

BRIEFING

Navigating Demographic Change

How local government is responding to Scotland's changing population



Contents

Introduction
Context
How is the Scottish population changing?
How does this impact services?
What are the implications for inequalities and health?
How are local authorities planning?
Mitigation
Adaptation
Rural population decline
Urban population growth
National and regional strategies and policies 11
International examples and case studies13
National responses to ageing
Japan
Portugal
Finland
Rest of the UK
What next?
Competitive migration
Local funding and autonomy
Sustainable growth
Opportunities
Key messages
Further information and resources
References

Introduction

Scotland's population is changing. Most notably, our population is rapidly becoming older, and this, together with changes across all age groups, will have a huge impact on all spheres of government. Over the coming years, these changes will create new pressures and changing demands on public services, particularly in terms of how these are designed and delivered, as well as the finances we have available to fund them.

The services provided by local government in Scotland are likely to face some of the biggest impacts, and local authorities are key actors in developing plans that allow us to capitalise on the opportunities and to mitigate the challenges these changes pose.

Although local authorities are taking steps to respond to the individual challenges in their

own areas, there is value from taking a national view on what is happening. This report provides that national picture, highlighting the common challenges to service delivery, capturing good practice from across Scotland's local authorities and regional partnerships, and pointing to examples of practice from across the world, where many countries and local authorities are facing the same demographic transformation. The purpose of this briefing is therefore to describe the current position in relation to Scotland's changing demographic including:

- outlining the impact on public services,
- highlighting what actions are already being taken by local government and the Scottish Government, and
- identifying examples of good practice aimed at informing future action.



Context

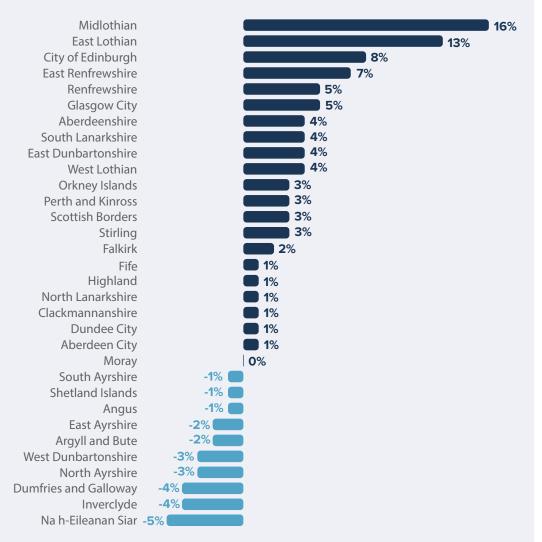
How is the Scottish population changing?

The latest Census figures show that whilst the Scottish population has grown between 2011 and 2022, this was at a slower rate than the previous decade, slower than elsewhere in the UK, and was driven by inward migration into Scotland.¹ Projections also show that Scotland's population could start to decline from the middle of the 2030s.²

The population is also becoming increasingly older. Within the latest Census the population aged 65 and above was at its highest ever level. This trend, in combination with a reduction in the size of the under 15 age group, means that older people aged 65 and over make up an increasingly large proportion of the Scottish population. Drivers of these trends include people born in the post-war baby boom getting older, the number of births dropping since the 1960s, and people living longer.

Whilst overall the population across Scotland is ageing and showing slow growth, this varies between local authority areas. The graphs in this section show the changes in overall population size and the breakdown by age group across local authorities. While most areas saw a population increase, predominately those in the central belt, many areas are experiencing population decline. The age structure varies considerably as well, with cities often having a younger demographic than other areas. There are many factors that influence the migration flows and balance of births and deaths that produce these differences. These include availability of housing, cost of living, employment opportunities, environment, education and childcare facilities, and so on.

% change in population 2011-2022



How does this impact services?

