

FINANCE COMMITTEE

DEMOGRAPHIC CHANGE AND AGEING POPULATION INQUIRY

SUBMISSION FROM STRATHCLYDE PARTNERSHIP FOR TRANSPORT

1. SPT welcomes the opportunity to respond to the Committee's Call for Evidence on the impacts of fiscal sustainability, demographic change and ageing population and, in addition to this letter, offers comments on the questions raised at appendix 1. We have restricted our response to those questions which have a particular relevance to transport (questions 1 – 4).

2. SPT is the Regional Transport Partnership for the west of Scotland and our responsibilities cover a range of transport activities including: Operation of the Subway and major bus stations; support for socially necessary bus services; Secretariat to the Strathclyde Concessionary Travel Scheme which provides discounted travel on rail and ferry services across Strathclyde; provision of MyBus demand responsive transport for people who have difficulties in accessing mainstream public transport; delivering public transport ticketing solutions, including the Zonocard multi-modal scheme; and investing in a range of public transport infrastructure projects including Subway modernisation, park and ride and rail and bus station refurbishment.

3. In addition, a key statutory role for SPT is to prepare and implement the Regional Transport Strategy for the west of Scotland, preparation and review of which requires, forecasting and planning future transport services and infrastructure to meet the needs of residents, commuters and visitors, including the transport needs of the growing and increasingly elderly population across the west of Scotland.

4. Whilst the focus of the Committee's investigation is on health and social care, housing, public pensions and the labour force, changes to the population profile will, of themselves, have significant impacts on the need for and use of transport services and associated budgets. Changes to policy in the areas of health, housing and employment as a response to demographic change will also impact on transport provision. SPT would therefore request that our comments are taken on board as the Committee considers the range of views and evidence gathered. People's ability to access public services, to keep in contact with family and friends, to access leisure opportunities, employment and educational opportunities, to ensure their businesses are successful, are inextricably linked to the quality, breadth, affordability and comprehensiveness of the travel options available to them.

5. As noted by the Committee in its earlier reports, changing demography will place increasing strain on public finances and this will include transport budgets. This is significant given the profound health and social exclusion challenges which Scotland faces, particularly in urban west central Scotland. However, the promotion of public

transport and healthy and active lifestyles provides a sustainable and affordable opportunity to help tackle the challenges and to promote improved outcomes for health and wellbeing whilst also helping to meet wider obligations for carbon reduction, the promotion of sustainable and accessible communities and sustainable economic growth.

6. In our attached response we have set out the challenges which an increasingly ageing population will bring in transport terms. We have not provided detailed evidence at this stage but would be happy to elaborate on the points raised. In broad summary, changes to demography will have greatest impact on transport in the following areas:

- Concessionary Fares (including both the National Bus Scheme and local schemes such as the Strathclyde Concessionary Travel Scheme) help to keep people active participants in society. More than 350,000 people are eligible for concessionary travel in Strathclyde and this figure is forecast to rise, placing pressure on budgets and ensuring the ongoing sustainability of the schemes.
- Supported bus services help to sustain communities in some of Scotland most impoverished and remote areas, particularly for those people without access to a car and where commercial public transport is limited or unavailable.
- MyBus Demand Responsive Transport (DRT) bus services provide transport for people who cannot easily use mainstream public transport. Given the twin challenges of an ageing population and chronic illness, it is likely that this type of service will require particular investment.
- Maintaining and enhancing transport infrastructure across the transport network will be essential to meet future demands, improve physical access to services and encourage modal shift from car and promoting opportunities for healthier lifestyles.
- All of these services help to support wider policy areas across healthcare, education, business, regeneration and leisure.

7. SPT works closely with our local authority partners, the NHS, Community Planning Partnerships, the Community Transport sector and the Third Sector to ensure our services are tailored to individual and community need, represent best value and align with national and local policy to support sustainable economic growth, the principles of the Christie Commission, promoting community empowerment and the integration of adult health and social care.

8. Failure to plan for, invest in and coordinate effective transport, including public transport and active travel solutions, will undermine wider public service efforts aimed at meeting the challenges which the welcome move to an increasingly ageing population brings. Such challenges include tackling chronic illness and promoting opportunities for active and productive participation in wider society. Sustained investment in public and active transport will help to meet these challenges and help deliver a smarter, safer and stronger, healthier and, ultimately, wealthier and fairer society.

