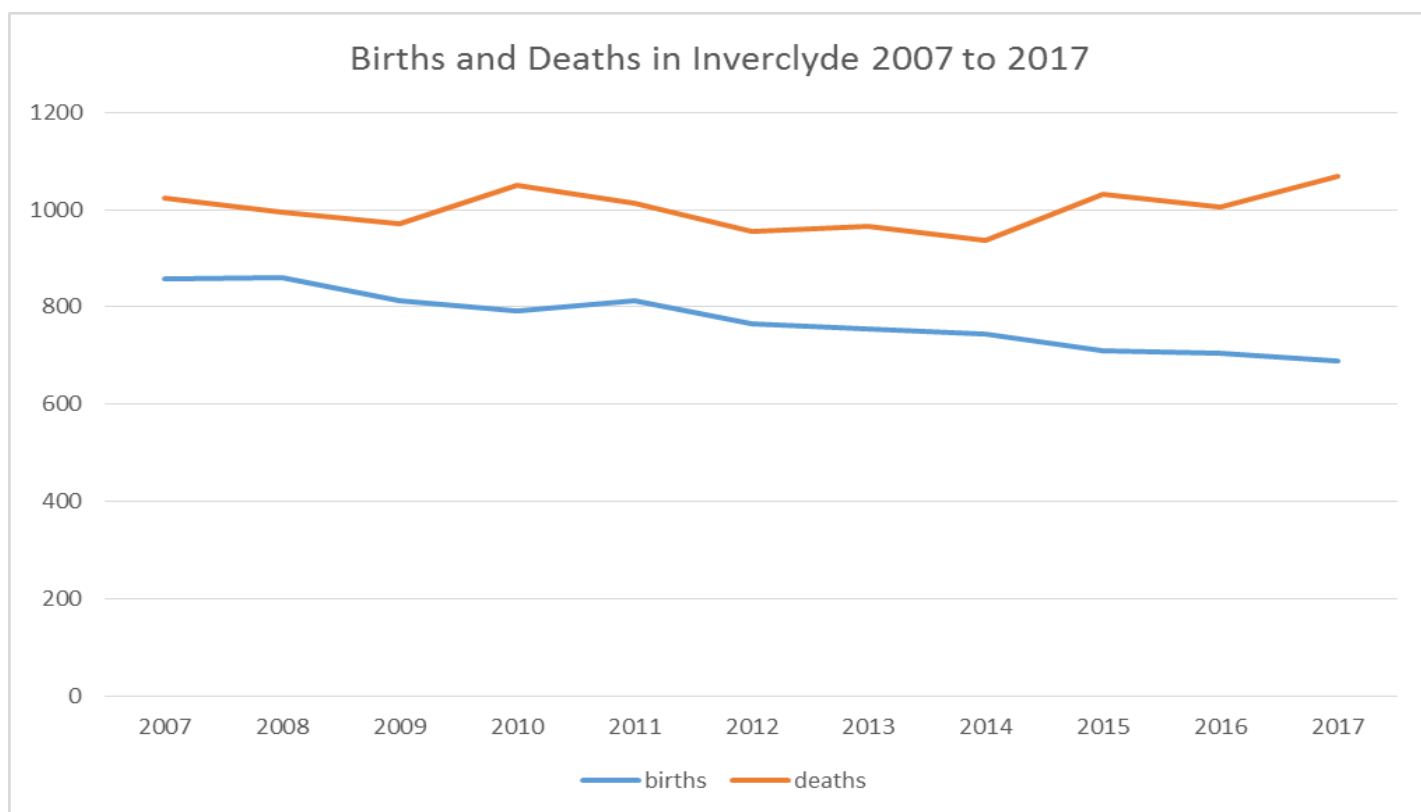
In and out migration from mid-2016 to mid-2017 as a percentage of the population by council area



