

Agenda Item 4b. NRS' 2012-based population projections for Argyll and Bute

1. Summary

- 1.1 NRS published 2012-based population projections for sub-national areas on 14 May 2014.
- 1.2 The 2012-based population projections indicate that, within Argyll and Bute, there will be:
 - A decrease in the total population of 13.5% over the 25 year projection period (2012 to 2037)
 - A decrease of 18% in the number of 0 to 15 year olds
 - A decrease of 22% in the number of working-age people. This figure takes account of changes in pensionable age.
 - An increase of 8% in the number of people of pensionable age. This figure takes account of changes in pensionable age.
 - An increase of 73% in the population aged 75 and over.
- 1.3 The decline in Argyll and Bute's total population is driven by two trends. First, numbers of deaths are projected to be than numbers of births. Second, the projections assume that there will be net outmigration throughout the projection period.
- 1.4 The NRS's 2006-based, 2008-based and 2010-based population projections also indicated a decrease in Argyll and Bute's population, albeit of a less extreme nature. The main reason for the differences between the three sets of projections is that assumptions about future net migration flows have changed over time. The rebasing of the population estimates in line with the 2011 Census has also had an impact on the projections.

2. Recommendations

- 2.1 It is recommended that the CPP Management Committee note the population projections, and consider what implications these might have for service planning, particularly in the middle- to long- term.

3. Detail

3.1 Context

- 3.1.1 NRS produces sub-national population projections every two years. NRS's sub-national projections provide estimates of the future population for local authorities and health boards.
- 3.1.2 The latest sets of sub-national projections, published on 14 May 2014, are based on the 2012-based Mid-Year Estimates, published on 8 August 2013.
- 3.1.3 In order to make the projections, assumptions have to be made about:
- Future fertility rates
 - Future mortality rates
 - Migration.
- 3.1.4 Assumptions are based on past trends, projecting them forward into the future, year by year. Of the three components of change, the hardest to predict is migration.
- 3.1.5 Projections make no allowance for the impact of policies or any exceptional socio-economic changes that might affect future populations. Indeed, any policies that are developed **in response** to issues raised by projections may, if successful, change patterns of population growth away from those projected.
- 3.1.6 Population projections should, therefore, be seen as indicators of change rather than as definitive predictions.

3.2 Changes across Scotland

- 3.2.1 Over the period 2012 to 2037, the total population of Scotland is projected to increase by 9%, from 5.31 million to 5.78 million. However, the NRS sub-national projections indicate that there will be regional variations across the country. Of the 32 Scottish Local Authorities, 20 are expected to show population growth and 12 – including Argyll and Bute – are expected to experience population decline.
- 3.2.2 Argyll and Bute has the second largest projected population decrease of all Scottish local authorities, after Inverclyde (where the population is projected to decrease by 19.4% over the projection period).
- 3.2.3 Argyll and Bute is one of five local authorities that have projected decreases in population driven by both natural change and outmigration.
- 3.2.4 Table 1 shows how the components of change within Argyll and Bute compare with those of the other Scottish local authorities.