Changing demographics in Scotland have implications for how national and local services are funded and delivered. The Accounts Commission have repeatedly highlighted how the changing structure of the Scottish population is likely to impact both the needs for and demands of many local authority services.³ This concern is echoed by senior local authority figures, who recognise that the increasing proportion of older people increases demand for health and social care services, putting pressure on already stretched budgets.⁴

Working age people are also likely to make up a smaller proportion of the population in future, impacting tax revenue and potentially widening the gap between spending and revenue. This reduced tax revenue is a concern, but the relative size of the working age population is also declining at a faster rate in Scotland than elsewhere in the UK. This is likely to impact the Barnett Formula and Block Grant Adjustments which the Scottish Government budget, and consequently Local Government, depend on.⁵



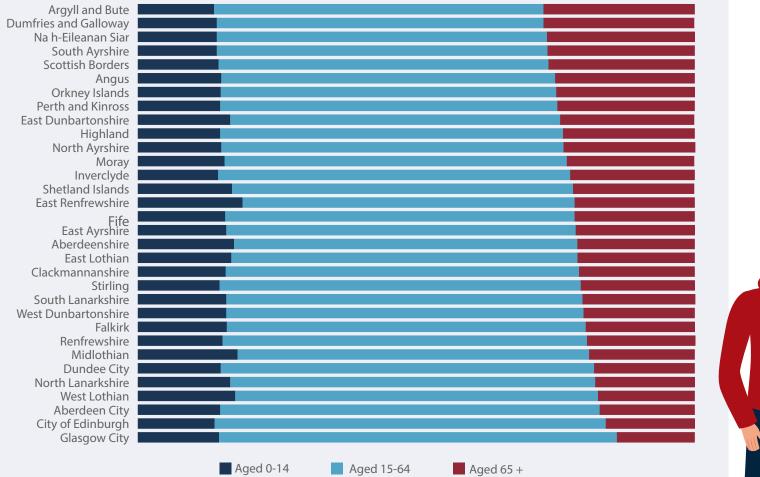
What are the implications for inequalities and health?

The increasing older population may also lead to rising inequalities, particularly in relation to health. Whilst life expectancy has risen, the same is not true for healthy life expectancy. This means that people in Scotland are likely to experience more years living in poor health.⁶ This is especially true in areas of higher deprivation, where healthy life expectancy is almost 24 years lower than in the least deprived areas.⁷

The comorbidity of diseases also increases with age, meaning people are more likely to live with complex conditions that require greater care.⁸ Preventative approaches, focused on reducing inequalities, are needed to avoid an overwhelming burden of disease⁹ and reduce pressure on the NHS. These approaches could also support continued participation in the workforce amongst older people, as well as supporting people to remain active and engaged within their communities.

There are likely to be implications for inequalities for other age groups too. As the population ages, more expenditure will be required to deliver services for older people. This could have knock on effects for services for children and young people, especially as the size of these younger age groups is likely to decrease, reducing demand for those services. These shifting demands are likely to mean funding models need to change to reflect this. It will be vital to consider the impact on child poverty and other inequalities as this change takes place.

Proportion of 2022 population by age group





How are local authorities planning?

Local authorities are already aware of the changes to population within their own areas and have many plans and strategies in place that seek to address the challenges.

Local Outcome Improvement Plans (LOIP) and Local Development Plans (LDP) produced by local authorities and their partners, for example, demonstrate how they are understanding and responding to the challenges posed by demographic change. Whilst each local authority has its own unique challenges, there is a shared focus on promoting sustainable populations with adequate housing and services to provide for this, and a common recognition of the issues an ageing population can produce. Some local authorities face these changes in the context of fragile and declining populations, whilst others face it in conjunction with population growth and an associated demand for services. In any case, strategies typically note the need for both mitigation of demographic change and adaptation to what future populations will look like. The following section highlights some examples of good practice across LOIPs and LDPs.

Mitigation

Strategies focused on attracting and retaining a greater working age population to alleviate some of the potential pressures faced by an increasing older population.

Many local authorities are prioritising actions that aim to achieve a more balanced demographic composition within their population, usually by attracting more working age people. Actions that can support this aim include:

Improving the quality and stock of available

housing: Housing is described by several local authorities as both a necessity for accommodating the changing population as well as a potential driver in attracting new people to the area. Several plans prioritise the local authority's role in new affordable housing developments.



Clackmannanshire's LDP notes planning a "housing led economic regeneration"¹⁰ and Argyll and Bute's LDP plans to identify effective housing land supply for up to 10 years and thereafter maintain a 5-year effective supply.¹¹ Several local authorities, including Argyll and Bute Council, have declared a housing emergency, highlighting the enormous strain their housing services are under. Considering the role that housing plays in building sustainable populations and attracting people to an area, it will be crucial to ensure that local authorities receive the support they need to supply good quality housing.

