GLASGOW
CITY REGION

Intelligence Hub

Economic Briefing

November 2026



Contents

Introduction	**3**
The Latest Scottish and UK Economic Data	**4**
Healthy Life Expectancy	**7**
Scottish Housing Condition Survey	**13**
Burnham's Devolution Vision	**16**
The Public Sector	**17**

Introduction

This month's briefing has five sections.

The Latest Scottish and UK Economic Data

- UK economic growth increased in the three months to August, and this contrasted with economists' forecasts for the period. Inflation increased, and Scotland's employment and inactivity levels worsened relative to the UK.
- Scotland's population grew by less than 0.1% in 2025, and this was driven by migration. Glasgow City remained Scotland's largest local authority, and the only area in the Region where births exceeded deaths.

Healthy Life Expectancy

- The period since the early-to-mid-2010s has seen a substantial deterioration in population health across the UK, Scotland and GCR.
- This has included a sustained decline, and widening socioeconomic inequalities in healthy life expectancy, alongside an unprecedented stalling and, for the most deprived populations, decline in life expectancy.
- There is a need for urgent and widespread policy action to address the fundamental economic drivers of these trends.

Scottish Housing Condition Survey

- GCR fuel poverty exceeds the Scottish average, likely reflecting low household earnings rather than poor energy efficiency alone.
- Housing conditions vary across the Region, with low household earnings a particular concern in some member authorities.

Burnham's Devolution Vision

- Effective devolution requires adequate funding, staffing and expertise, with long-term support for areas with weaker governance to prevent widening inequalities.

Who enters the Public Sector?

- Against the backdrop of public sector pay lagging behind the private sector, public sector recruitment has become increasingly graduate focused.
- Fewer than one in three graduates who enter the public sector find jobs within the Region; HESA data for GCR graduates presents an opportunity for local authorities to strengthen partnerships with higher education institutions to improve graduate retention.

The Latest Scottish and UK Economic Data

The latest estimates of Gross Domestic Product (GDP), Inflation (CPI), and the Labour Market have been published by the Office for National Statistics.

GDP: UK GDP is estimated to have grown by 0.7% in the three months to August 2026. This is up from 0.5% in the three months to June 2026. In the month to July 2026, Services output grew 0.9%, while both Construction and Production fell by 1.0% and 0.2%, respectively. The growth in the UK's GDP of 0.1% in the month of August has defied analysts' forecast of a slight contraction, given the negative impact of the Middle East war. Chancellor Healey noted that this increase was "a sign of resilience in the UK economy that some had not expected".

Inflation: CPI rose by 3.5% in the 12 months to September 2026, up from 3.1% for the year to August, and this was the third successive increase. CPI was slightly higher than many analysts' expectations.

Labour Market: Table 1 shows the updated labour market estimates for June–August 2026. The unemployment rate decreased in both Scotland and the UK, and the UK figure was the lowest since July 2025. However, companies have cited rising energy costs as making it more expensive to hire staff, and the number of job vacancies has fallen to its lowest in over five years.

Source: *BBC News UK GDP , BBC News CPI Inflation, BBC News*

Table 1: Labour Market Indicators

Macroeconomic Measures	*Headline Rate*	*Change on last quarter (Mar-May 2026)*
UK Employment	75.3%	+0.2 pp
Sco Employment	74.0%	-0.4 pp
UK Unemployment	4.7%	-0.1 pp
Sco Unemployment	4.3%	-0.4 pp
UK Economic Inactivity	20.9%	-0.1 pp
Sco Economic Inactivity	*22.6%*	*0.8 pp*

Sources:
GDP Monthly Estimate – ONS, Labour Market Indicators – ONS, Inflation and Price Index - ONS