Table 1: Components of population change

Area	Natural change Projected natural change between 2012 and 2037 per 100 population at 2012	Net migration Projected change due to migration between 2012 and 2037 per 100 population at 2012	Percentage projected population change
Inverclyde	-9.7	-9.7	-19.4
Argyll and Bute	-10.4	-3.1	-13.5
Eilean Siar	-14.2	3.4	-10.8
North Ayrshire	-6.0	-2.8	-8.8
West Dunbartonshire	-2.5	-5.5	-8.1
East Dunbartonshire	-4.4	-2.4	-6.8
Dumfries and Galloway	-7.6	1.5	-6.1
South Ayrshire	-8.8	6.4	-2.4
Clackmannanshire	0.0	-2.4	-2.4
Moray	-2.2	0.0	-2.2
Angus	-5.0	4.2	-0.8
East Ayrshire	-2.6	2.0	-0.6
Scottish Borders	-6.5	6.5	0.0
North Lanarkshire	1.3	-1.2	0.1
Renfrewshire	-0.8	1.4	0.6
South Lanarkshire	-1.2	3.5	2.3
East Renfrewshire	0.9	2.7	3.7
Highland	-2.8	7.4	4.5
Orkney Islands	-4.9	10.5	5.5
Shetland Islands	3.0	5.4	8.3
Fife	1.7	7.0	8.7
SCOTLAND	1.6	7.2	8.8
Falkirk	2.5	7.9	10.4
West Lothian	9.1	2.7	11.7
Glasgow City	7.5	7.6	15.1
Dundee City	6.4	9.2	15.6
Stirling	2.9	13.4	16.3
Aberdeenshire	5.2	12.2	17.3
Midlothian	5.9	11.7	17.6
East Lothian	6.0	17.4	23.3
Perth and Kinross	1.4	22.7	24.2
Edinburgh, City of	8.3	20.0	28.2
Aberdeen City	9.2	19.2	28.4

3.3 Population projections for Argyll and Bute

3.3.1 NRS has assumed for the latest set of projections that there will be, throughout the twenty-five year projection period, net outmigration from Argyll and Bute. This, combined with a higher number of predicted deaths than births, means that the population for Argyll and Bute is projected to decline.

3.3.2 The projected changes in Argyll and Bute's population are shown in figure 1 and tables 2 and 3.

3.3.3 As well as absolute population numbers in Argyll and Bute falling from 86,900 to 75,812 over the projection period, a decrease of 13.5%, the age profile of the population is expected to change. All age groups up to 64 years are expected to decline in numbers. The only age groups wherein the population is projected to be larger in 2037 than in 2012 are those aged 65-74 and older. The increase in people aged 75 and over (72.7%) is particularly notable.

Figure 1: Population pyramid 2012 and 2037

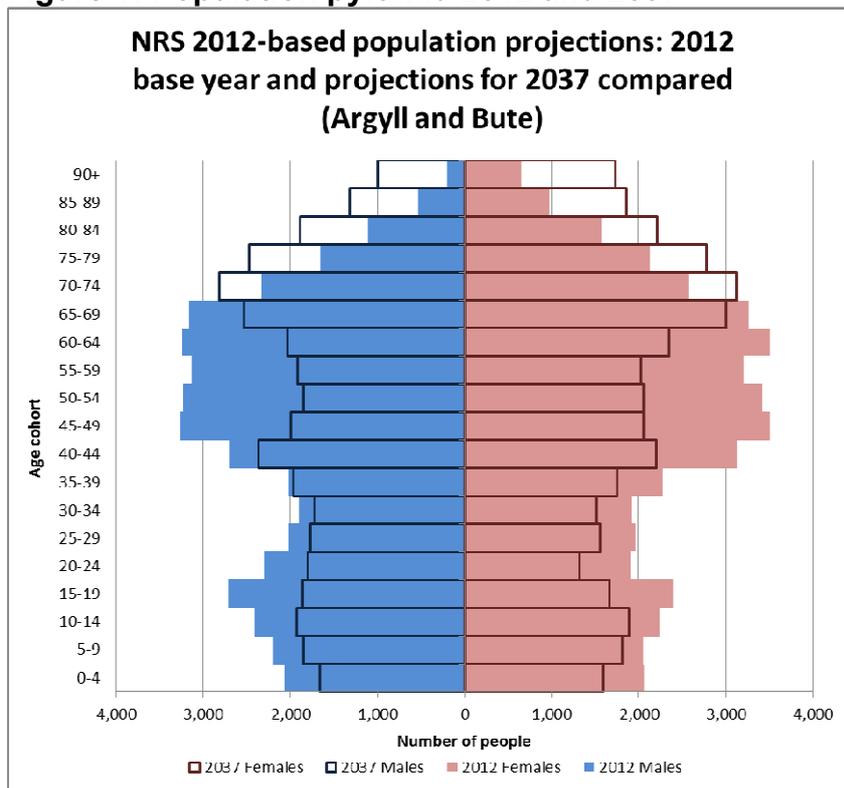


Table 2: Projected age profile of Argyll and Bute's population (selected years) (Population in thousands)