Promoting and providing good employment

opportunities: Local authorities highlight their role in improving job opportunities through identifying land for business use, supporting key growth sectors and investing in skills and education opportunities. Inverclyde's LDP identifies over 20 hectares of land for new industrial and business development and highlights the need to improve the overall image of the area to attract private sector businesses and investment.¹² Argyll and Bute's LDP highlights its continued expansion of Higher Education opportunities and level 4+ industry skills partly through development of the University of Highlands and Islands.¹³ More broadly, local authorities also have a central role themselves in providing good quality jobs, often acting as the largest employer within an area.



Adaptation

Strategies focused on redesign of housing, place and services to account for changing demand and population needs.

Local authorities are also planning to address the implications of an ageing population, including the increased prevalence of disabilities and long-term conditions, the potential increase in inequalities, and increased demand for services and infrastructure. Plans identify a range of actions which can be taken to address these changes.

Supporting people with complex conditions:

Plans frequently recognise that changing demographics may lead to a higher prevalence of people living with complex conditions, such as dementia, placing new demands on council services. Several LOIPs, including those for West Lothian¹⁴ and South Ayrshire,¹⁵ aim to provide support to enable people to live independently and within the community for longer, recognising the need for joined up working between partners to achieve this. Housing also has a role, with several LDPs, including Aberdeen City,¹⁶ Highland¹⁷ and Midlothian,¹⁸ suggesting that greater independent living could be achieved through targeted developments with a sliding scale of care provision such as age-restricted general market housing or sheltered housing with shared amenities and more targeted care homes.

Reducing inequalities for older people: Local authority plans highlight the need to ensure that the ageing population does not lead to a growth in age-associated inequalities such as social isolation and greater number of years living in poor health. Several LOIPs point out the importance of supporting people to stay active and connected as they age. Renfrewshire's LOIP,¹⁹ for example, calls for a shift in focus towards improving Healthy Life Expectancy. This is also a focus in Dumfries and Galloway's LOIP²⁰ with an outcome aimed at reducing health and wellbeing inequalities to ensure the ageing population is "happy in mind and healthy in body and as independent as possible". These LOIPs note the importance of the older population remaining connected, particularly as many will live in single person households. Orkney's LOIP²¹ emphasises this need for connectivity with a focus on replacing Orkney Ferries internal ferry fleet which it describes as inaccessible to passengers with mobility issues, many of which will be older. The local authority is currently working with the Scottish Government to progress this, ensuring that the increasing older population, as well as the wider population, remain connected.

Preparing for growing and changing demand:

Local authorities are aware of the need to account for how changing demographics will impact demand for housing, services, and infrastructure. Shetland Islands LDP²² highlights how demand for housing needs to be addressed regardless of whether overall populations rise or fall, stating "There will continue to be a demand for more

homes in Shetland throughout the life of this Plan regardless of whether the population increases or declines, not least because the household size is continuing to fall." Several local authority plans support the provision of affordable housing with the right range of sizes and types. In local authorities where populations are rising, such as East Renfrewshire,²³ plans discuss expanding capacity within education and developing the local infrastructure. There is also recognition of the need for workforce planning, particularly in relation to health and social care where the ageing population is likely to have greatest impact. West Lothian's LOIP²⁴ highlights the need to shift the balance of care towards increased levels of homebased provision and a person-centred approach. This not only supports improved outcomes for individuals but can also alleviate pressure on services. Dumfries and Galloway's LOIP²⁵ highlights the need to account for increased demand and also ensure services do not exclude the ageing population. Whilst a shift towards online services can help accommodate increasing demand, this risks excluding those with a lack of digital skills. The LOIP notes the need to support access to and skills in using technology, supporting people to stay connected and included in vital services.

Whilst many of the plans and strategies focus on the shared challenge of an ageing population, there are specific challenges to local authorities in rural areas with declining population versus urban areas with growing populations. The following examples demonstrate how these different issues are being addressed within local authorities.

Rural population decline

Na h-Eileanan Siar LOIP²⁶

One of the priorities identified within this LOIP is ensuring a sustainable population by retaining and attracting people. The plan provides extensive detail on actions that will support a rebalance of the population towards a workable dependency ratio and reduction in predicted population decline. With research showing that younger people enjoy living in Na h-Eileanan Siar but are unable to find the job opportunities required to allow them to continue living there, the main focus of the plan is job creation for this younger age group. The outcomes outlined in relation to this priority also include creation of sufficient and affordable housing provision; development of positive branding to promote Na h-Eileanan Siar as an attractive place to visit, live, learn and work; and high-quality connectivity through technology and transport. The plan is clear on how these outcomes can be achieved, detailing specific actions and providing measures, baselines, and targets to support their delivery. Some examples of actions include:

Job creation

- Increased local provision of further and higher education, research and development, and training programmes in key skills related to current and future high quality employment opportunities.
- Increased progression routes and pathways amongst the skilled trades, care, and professional occupations.