Updates from the Mid-2025 Scottish Population Estimate

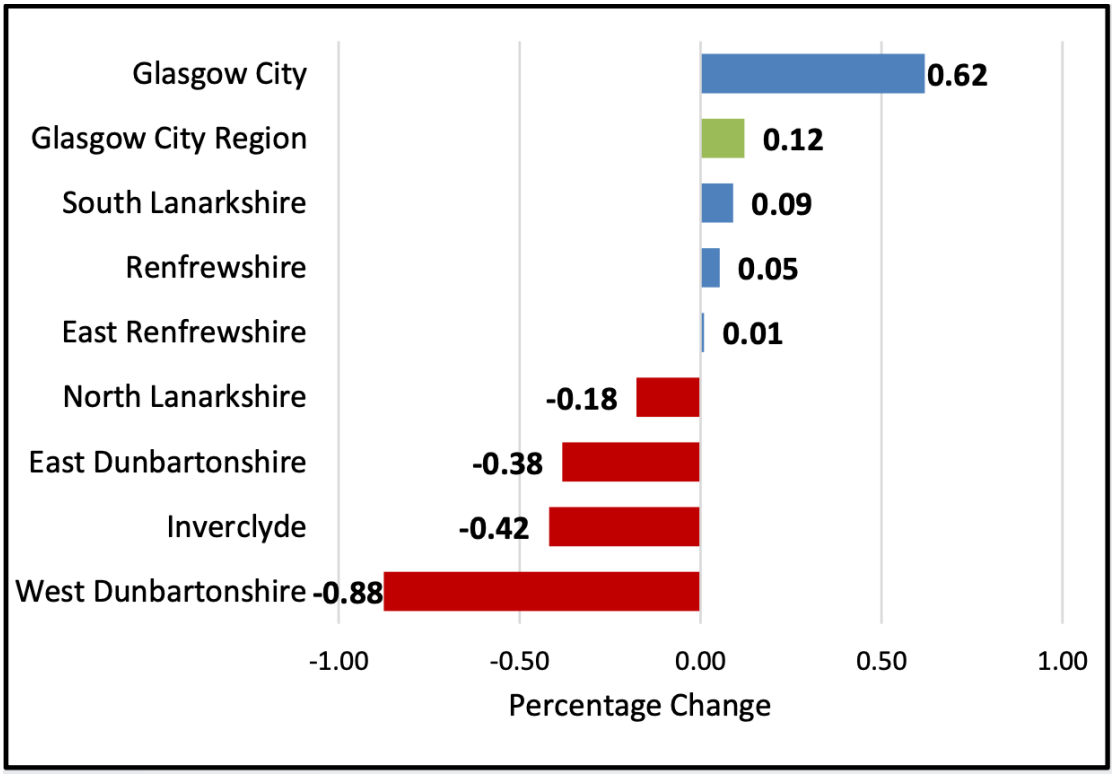
In July, The National Records of Scotland (NRS) released the mid-2025 population estimates for Scotland, allowing for a review of population change in the Region.

Scottish Population: The mid-2025 estimate for the population of Scotland was 5,545,500 – a small increase of 2,200 individuals (0.1%) from the mid-2024 estimate. The rate of population growth between 2024 and 2025 was below the previous year's increase of 0.6% and below the 20-year average of 0.4%.

GCR Population: half of GCR member authorities experienced a modest increase in population as outlined in Figure 1. Glasgow City remains the local authority with the largest population in Scotland, at 654,330. Its increase of 0.62% was greater than the Scottish and regional average and had the highest volume increase of 4,030 people.

The current trends match the historical trends – between 1981 and 2025 across GCR, Inverclyde recorded the largest fall (22.4%, or 22,632 people), followed by West Dunbartonshire (16.5%, or 17,461 people).

Figure 1: Population change in GCR, mid-2024-2025



Source:
NRS – Mid-2025 Scottish Population Estimate

Updates from the Mid-2025 Scottish Population Estimate

Net migration continues to be a driver of population growth. For Glasgow, international net migration shapes growth, for the rest of the Region, growth is primarily from 'within Scotland'.

The mid-year population estimates provide key drivers of population change:

- **International migration is the principal driver of population growth across GCR.** With deaths continuing to outnumber births, as has been the case since 2015, positive net migration is essential to sustaining population growth. Of all arrivals in GCR, 76.2% were from overseas, compared with 23.8% from the rest of the UK, underlining the importance of international migration to the Region's demographic outlook.
- **Glasgow City has a distinct migration profile, serving as the hub of international migration in the Region.** Glasgow City accounted for 7,140 of the Region's net international migration gain of 7,440 people in 2025, with international arrivals offsetting substantial net out-migration to the rest of Scotland (-4,740). In contrast, member authorities including South Lanarkshire, North Lanarkshire and Renfrewshire recorded net population gains driven primarily by migration from elsewhere in Scotland, highlighting the differing demographic drivers across the Region.