9. SPT would welcome the opportunity to further expand in written form on the points raised in our response which we hope is helpful in taking forward the Committee's work.

Appendix 1: SPT Response to consultation questions (1 – 4 only)

What is your view of the effects of demographic change and an ageing population on the sustainability of funding for (a) health and social care and (b) housing services and (c) public pensions and the labour force? What public services will individuals increasingly call on and in what way?

a) A longer living and healthier population will require more transport solutions for longer. As such limited funds will require to be stretched even further and more effectively utilised. In addition, those people who live longer but with chronic health conditions will require additional transport services either directly, or in terms of the support they require from others, to sustain independent living. People will increasingly call on those public services which enable them to maintain independent living for as long as possible. This not only impacts on age-related front-line services such as health and social care but also on "softer/unseen" services such as transport, and in particular, public transport and transport access for healthcare. Demographic change is predictable and measures can be planned to ensure continued and effective service delivery. To maximise the benefits of funding in priority areas such as health and social care it will be essential to ensure that there is complementary and sustained transport funding, including for public transport, transport for healthcare and active travel.

b) Sustaining older people to live independently at home is an aspiration of the Scottish Government, local authorities, Health Boards and Community Planning Partnerships. This is a laudable aim and may, in addition to improved wellbeing, achieve cost savings and improved joint working across health and social services. From a transport perspective, challenges such as planning for greater longevity, increased population, an increased number of households and a reduction in household size can stretch the capacity of transport services to meet need and strain limited transport budgets. Effective integration of land-use and transport and sustaining and enhancing transport budgets, whilst maximising opportunities for partnership working and adopting a shared services approach, will help mitigate the negative impacts of these trends.

c) People's capacity (and need / desire) to work longer will also impact on transport services and finances as more people become eligible for national and local concessionary travel schemes whilst commuting on a regular basis. In Scotland, nine out of ten adults (90.5%) aged 65 or older possess a concessionary fare pass (Transport and Travel in Scotland 2010). Assuming take-up rates remain stable, then there could be 175,000 more people aged 65+ in possession of a concessionary fare pass by 2020 (National Records for Scotland Population Projections). So more people will be eligible for concessionary fare passes and those using their passes may use them for longer. If more people continue to work past the age of 60/65, then it is

possible that there will be additional concessionary travel trips as travel to work by bus (as usual method of travel to work) for employed adults aged 60+ has increased from about 10% in 2007 to 13% in 2010 (Transport and Travel in Scotland). Further research is required to understand how many of these trips are eligible for concessionary fares and if this [60+ travel to work by bus] is likely to continue to increase.

10. Further comments in relation to particular impacts on public transport provision and services as follows:

- People who will be aged 65+ in the next 10-20 years will be more likely to have a driving licence and own a car than the current older population. Although this may result in greater independence in terms of transport for a greater proportion of the older population, gains may be offset by the recent trends which have suggest some levelling-off of rates of car ownership/driving licence holding among the existing younger population (UK National Travel Survey 2010) as there may be less transport support from younger family members.
- Improvements to public transport infrastructure and access including low-floor buses, raised kerbs and improved footpaths may allow existing users to be able to continue to access local bus services for a longer time. These improvements may encourage other older people to use buses, especially if car travel becomes less viable. Continuing to improve accessibility to rail and bus services will be important to encourage continued use of these modes.
- More research will be required about existing and potential future service users e.g what proportion of DRT users are from socio-economic groups that are likely to have improving health/mobility or from groups that are likely to have maintaining or deteriorating health/mobility? What is the user profile for subsidised services, especially off-peak travel? What will be the scale of demand for subsidised services – how much, where & which services?
- Geographic variances should be considered. Some areas are 'ageing' whereas others will have greater numbers of older people over time, but proportions will remain roughly unchanged. Some areas will have a healthier, wealthier older population with continued access to a car and the impacts on transport of an ageing population in these areas may be less marked than areas with higher levels of social and economic deprivation. Some services are more expensive or difficult to deliver in rural areas or for a rural population and smaller demographic changes in these areas may have a greater financial impact than larger changes elsewhere.
- In terms of SPT's DRT MyBus service, patronage has risen by an average of approximately 4%, and changing demographics make it likely that the provision of demand responsive services will become ever more crucial as more elderly people seek to maintain independent lives, and the attendant health benefits for them personally and the associated cost savings to society through a reduced incidence of long-term care.
- In summary, more people will be eligible for concessionary travel, and there is likely to be a greater call on supported and demand responsive bus services.