Housing

- Realise the equitable provision of affordable housing for each geographical and island community.
- Increase the viability of private housing stock and empty housing.
- Reduction in fuel poverty by maximising resources and increasing energy efficiency measures.

Promotion

- Develop a unique selling point through brand identity and value match using the natural landscape, culture, and safe environment.
- Incentivise people to stay and relocate to the Outer Hebrides by establishing a portal that promotes job, business, and creative opportunities, and capitalises on environmental and cultural assets.

Connectivity

- Increase the provision of an equitable standard of transport connectivity, internally and externally, at affordable cost for users.
- Bespoke digital and mobile infrastructure solutions which reliably meet the present and future needs of all businesses, services, residents, and visitors throughout the islands.

Urban population growth

East Lothian LDP²⁷

The increasing population within East Lothian Council is raising demand for affordable housing. The local authority note that this means available land is predominantly focused on housing rather than employment opportunities. As a result, there is a low job density within the local authority area, with a high proportion of commuters. The implications of this include demand on existing public transport capacity, increased vehicle emissions, and inequality of opportunities for those without access to a car. The LDP sets out a range of ways to account for the growing commuter population within the area. Some examples of the objectives and outcomes outlined in this plan include:

Promote sustainable development

- Efficient use of land, buildings, and infrastructure, prioritising the development of previously developed land over greenfield sites where appropriate.
- Selecting locations for new developments that minimise the need to travel and are well-served by a range of transport modes including public transport and active travel opportunities.

Help grow the economy, increase housing supply, and reduce inequalities

- Meet economic and housing land requirements in appropriate marketable locations.
- Promote regeneration and creation of mixed communities recognising the town centre first principle.
- Protect town and local centres from inappropriate development.

Protect and enhance the area's highquality environment and its special identity

To direct development, particularly vulnerable uses, away from areas of flood risk to appropriate locations.

Ensure adequate infrastructure capacity and an appropriate use of resources

To ensure that all new development is capable of being served by available infrastructure capacity, or that additional capacity will be provided to allow the development to take place, while maintaining appropriate levels of service.



National and regional strategies and policies

The Scottish Government launched its <u>national population strategy</u> in 2021, which outlined the challenges facing Scotland's population. The strategy highlights "very real and significant threats to our future as a nation", framing a series of actions within the context of challenges related to national level population decline, the ageing population, and severe depopulation in some of our remote and rural areas. The strategy structures its actions around four key themes:



Family Friendly: Growing Our

Population is a commitment to improving Scotland's fertility rate by tackling barriers that prevent people from starting, or expanding, a family.

Healthy Living: Increasing Healthy Life Expectancy And Driving Innovation In An Ageing Society

focuses on improving healthy life expectancy to maximise years spent in good health. It also encompasses a goal to reduce economic inactivity and keep people in employment for longer.

Migration: Attracting And Welcoming People To Scotland

addresses the crucial role of migration to Scotland's population and in addressing challenges related to demographic change.

Balance: Ensuring Our Population Is More Balanced And Distributed Across Scotland So All Our Communities Can Flourish reflects the variety of experiences across Scotland with some areas seeing large increases in population, while others are experiencing population decline.

The strategy is underpinned by a series of actions for the Scottish Government, local authorities, the UK Government, employers, and others. The full list can be found on the <u>Scottish Government website</u>.

In February 2024, the Scottish Government launched a new Addressing Depopulation Action Plan, in recognition that many communities are facing population decline. The Action Plan sets out an ambition of creating "the conditions to enable more stable patterns of population retention and attraction within communities." The focus of the action plan is on identifying factors that contribute to depopulation, commissioning new research, identifying and building on existing policy that contributes to population change, and evaluating success. The plan focuses on local actors and local delivery of any actions throughout.²⁸

Changing demographics has been recognised within regional plans and strategies as well. Many city and regional growth deals address the issue, with investment focused in areas that will lead to sustainable populations, often by attracting young age groups or providing opportunities to reduce the outward flow of young people. Inverness and Highland City Region Deal includes the ambition to attract or retain an additional 1500 young people aged 18-29 over the initial ten-year period. Actions in the plan include investment in the creation of new jobs, a focus on improving the types of jobs and salaries, house building, offering skills development opportunities, and investment in further education, for example the University of the Highland and Islands Life Sciences Project.