Source: *NRS – Migration Flows Mid-2025*

Figure 2: Migration to GCR by origin, mid-2025 estimate

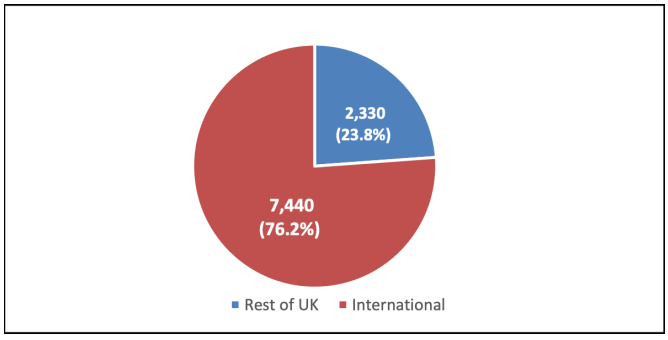


Table 2: Net Migration to GCR by origin, mid-2025 estimate

Member Authority	Net: Total	Net: Within Scotland	Net: Rest of UK	Net: International
East Dunbartonshire	280	460	-50	-130
East Renfrewshire	530	740	-110	-100
Glasgow City	3,910	-4,740	1,500	7,140
Inverclyde	310	-130	100	350
North Lanarkshire	1,360	1,090	340	-60
Renfrewshire	1,040	490	220	320
South Lanarkshire	2,060	1,740	340	-20
West Dunbartonshire	-210	-150	-10	-60
GCR	9,280	-500	2,330	7,440

Note: Some of the totals in Figure 4 do not match due to rounding.

Healthy Life Expectancy

Healthy life expectancy (HLE) has become a key indicator of overall, and inequalities in, population health. The indicator is highly relevant for GCR, given the scale of the region's population health challenges.

Overview: Healthy Life Expectancy (HLE) is an estimate of the average number of years someone is likely to live in 'good' or 'very good' health. It offers a more comprehensive indicator of population health than mortality rates or life expectancy alone in that it captures both length and quality of life.

Calculation of HLE: The Office for National Statistics (ONS) and National Records of Scotland (NRS) calculate HLE using a combination of current mortality rates and self-reported health. Self-reported health derives from responses to the Annual Population Survey's (APS) five-point general health scale ('very bad', 'bad', 'fair', 'good', 'very good').

Methodological note: Due to decreasing sample sizes, outputs using APS data have lost their official statistics accreditation and have been designated as Official Statistics in Development, including HLE from 2021-2023. The sample size remains large enough for national level results to be robust, and headline regional data has been deemed acceptable, but smaller breakdowns (including local authority data) are less robust. Greater emphasis is placed on national and headline regional indicators in this section.

Sources: *ONS (2026), Office for Statistics Regulation (2025)*

Note: GCR life expectancy was calculated using abridged life tables, based on three-year pooled deaths and population estimates. GCR HLE figures are population-weighted averages of local authority HLE estimates (NRS, 2026), weighted by pooled 3-year mid-year population estimates. They are not official statistics and should be read in the context of the data limitations described above.

Overview and Trends

A sustained decline in healthy life expectancy since the early-to-mid 2010s means that people are spending more of their lives in poor health – particularly those in deprivation.

As of 2022-24:

- **UK** HLE is 60.7yrs for males (76.7% of LE: 79.1yrs) and 60.9yrs for females (73.3% of LE: 83.0 yrs).
- **Scotland** has lower HLE: 59.1 years for males (76.7% of LE: 77.1yrs) and 59.4yrs for females (73.2% of LE: 81.1yrs).
- **GCR** has a particularly poor population health profile, even within the Scottish context. HLE is 56.7yrs for males (74.5% of LE: 76.1yrs) and 56.6yrs for females (70.7% of LE: 80.1yrs).

Declining HLE:

- NRS data shows Scotland's HLE has fallen by 3.1yrs (males) and 3.9yrs (females) since 2014-16; more than across the UK.
- In GCR, female HLE fell by 4.0yrs from peak (2014-16), while male HLE fell by 3.2yrs from peak (2015-17).
- In the absence of longer-term NRS data, a 2022 study estimated Scotland's HLE increased considerably between 1995 and 2009, before falling by 2 years between 2011 and 2019, and by a greater amount for the 20% most deprived.