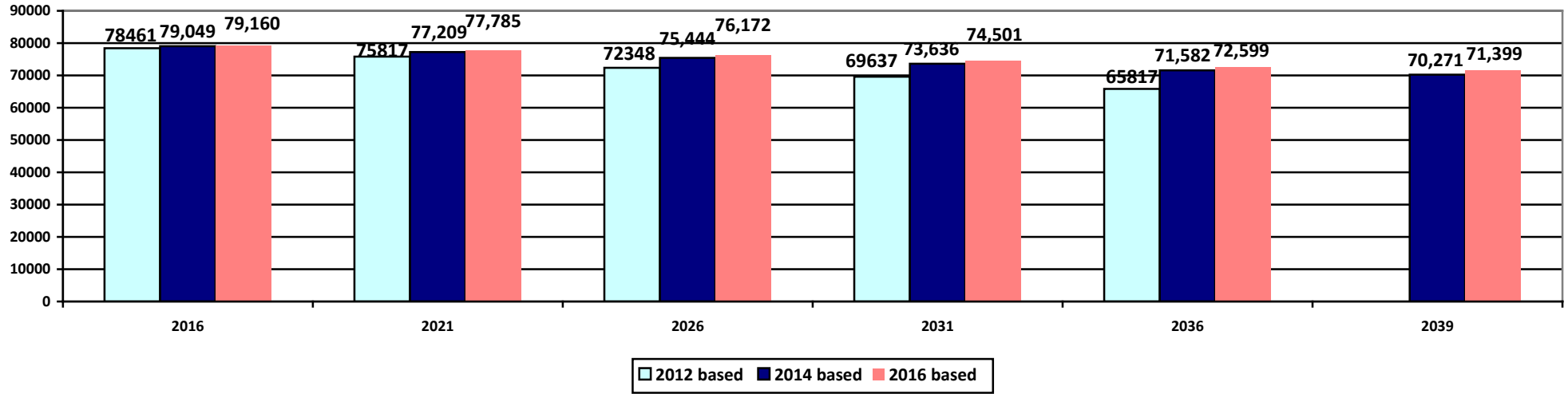
Origin of in-migrants by council areas mid-2016 to mid-2017



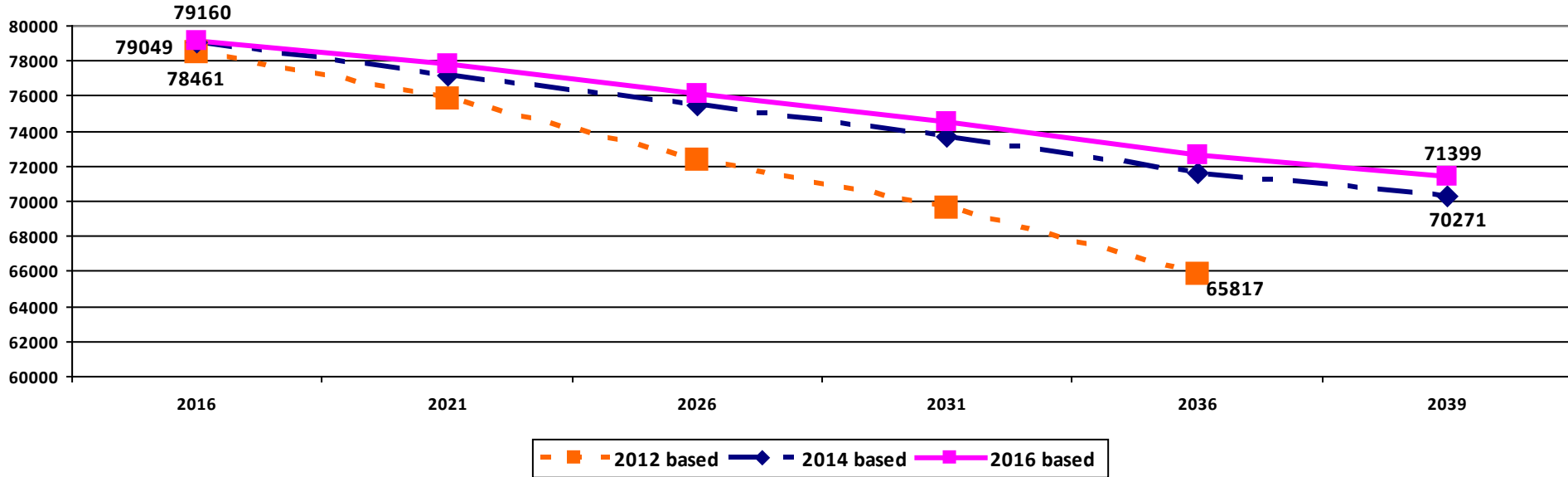
Birth and Death Rates and Natural Change