In addition, the deal focuses on older people with clusters of innovative assisted living schemes to be developed throughout the region. These make use of health and movement sensors alongside bespoke health and care packages to allow people to continue to live in their communities and avoid the need for hospitalisation or residential care. The Islands Deal has as a priority "retain and attract population" with a theme of supporting "Thriving, Sustainable Communities". This includes promotion of the islands as "attractive and affordable places for young people and families to live and realise their ambitions" which, if successful, will "have decisively shifted the dial on our long-term demographic trends." Delivery on this theme is based on five projects

designed to "strengthen academic and research facilities in all three island groups, support skills development and entrepreneurship and deliver a major place-making project in Lerwick." The deal also provides for an Islands Centre for Creative Ageing.

The Moray Growth Deal places at its core the challenge of retaining and attracting young people and families to live and work in the area. The deal includes eight projects designed to lead to the creation of good quality jobs in the area, more house building, regeneration of Elgin town centre, improved public transport, and developing the culture and leisure offer for residents through a Cultural Quarter.



International examples and case studies

These demographic challenges are not unique to Scotland, and there are many countries across the world where ageing and population change has happened much more rapidly.

To quote from the United Nations,

"Population ageing is a global phenomenon: Virtually every country in the world is experiencing growth in the size and proportion of older persons in their population."²⁹

In many countries, national and local governments have worked together to proactively ensure the sustainability of public services, with local authorities often taking a central role in ensuring that their areas can adapt to population change in order to maximise the opportunities and minimise the risks this poses.

Placing Scotland in a global context

As outlined, the major change in Scotland's population has been a rapid rise in older people, with over 65s rising from 16% of the population in 2001 to 20.1% in the 2022 census. While this is an unprecedented increase for the country, many others have seen a far greater expansion in this age group. Some comparisons of ageing are included in the graph below.



Proportion of population aged 65+

Navigating Demographic Change | 13

National responses to ageing

In many countries, common policy objectives have been pursued to address the challenge of ageing. The following list sets out some of these policy responses, many of which feature in the Scottish Government's own plan outlined above:

- To retain people in the workforce, especially older people. In Japan, as in many countries, the retirement age is being gradually increased, for example.
- Taking steps to grow the working age populations, such as encouraging greater

immigration levels or improving fertility rates. This includes policies to promote childcare options.

- Improving the productivity of the smaller working age population through use of and investment in technology.
- Reducing healthcare costs, mainly through preventative public health programmes, often to promote wellbeing for older people.³⁰
- Promoting independence, participation, and social inclusion for older people.

While national governments play a crucial part in producing a strategic response to ageing, researchers and policy makers across the world have recognised that local government has an equally important role. As service providers, local government has a greater proximity to citizens, meaning they are more responsive and alert to their needs, and has a vital ability to engage and mobilise other local stakeholders.³¹ Across the world, local governments have been developing innovative policies to respond to the challenges that changing populations presents. The following section highlights some short case studies.



Japan

Japan has experienced a huge increase in its elderly population over the past twenty years and is now the oldest country in the world with a declining population since 2010. In addition, Japan has seen a transition of its population from rural to urban areas, meaning large parts of the country face major challenges from depopulation. As a result, Japan has been described as "the world's policy laboratory"³² as its national and local government attempt to respond to these changes.

Local case studies

Community based care: At a national level Japan has an ambition of reducing health and social care costs through preventative action. While the Japanese Government had initially taken an unsuccessful preventative approach that depended on intervening with high-risk individuals, the success of work undertaken in Taketoyo municipality prompted a shift to the community-based approach now in place.

Taketoyo's approach is based on the establishment of local "salons" offering "social programmes, such as arts, crafts, music, health education seminar, and physical and brain exercises." This approach proved very successful, with research suggesting major reductions in long-term care needs. The centres are run by local volunteers, and the collaboration between the community and local government, including as a funder, is vital to their success.

The Japanese Government now has in place a "community-based integrated care system (CbICS)" based on input from across local communities alongside government provided health and social care services. While all municipalities in Japan are encouraged to establish CbICS by 2025, this comes with a major emphasis on local autonomy including how this is structured and delivered.³³

Encouraging rural migration: Many rural areas in Japan have faced major outward migration to cities, meaning encouraging population growth and reversing this trend has been a priority for local authorities. One example of a national strategy has been "lifetime activity towns", which are essentially large-scale retirement communities where continuing care can be provided in a more cost effective way. They also take advantage of lower costs in rural areas in Japan, particularly compared to cities such as Tokyo.