International standing:

- With HLE having increased/remained stable in most high-income OECD countries, the UK fell from 14th to 20th of 21 such countries between 2011 and 2021, above only the USA.

Concurrent stalling and decline in life expectancy

- These trends have occurred alongside an unprecedented stagnation in improvement and, for the most deprived populations, decline in life expectancy from the early-mid 2010s.

Note - HLE: Healthy Life Expectancy; LE: Life Expectancy

Sources: *GCR Intelligence Hub analysis of NRS (2026), ONS (2026), Walsh, Wiper & McCartney (2022), Health Foundation (2026)*

Figure 3: Healthy Life Expectancy across GCR and Scotland (Males) 2013-15 to 2022-24

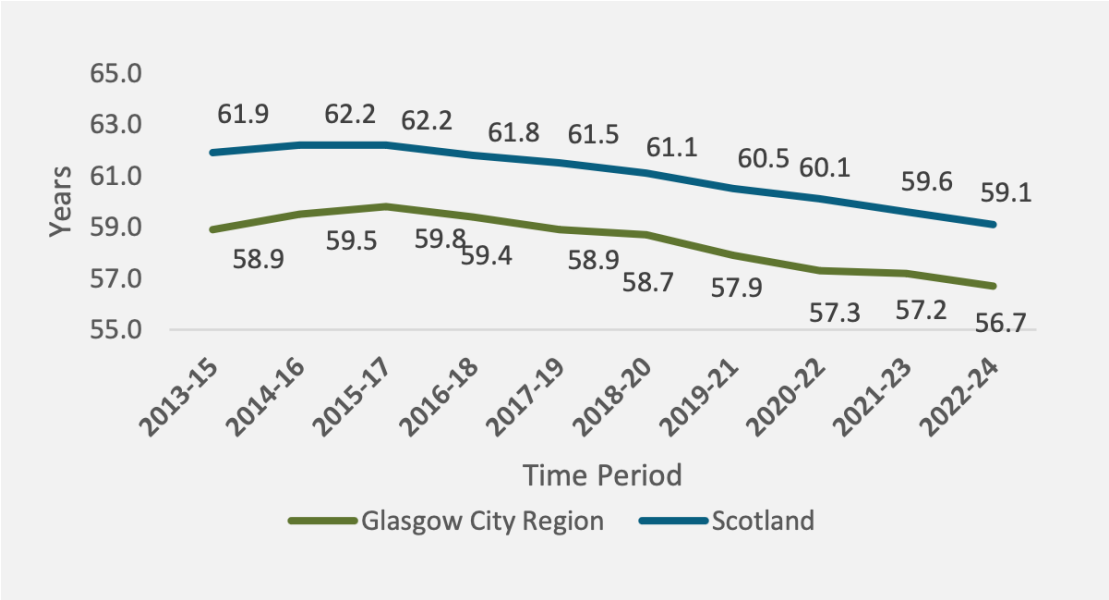
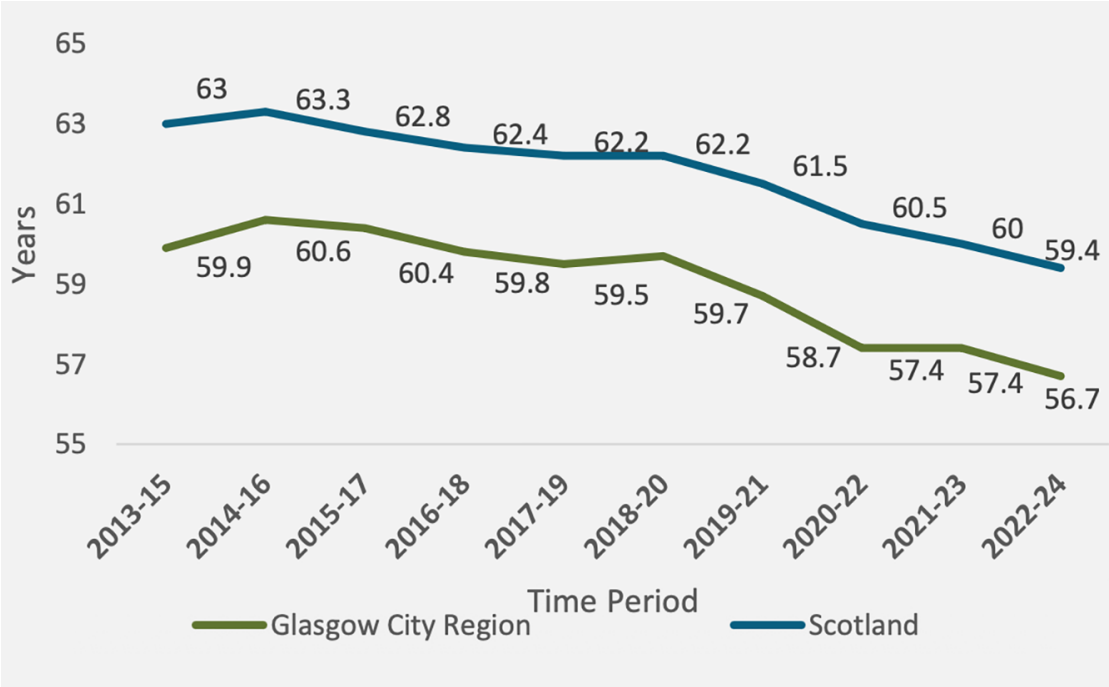