Age group	2012	2017	2022	2027	2032	2037	Percentage change within age cohort (2012 to 2037)
All ages	86.9	84.7	82.8	80.7	78.2	75.2	-13.5%
0-15	14.1	13.1	12.7	12.3	12.0	11.5	-18.3%
16-29	12.2	12.2	11.5	10.2	9.5	9.2	-25.0%
30-49	20.7	17.8	16.0	16.3	16.2	15.6	-24.8%
50-64	19.7	19.5	18.9	16.6	13.9	12.2	-38.1%
65-74	11.3	12.3	11.9	11.8	12.2	11.5	+1.3%
75+	8.8	9.9	11.7	13.4	14.3	15.2	+72.7%

**Table 3: Projected age profile of Argyll and Bute’s population (selected years)
(Percentage of population)**

Age group	2012	2017	2022	2027	2032	2037
0-15	16.2%	15.4%	15.3%	15.3%	15.4%	15.3%
16-29	14.1%	14.4%	13.9%	12.7%	12.2%	12.2%
30-49	23.8%	21.0%	19.4%	20.2%	20.7%	20.7%
50-64	22.7%	23.0%	22.8%	20.6%	17.8%	16.2%
65-74	13.0%	14.5%	14.3%	14.6%	15.6%	15.3%
75+	10.2%	11.7%	14.2%	16.6%	18.3%	20.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

3.4 Comparisons between NRS’ 2010-based and NRS’ 2012-based population projections

3.4.1 The NRS 2010-based population projections (published in February 2012) suggested that, over their projection period (2010-2035), the population of Argyll and Bute would decline by 7.2%. The 2012-based population projections suggest a total population decline of 13% between 2012 and 2037. (See figure 2.)

3.4.2 Figure 3 shows how the population profiles produced by the 2010-based and 2012-based population projections compare. Although the projected number of people aged 55 and over is broadly similar in the two sets of projections, all younger age cohorts are smaller in the 2012-based projections than in the 2010-based ones.

Figure 2:

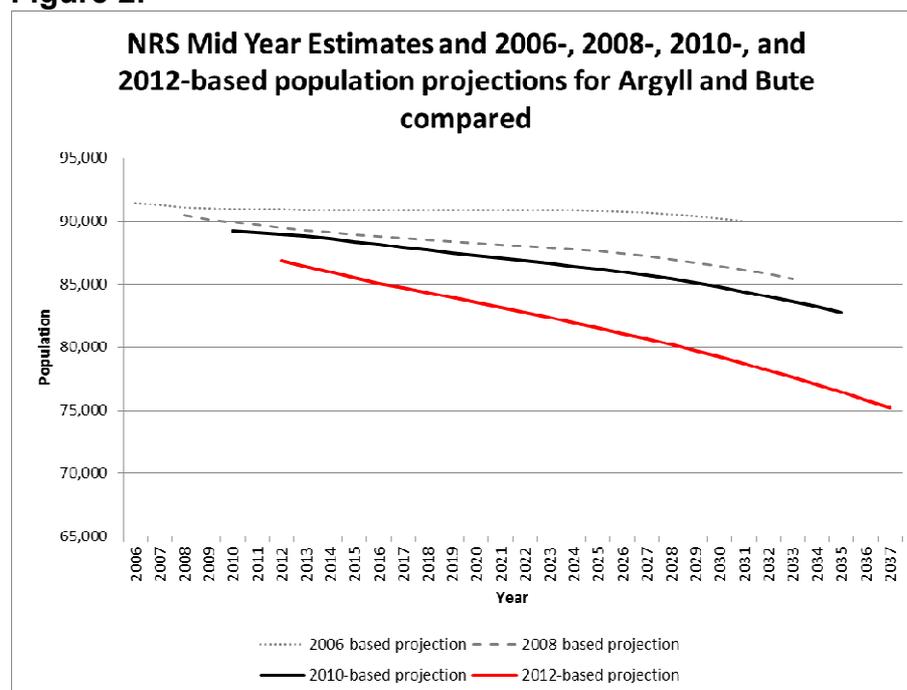
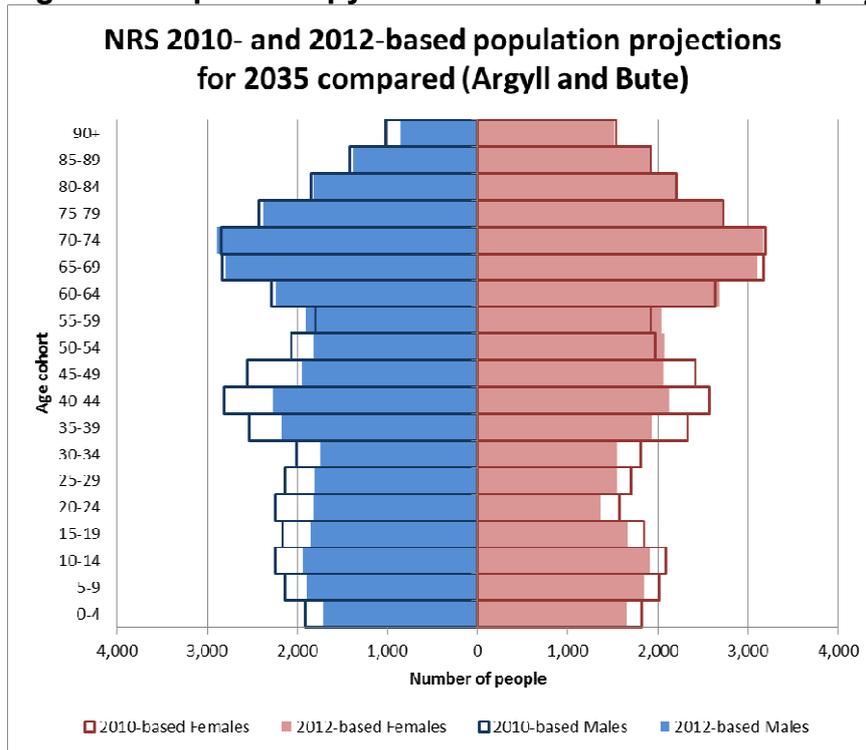


Figure 3: Population pyramid: 2010- and 2012-based projections compared



3.5 Changing migration assumptions

3.5.1 In the past, Argyll and Bute's population decline has been mitigated by net in-migration. However, migration assumptions for each the last four sets of population projections (2006-, 2008-, 2010-, and 2012-based) have been revised downwards. Thus, the projected decline has become more pronounced with each set of projections.

3.5.2 The migration assumptions used in the 2012-based projections assume that there will be net-outmigration from the area throughout the projection period (of 150 people per year until 2015-16 and of 100 people per year thereafter).

3.5.3 Past trends suggest that migration flows to and from Argyll and Bute are characterised by net in-migration from the rest of the UK and net outmigration to the rest of Scotland. There are indications that the outmigration flows to the rest of Scotland have been increasing over time (see table 4).

Table 4: Changing trends in migration to / from Argyll and Bute

Years	Migration from outwith Scotland (per 1,000 persons in base year of projection)	Migration within Scotland (per 1,000 persons in base year of projection)
2001-2006	+2.64	-0.17
2003-2008	+4.97	-0.99
2005-2010	+3.50	-2.40
2007-2012	+3.20	-2.50

(Source: NRS 2006-based, 2008-based, 2010-based and 2012 based population projections)

3.5.4 Moreover, the future migration assumptions seem to have been strongly influenced by a net outmigration flow (of all migrants) from the area of -236 in the year 2011/12.