Other local authorities including the municipalities of Hokuta (popn. c. 46,000) and Ōnan (popn. c. 10,000) have made concerted efforts to promote inward migration from people resident in large cities. Both have been successful in attracting new migrants, although neither has been able to stop population decline altogether. In both cases, these strategies have promoted the areas as attractive places to live, and research has shown that those who have migrated to the areas were attracted by a range of different factors, often varying by age. For example, both have advertised themselves as good places to raise children, especially Ōnan which used the slogan "The Best Village in Japan to Raise Kids". This has proved particularly attractive for those in their 30s. For younger people aged in their 20s, employment was the primary factor behind migrating to the areas, and improving economic opportunities has been a further focus for these areas.³⁴

Tackling Isolation: For many older people social isolation and loneliness are major issues and can result in significant health problems in later life. To tackle this, Adachi ward in northern Tokyo established its Zero Tolerance to Isolation Project in 2013. This followed establishment of a "Power of Communities Promotion Division" in 2011, designed to strengthen community ties and which oversees the project. The approach includes surveying people aged over 70 in the ward, sharing information about potentially vulnerable people with community associations, and supporting local citizen volunteers to make home visits. During these visits help and guidance may also be offered and anything out of the ordinary can be reported to local community support centres.



Portugal

Portugal has one of the oldest populations in Europe, with an over 65 population that has risen particularly quickly.³⁵ The National Strategy for Active and Healthy Ageing (ENEAS) places a key role on national and local government, together with other stakeholders in developing actions to support ageing in Portugal.³⁶



Local case studies

Lisbon, City WITH LIFE for All Ages is the third phase of a strategy within the city to promote autonomy and independence for older people. A partnership of the City Council and many other partners, the programme is based on three axes with a number of projects underneath each. Examples include the RADAR Project which seeks to identify people over 65, assess their living conditions, and develop community based interventions to support them to live independently; InterAge Space, an intergenerational space open to the community; and developing capacity for informal caregivers via a training centre in the city.³⁷

The Centro Region includes 100 municipalities and 8 "communities" of municipalities and is one of the regions of Portugal with the most elderly population. The Aging@Coimbra Consortium brings together local stakeholders including the regional council, university, and health bodies to promote healthy ageing for the region including identifying and sharing good practice. As part of this project the Region has developed a <u>website</u> with hundreds of good practice examples. Some examples include:

<u>10 Thousand Lives (10 Mil Vidas)</u> – Aimed primarily at disabled and isolated citizens, this project seeks to make better use of technology to provide support both directly (i.e. in person), such as monitoring medication intake, or remotely. Participants are given devices that allow services to respond to emergency situations, as well as help to reduce social isolation.

- Senior Week in Lousa A series of events that promote services for older people, raise awareness of issues, and provide space for socialising.
- STOP (Strength Training for Optimal Power) Ageing – a programme seeking to promote strength training and physical activity amongst the elderly. It is scientifically led from the University of Beira Interior with a view to prevention including identifying frail or "prefrail" individuals and put plans in place to reverse frailty.
- Give Years to Life a project aiming to combat social isolation in Cacia Parish Council. This social inclusion is achieved through various initiatives/activities ranging from art therapy, the promotion of physical exercise, psycho-pedagogical support and social initiatives e.g. arts, sport, and "memory workshops".

Finland

Finland is one of the fastest ageing countries in Europe. At a national level, Finland's National Programme for Ageing sets out to make the country <u>"Age-Competent"</u> by 2030. The plan focuses on promoting positive outcomes for older people including extending careers, improved wellbeing, and developing agefriendly spaces, with a focus on prevention for at-risk people. Local Government, in the form of Finland's 309 municipalities, is central to achieving the ambitions of the plan.