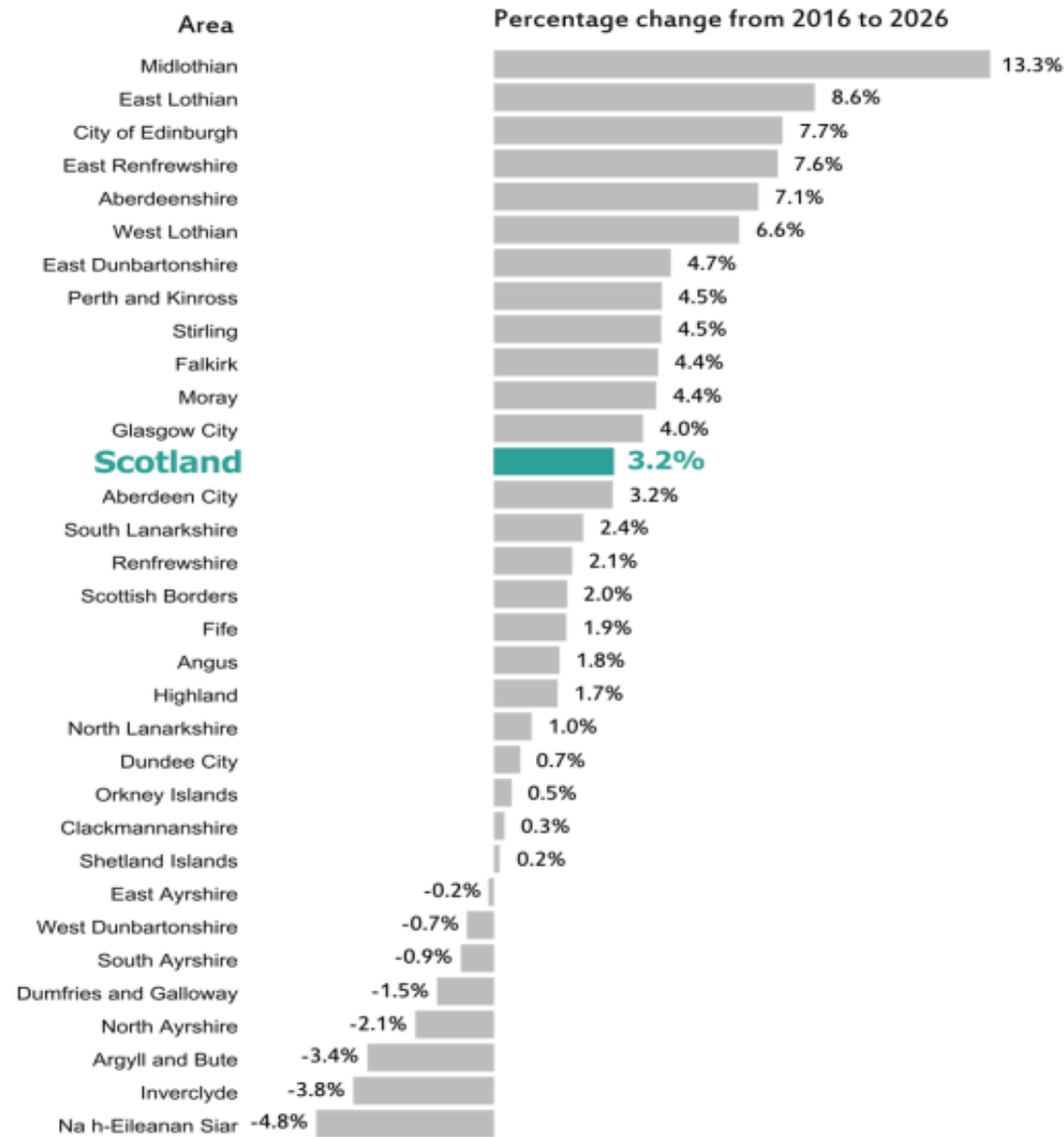
Comparison between NRS 2012, 2014 and 2016 based population projections for Inverclyde



(n.b. 2012 population projections forecast to 2037 only)



Projected % change in population for all Scottish areas 2016 to 2026



% projected change in population by 2026 (selected ages) Inverclyde and Scotland