3.6 Variant projections

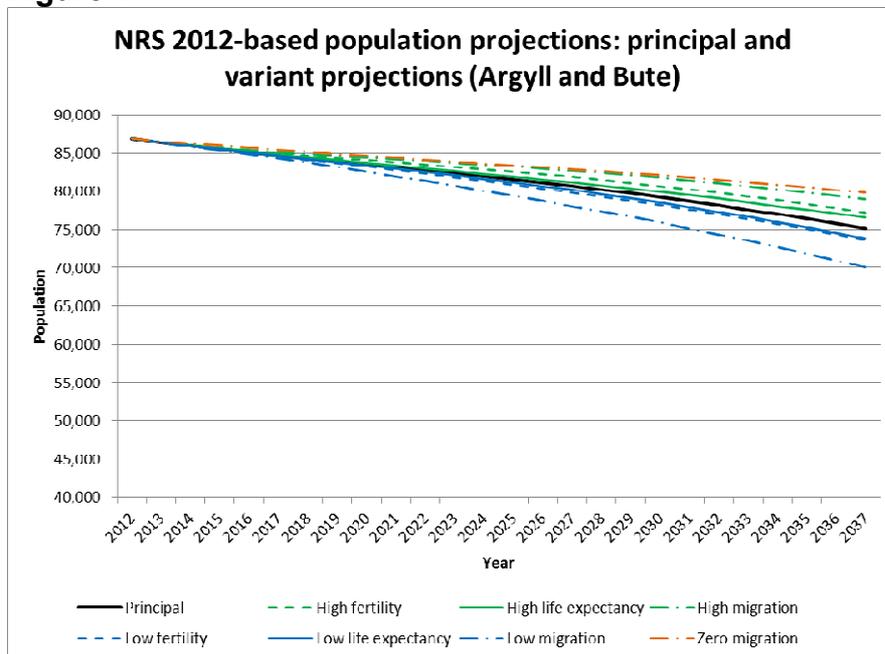
3.6.1 NRS has published seven variant population projections for local authority areas alongside the principal projections that have been the focus of this report.

3.6.2 The principal projections use assumptions about fertility, mortality and migration which NRS think are most likely to occur over the next 25 years.

3.6.3 The variant projections (see figure 4) are not intended to indicate maximum or minimum amounts of population growth / decline. Rather, they provide alternative, plausible assumptions of what might happen in an area. The following variant projections have been produced:

- High and low migration variants
- High and low life expectancy
- High and low fertility
- Zero migration (or, natural change) projection.

Figure 4



3.6.4 All the variant projections for Argyll and Bute indicate a decreasing population over the projections period.

4. Conclusion

- 4.1 The population of Argyll and Bute is projected to decline over the period 2012 to 2037. This is because the number of deaths will exceed the number of births over this period and because the projections assume net outmigration from the area throughout the projection period.
- 4.2 The 2012-based population projections indicate that, within Argyll and Bute, there will be:
- A decrease in the total population of 13.5% over the 25 year projection period (2012 to 2037)
 - A decrease of 18% in the number of 0 to 15 year olds
 - A decrease of 22% in the number of working-age people. This figure takes account of changes in pensionable age.
 - An increase of 8% in the number of people of pensionable age. This figure takes account of changes in pensionable age.
 - An increase of 73% in the population aged 75 and over.
- 4.3 Only Inverclyde has a projected percentage decrease in population greater than that suggested for Argyll and Bute.
- 4.4 Population projections should be seen as indicators of change rather than as definitive predictions.

Reference:

NRS (2014) Population Projections for Scottish Areas (2012-based) <http://www.gro-scotland.gov.uk/statistics/theme/population/projections/sub-national/2012-based/index.html> (Accessed May 2014)

IMPLICATIONS

POLICY: None

FINANCIAL: The trend of a decreasing population over time may have budget implications, particularly as other areas of Scotland will see their populations grow over the same period.

LEGAL: None

HR: None

EQUALITIES: None

RISK: The CPP will not be able to achieve the SOA outcome of 'Argyll and Bute's economy is based on a growing population'.

CUSTOMER SERVICE: None

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