Figure 4: Healthy Life Expectancy across GCR and Scotland (Females) 2013-15 to 2022-24



Socioeconomic inequalities

Beneath these aggregate figures lie steep socioeconomic inequalities in healthy life expectancy, which have widened throughout this period of decline.

Widening socioeconomic inequalities in LE and HLE:

- Lower socioeconomic position (measured at individual or area level) is strongly associated with a shortening of life, and a larger proportion of life spent in poor health.
- Across the population, every increase in deprivation is associated with lower LE and HLE, with inequalities even wider for HLE than LE.
- HLE has declined across all deprivation quintiles in Scotland since 2014-16 but has done so to a greater extent in more deprived groups, further widening inequalities (particularly for females).

As of 2022-24:

- Males and females in Scotland's most deprived 10% areas live 25.6 and 26.7 fewer years in good health, respectively, than the least deprived.
- Males in the most deprived decile spend over a third (35.8%) of life (HLE: 44.8yrs; LE: 69.8yrs) not in good health, compared to 15.2% (HLE: 70.4yrs; LE: 83.0yrs) in the least deprived.
- Inequalities are even wider for females: those in the most deprived decile spend 41.3% of life not in good health (HLE: 44.2yrs; LE: 75.3yrs), compared with 17.4% (HLE: 70.9yrs; LE: 85.8yrs) in the least deprived.

Worsening population health, and widening inequalities:

- Taken together, these trends in LE and HLE suggest a substantial deterioration of population health across the whole population, but particularly so for those experiencing deprivation. Urgent and widescale policy action at all levels of government – foremost national – is required.

Sources: *McCartney, et al (2019); GCR Intelligence Hub analysis of NRS (2026); ONS (2026)*

Figure 5: Male Life Expectancy and Healthy Life Expectancy in Scotland (2022-2024) by SIMD Decile