Further, what planning is being done, or should be done, to address this?

11. SPT acts as the secretariat on behalf of its member councils for the Strathclyde Concessionary Travel Scheme which provides discounted fares for those eligible on rail, Subway and ferry services. Given current projections for population increases, demographic change and health, there have been recent changes made to ensure the sustainability of the scheme including fare increases and the re-introduction of evening peak restrictions. Whilst these are difficult decisions to make, they are necessary to maintain the scheme and continue to ensure access to transport service and wider public services for vulnerable users.

12. In relation to supported bus services, SPT continues to drive efficiencies into the tendering process whilst keeping under review the socially necessary bus network to ensure effective provision. The economic downturn has had adverse impacts on the commercial bus market with increasing service withdrawals. This in turn has put increasing pressure on the budget for supported services as SPT has had to regularly intervene to ensure vital services for communities are sustained. Whilst the impact on supported service budgets of such withdrawals may lessen in the longer term as the economy recovers, short to medium terms economic growth forecasts suggests continuing pressure over coming years.

13. SPT continues to work closely with its partner councils, public transport operators and the Community Transport sector to enhance service quality, availability and efficiency. In relation to non-emergency transport and social care transport, SPT has been working with the NHS and its partner councils to ensure best value and efficiency of service fleets.

14. To ensure the sustainability of demand responsive services and create the potential for their expansion to meet increasing demand, funding streams must as a minimum be maintained and preferably enhanced. SPT continues to work with our partner councils, NHS, Scottish Ambulance Service, Community Transport and other interested bodies to take forward a shared service approach to delivering transport solutions in a more coordinated manner which maximises vehicle assets delivers greater journey opportunities at minimum cost.

What weight should be given during the annual budget process to demographic trends and projections?

15. As stated at Q2. above, demographic trends are predictable and it should therefore be relatively straightforward to estimate future funding requirements. The difficulty will come in deciding priorities and distributing scarce resources. Precise weightings might be difficult to quantify but given the understandable need to prioritise health funding, sight should not be lost of the need to support complementary funding streams which, if reduced, will undermine efforts to improve health, economic and environmental outcomes.

16. Transport is very much to the fore in this respect, given that its' essential role in ensuring access to healthcare, employment, leisure, to reducing carbon emissions, underpinning regeneration and sustaining communities. Transport often proves to be a Cinderella when budgetary decisions and efficiencies are being made but efficiencies often prove to be short-sighted given the symbiotic relationship between transport and higher priority services such as those for health, housing and education. Any consideration of weighting in relation to budgetary planning for demographic change should explore and reflect the complex relationships between prioritised services, such as healthcare, and the complementary range of indirect services which contribute to successful outcomes such as transport. One example of such a relationship between transport and achieving improved health outcomes is active travel where investment in walking, cycling and encouraging behavioural change often suffers but has the potential to achieve substantial benefits for modest outlay.

What data is collected (and what should be collected) with respect to (a) health and social care and (b) housing services and (c) public pensions and the labour force, and what use is made of this (or should be made) to forecast what funding will be needed?

- a) SPT collects and analyses a range of transport and related data including user profiles for Concessionary Fares, supported bus services, subway and MyBus services. SPT's transport modelling systems enable effective forecasting and planning of the transport network including understanding the implications of a range of land use, demographic, and wider policy scenarios. These are integral to SPT's robust assessment of transport needs and investment decision-making.
- b) SPT utilises data from local plans and the Clyde Valley Strategic Development Plan to populate its transport modelling suite.
- c) SPT's modelling suite includes data about the employment profile across the Strathclyde area.

SPT has considerable data on the social, educational, recreational and transportation needs of the west of Scotland population.