Local case studies

Promoting inward migration and investment - 90Day Finn³⁸ is a project run by the Municipality of

Helsinki and seeks to bring business leaders and developers from across the world to experience the Finnish way of life. Participants spend 90 days in Finland with opportunities to network with Finnish businesspeople. The hope is that these people may then stay in Finland, choose to invest there, or will promote Finland once back in their home country.³⁹

Using technology to support older people -

The KATI (Smart Ageing and Welfare at Home) Programme is a national programme with six regional projects. The goal is to help improve productivity in care for the elderly, an area with staff shortages, through use of technology.⁴⁰ The regional projects carry out pilots of various approaches and devices, with successful practice then scaled across the rest of the country. Examples include monitoring technologies, like activity, medication, and nutrition monitoring; virtual social activities; drug dispensing robots; and virtual consultations or remote visits. **Promoting health in the older population** - the Strength in Old Age Programme is another national programme delivered by municipalities. The programme seeks to improve health and support independent living in older age groups, particularly those 75 and older, through research-based exercises. Through cross sectoral collaboration, including local government services and third sector, this is delivered without additional funding. Participants have reported a range of perceived benefits.⁴¹



Rest of the UK

Ageing is a UK-wide challenge, although the demographic picture does vary due to differential migration patterns, geography, life expectancy and so on.



Local case studies

The Centre for Ageing Better hosts the UK <u>Network of Age Friendly Communities</u> which brings together places and local authorities across the UK, including three Scottish members, committed to making places more "age-friendly". The Four-Step Programme Cycle is a process that places can use to develop their age-friendly policies and practices. The cycle takes an average of five years, but communities can go at their own pace dependent on resources.

The Local Government Association offers a range of resources and research related to ageing. In 2015 they published a report <u>"Ageing: the Silver</u> <u>Lining"</u> outlining the challenges, opportunities and several case studies for English local authorities. They have also published a <u>guide to healthy</u> <u>ageing</u> and recommendations on <u>how to house</u> the ageing population.

The Welsh Government's strategy is called <u>Age</u> <u>Friendly Wales</u>, which sets out actions to "reap the benefits of growing number of older people in Wales as we rebuild our communities", and places a key role on local services.

The Welsh LGA has also published a <u>Rural</u> <u>Manifesto</u> with key asks of the Welsh Government and others to build sustainable rural communities. Similarly, the Welsh Government has launched <u>ARFOR 2</u> to fund interventions in four local authorities with high proportions of Welsh speakers and support young people to remain within these communities.



What next?

Competitive migration

Within Scottish local authority plans, population growth, particularly amongst working age groups, features prominently as the means to achieving a thriving economy and sustainability of public services. This is true across local authorities seeking to reverse population decline, but also in areas where the working age population is already growing. Glasgow City Council, for example, already has the largest proportion of working age people in Scotland⁴² and the council is prioritising further growth.⁴³ As noted above, population growth across Scotland is primarily driven by migration. If all local authorities across Scotland aim to grow their population through migration, this could create competition between local authorities trying to attract the same people. Growing the working age population is equally an issue across the world, creating further competition in attracting people from elsewhere in the UK or outside of the UK.

It should also be mentioned that migration flows take place within Scotland, with over half of inward migration for 27 local authorities coming from other areas in Scotland. For ten local authorities, this was as high as 75% of all inward migration. The remaining areas, predominantly cities, tend to see much higher rates of inward migration from outside Scotland. Different areas are therefore already more likely to attract inward movement from different groups, either inside or outside of Scotland. The motivating factors behind these population flows will vary on the location and the needs and preferences of individuals. For example, house prices, access to green spaces, and services such as education or care could all act as pull factors for people at different stages of their lives. Whilst plans detail a range of positive ways in which to grow the population, local authorities should continue to explore where collaborative approaches can maximise benefit across the whole country, building on each area's strengths.

Local funding and autonomy

Increasing the birth rate is another mechanism by which population growth can be achieved and is a central focus of the Scottish Government's strategy which emphasises creating a family friendly nation.⁴⁴ National policies, such as the expansion of early years childcare, play an important role in creating affordable childcare, which improves the attractiveness of starting a family. While these strategies are national, local authorities play the central role in planning and commissioning these services and are often the key delivery agent. It is therefore important that national policies, such as these, are designed and adequately resourced at a local level to ensure they support local autonomy and resource allocations, to allow local authorities to



best respond to local needs.45

Responding to local requirements is a key role of local authorities in promoting sustainable populations. For example, well-paid jobs allow individuals to support and start their families and this requires investment from local authorities to grow the local economy. Local authorities also have a central role as anchor institutions procuring goods and service locally, alongside acting as employers themselves and are often the largest employer within a local area. They therefore play a crucial role in providing good quality job opportunities that can attract people to the area. Lastly, local authorities play an important role in providing local services, infrastructure, and housing which support the area's attractiveness for living and raising families. They have the local knowledge to know how best to respond to local needs, but this cannot be achieved without adequate funding and autonomy.