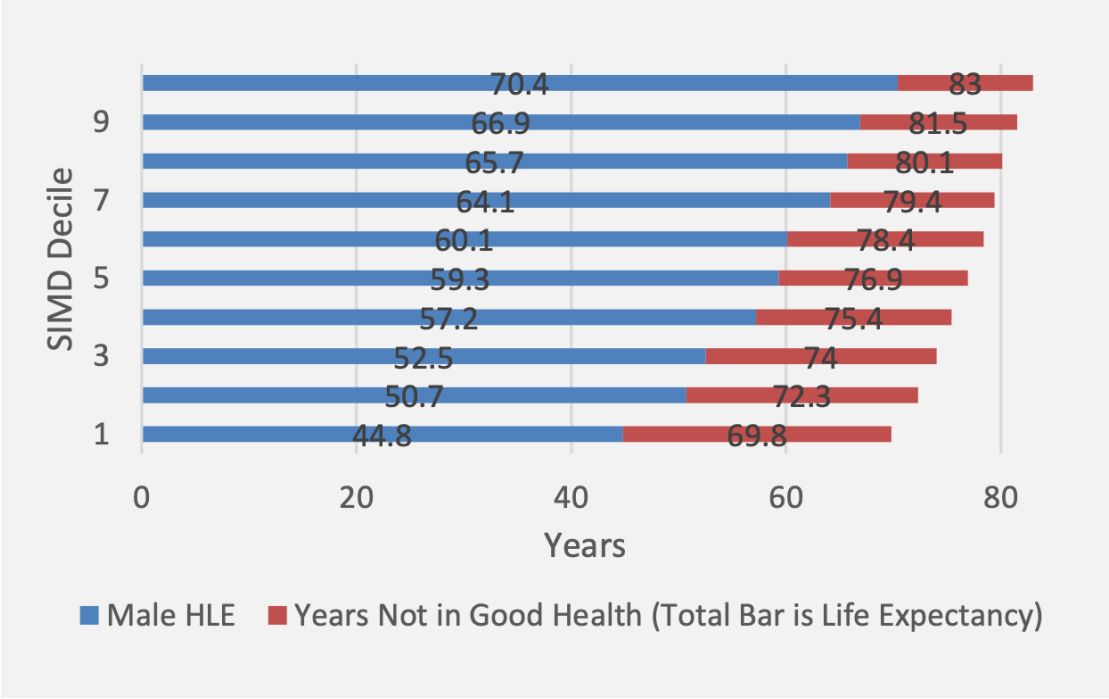
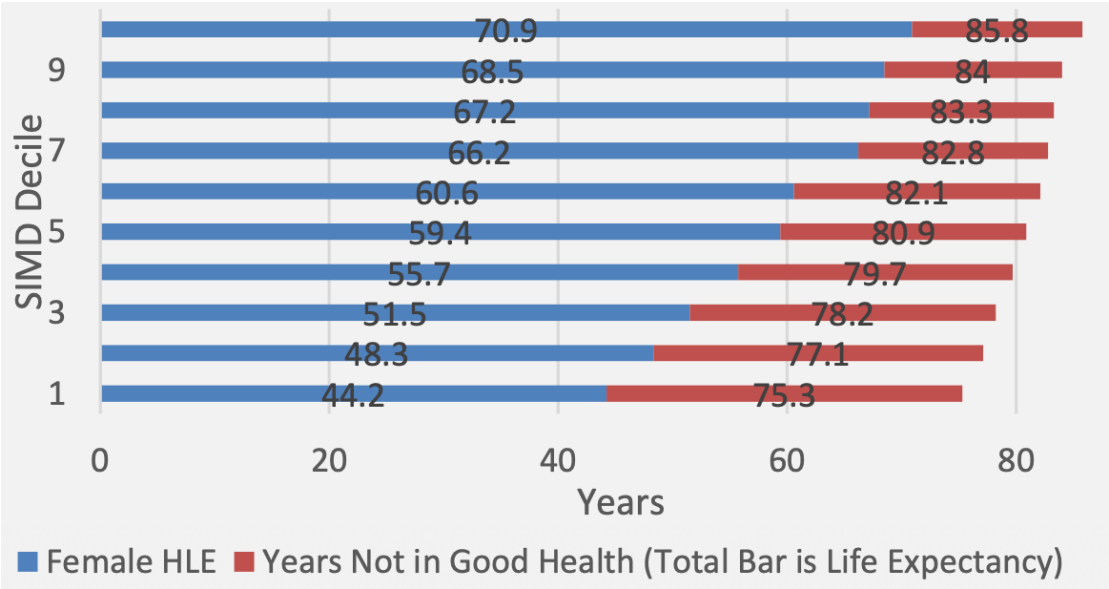


Figure 6: Female Life Expectancy and Healthy Life Expectancy in Scotland 2022-2024 by SIMD Decile



Worsening population health: causes and policy solutions.

Beneath these statistics lies hardship for individuals, families and communities. Poor population health is also damaging to the regional economy. Clear assessment of the underlying causes is vital to inform policy action to address them.

Fundamental causes of health inequalities:

- The fundamental drivers of health inequalities are economic inequalities in wealth, income, and power. These flexibly shape access/exposure to, and experiences of, a vast array of health-protective or -risking social and economic determinants (e.g. education, employment, housing, neighbourhood environment) which, in turn, shape health.

Causes of worsening population health:

- Explanations have tended to focus on unhealthy behaviours, obesity, ageing population, bad flu seasons, NHS pressures, COVID-19. While some may have contributed, none explain the timing, scale or unequal distribution of change since the early-to-mid 2010s.
- A substantial and growing body of evidence suggests that UK Government austerity is the most likely contributory cause of this deterioration in population health, enacted through deep and sustained cuts to public spending and social security provision which have disproportionately impacted the poorest and most vulnerable.

