

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services

Community Participation Committee: 22 February 2012

Subject: Social and Economic Profile 2011/12

1. Purpose

- 1.1** To inform members of the Community Participation Committee of the main content of the Social and Economic Profile 2011/12.

2. Background

The Council has produced a Social and Economic Profile every year since 1996. The publication of this document recognises the importance the Council places on having good quality information about people and their circumstances. Access to good quality information helps the Council ensure that its decision making and its policies and practices take into account the real circumstances of its citizens.

3. Main Issues

- 3.1** The Social and Economic Profile is produced principally as a service planning document and also as a key document for staff involved in equality impact assessments, which determines the general content of the document. The 2011/12 Social and Economic Profile informs the 2012/13 Departmental Plan. Responsibility for producing the Social and Economic profile lies within the Risk and Performance Section.

Social and Economic Profile 2011/12

- 3.2** This year's Social and Economic Profile contains information over a wide range of topics including:
- Population: including information on levels of migration which shows a continuing trend of net out migration.
 - Economic Development: including welfare benefits reform; labour demand and job density. This year has seen unemployment levels continuing to rise while the supply of jobs reduces.
 - Households: including information on the local housing market which shows that there has been something of a recovery in house prices in West Dunbartonshire.

Population Ageing

- 3.3** Population: this year there are 17,266 people aged 16 or under but 20,537 people aged 60 or over. This is due to a rise of 1341 people in the older age group and a drop of 249 in the younger age group. This is the third consecutive year where the older population has exceeded the younger population in West Dunbartonshire, a situation predicted to continue for some time. This is generally referred to as population ageing. Over the next 25 years it is forecast that there will be a 20% increase in households headed by someone aged 60+ and a 48% increase in the number of households headed by someone aged 75+.

De-population

- 3.4** This year the population dropped in total by 369 people. This was made up of 19 more people dying than were born and 350 more people leaving than arrived. The forecast for the next 25 years is that the trend in net out migration will continue with an average annual loss of around 300 people. This is what is generally referred to as de-population.
- 3.5** The consequences of depopulation are generally felt in economic terms in relation to whether an areas working age population is increasing or decreasing as a proportion of the population.
- 3.6** The main consequences of an ageing population and a reducing population are that as the elderly population increases as a proportion of the total, there will be increased pressures on social services but fewer people of working age able to provide those services and fewer taxpayers to fund them.
- 3.7** The position in West Dunbartonshire is that we are both losing population and have almost no growth in the working aged population. We also have a large proportion (20%) of working age people who are removed from the job market because of sickness or incapacity.
- 3.8** This is a difficult position for a local authority; because of the likelihood of depopulation leading to the decreased viability for some services, coupled with a growing non-working aged population and consequent demand for social care services with fewer working aged people to work in this sector.

Welfare Benefit Reform

- 3.9** Reforms to the benefit system are now underway focusing primarily on Incapacity Benefit claimants. In West Dunbartonshire 10.7% or 6,390 people of working age claim this benefit.
- 3.10** Currently people claiming Incapacity Benefit are being put through tougher medical tests which will become the gateway to employment support allowance which is the means tested successor to Incapacity benefit.

- 3.11** It is estimated that in West Dunbartonshire 2,800 people will be moved off Incapacity Benefit after going through the new medical tests, of this number 1500 people will be removed from benefits altogether. A further 900 will be moved onto Job Seekers Allowance. In order to retain benefit a large number of those remaining claimants will be expected to undertake additional compulsory labour market engagement. It is anticipated that in total around 3,800 people will find themselves placed onto the job market in West Dunbartonshire as a result of these changes.
- 3.12** The Government anticipates that this group of former claimants will, after coming off benefits, be able to find work. However, the job market in West Dunbartonshire is contracting because of the recession. It will be difficult therefore for the local labour market to create the number of jobs required to soak up this influx of new workers.
- 3.13** Further, this the reduction in Incapacity Benefit, plus the reduction in housing benefit and Disability Living Allowance will remove around £10 million a year from the local economy. This figure rises to £12 million when the proposed change in pensions being tagged from the Retail Price Index to the Consumer Price Index is included.
- 3.14** These things taken together present the Council and its partners with a number of significant challenges both in providing support to a large number of people who are difficult to place on the job market, and in finding ways to create and sustain local employment opportunities.

The Local Housing Market

- 3.15** Using the mortgage to income ratio as a measure, that is the amount of income that you spend on mortgage repayments as a proportion of your income, West Dunbartonshire performs well. The mortgage to income ratio is 18.2% which makes West Dunbartonshire the 4th most affordable area to buy in Scotland. The corresponding figure for Scotland is 22%.
- 3.16** The mortgage to interest ratio is also low in West Dunbartonshire compared to the UK average, placing West Dunbartonshire in the top ten most affordable Local Authorities in the UK.
- 3.17** House prices in West Dunbartonshire have also seen a big bounce back in performance over the course of this year. The average house price in West Dunbartonshire is £118,543 - an annual change of +7.4% which is the second highest increase of any Scottish local authority area, and +22% higher than at the same time last year.

4. People Implications

- 4.1** None

5. Financial Implications

5.1 None

6. Risk Analysis

6.1 There are risks associated with officers taking or basing decisions on information and statistics that are not standardised, accredited or quality assured. The Social and Economic Profile is a key control in mitigating against such risks.

7. Equalities, Health & Human Rights Impact Assessment (EIA)

7.1 An EIA on the Social and Economic Profile is not necessary as the data selected reflects the data available with omissions largely due to data protection issues.

8. Strategic Assessment

8.1 The Council has identified four main strategic priorities, namely Social and Economic Regeneration, Financial Strategy, Asset Management Strategy, and Fit for Purpose Services.

8.2 The Social and Economic Profile contributes to all these categories by providing data and information to support the Council achieve and develop these priorities.

9. Conclusions and Recommendations

9.1 The committee are invited to note the contents of this report.

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Date: 1 February 2012

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Appendices:

None

Background Papers

[Social and Economic Profile 2011/12](#)

Wards Affected:

None