Sustainable growth

Whilst the approaches outlined in local and national plans are focused on growing the working age population, this comes with potential impacts on other policy areas. Demographic change cannot be tackled in isolation and needs to align with environmental concerns, for example. Whilst population growth can contribute to economic growth it also creates additional consumption of resources and pressure on the environment. This includes the use of more land for housing and other infrastructure, additional transport requirements, and energy consumption. Population Matters argue that continued focus on growing the population is unsustainable and instead there should be focus on managing a changing demographic profile while achieving a stable, sustainable population.⁴⁶ They promote alternative thinking to the challenges outlined, including maximising opportunities for the existing potential labour force within Scotland. Examples include,

- the provision of support to women to enter or re-enter the labour market after having children,
- improved training for the unemployed and low-skilled workers to enable them to enter or re-enter the labour market, and

 encouraging flexible and part-time working suitable for older citizens and parents.⁴⁷

Approaching demographic challenges in this way also aligns with the Scottish Government's priority of building a wellbeing economy that is inclusive and that promotes sustainability, prosperity, and resilience.⁴⁸ This approach aims to fundamentally reshape our economy away from a sole focus on economic growth. Considering alternative approaches, such as the community wealth building approaches adopted in several areas, may help to avoid the cycle of population growth for the sake of economic growth.

Opportunities

Whilst the ageing population presents a range of challenges it also comes with new opportunities. Older populations continue to contribute to their local areas aside from paid employment, including providing unpaid care, involvement in civic organisations and other forms of volunteering.⁴⁹ This group also represent a significant portion of consumers and thus continue to contribute to economic activity.⁵⁰ There are wide opportunities for the growing older population to both continue working for longer and contributing to their local communities, however this requires investment, planning and action to make this a reality. Local government plans already outline some of the actions needed including focusing on prevention of poor health outcomes which are detrimental to the participation of older people in the workplace and their communities, and designing housing

and infrastructure which are accessible to this population. Further steps could also be taken to create fulfilling work, ensuring that employers are flexible and age-friendly with appropriate retraining in place as well as investing in community organisations and volunteering opportunities.⁵¹ Ultimately, the changing demographic offers an opportunity to challenge our perceptions of the role of older people within our society and think more innovatively about how our economy works for everyone.

Key messages

As highlighted above, significant action is already taking place to account for the changing demographics. Local government is a vital actor in responding to the future challenges and can exert significant leadership and change. The following points suggest some key messages and considerations for developing plans.



Work across spheres of government with sufficient local government finance and local autonomy to respond effectively.



Local government needs to be empowered and financed to accomplish real change through investment in local economies and infrastructure and long-term preventative approaches.

Continue to work with and learn from others, including reflecting on international responses.

As highlighted in several LOIPs, Community Planning Partnerships can play an important role in bringing together different partners and can be used as a mechanism for driving some of the preventative approaches mentioned to support transformation. Working with the private and third sectors can also support opportunities for flexible work and participation in the community. Learning can be found through testing approaches with others and understanding what has worked in other countries.

Integrate different policy approaches including the Wellbeing Economy and Just Transition.



The current economic and environmental climate mean we are already in a position that necessitates change, offering an opportunity for transformative thinking that shifts attitudes away from the norm. Both the Wellbeing Economy and Just Transition focus on new ways of working and should be further emphasised when thinking about demographic change.

Continue to work with local communities to understand local needs.



One of the strengths of local government is its ability to understand and respond to local requirements. By continuing to engage with local communities, services can be delivered in such a way as to respond to demographic changes and to continue to deliver services for all. International examples also show the importance of engaging with the third sector and community actors to help deliver services to vulnerable older people, and local government is best placed to identify and support this.

Further information and resources

- The IS research team can support local authorities on the issues raised in this briefing paper. We have also launched a new <u>commercial offer</u>. Contact us at <u>research@improvementservice.org.uk</u>
- You can also access additional data on population projections for your own areas using the Improvement Service's <u>Sub-Council Population Projections</u>.
- The National Records of Scotland have a range of data on population change including the <u>Census</u> <u>2022 outputs</u> and <u>Mid-Year Population Estimates</u>.
- The IS has a number of projects and services that are relevant to the issues raised including inequalities, economic development, and early years. You can find more information on our <u>website</u>.



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