Poor population health across GCR is not inevitable

- Policies to reduce health inequalities must reduce inequalities in the fundamental causes of wealth, income and power. While many key levers lie with UK and Scottish Governments, GCR and its member authorities play an important role, such as through providing high-quality, universally accessible public services (resourced according to need); maximising take-up of social security entitlements; broadening ownership of the economy, including land and assets; strengthening communities' decision-making powers; ensuring all statutory bodies provide high-quality work (including for those facing barriers to work); and using expenditure (such as procurement) to drive positive changes for local communities.
- Regional empowerment offers a valuable opportunity to reshape our regional economy to address some of these key economic determinants of population health and health inequalities across the City Region.

Sources: *Phelan, Link & Tehranifar (2010), Stuckler et al. (2017), Reed, 2020, McCartney et al, 2022, Broadbent et al. (2024), Walsh & McCartney (2024), McHardy (2025), Hiam & McKee (2026)*

Scottish Housing Condition Survey

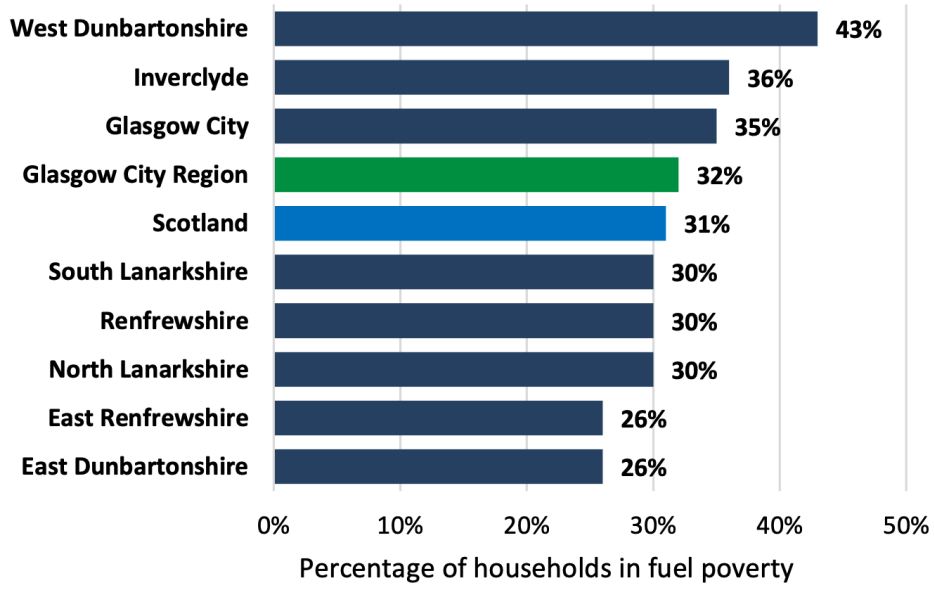
Housing Conditions and Fuel Poverty in GCR.

Amid the rising cost of energy, the release of the Scottish Housing Condition Survey (SHCS) provides an opportunity to investigate a variety of the Region's housing-quality measures.

- **Fuel poverty has increased across Glasgow City Region** – Fuel poverty rates have increased across the Region compared with the 2010–12 SHCS which is likely a reflection of rising household energy costs.
- **Fuel poverty remains concentrated in the most deprived parts of the Region** – Glasgow City, Inverclyde and West Dunbartonshire all recorded fuel poverty rates above the Scottish average, with West Dunbartonshire having the second-highest rate in Scotland.
- **Extreme fuel poverty is particularly acute in West Dunbartonshire** – Around 24% of households are in extreme fuel poverty, compared with the Scottish average of 17%. The remaining GCR authorities record rates broadly in line with or below the national average. West Dunbartonshire's share of less energy-efficient homes is not above the Scottish average, which suggests that it is low household incomes, rather than poor efficiency alone, that is the driver of fuel poverty.

Sources: *Scottish Housing Condition Survey*

Figure 7: Fuel poverty by member authority in GCR, 2022-24



Sources: *Scottish Housing Condition Survey*

Note: Fuel poverty occurs when a household must spend over 10% of its adjusted net income on fuel, leaving its remaining income below the minimum acceptable standard of living. Extreme fuel poverty occurs when fuel costs exceed 20% of net income.

Housing Conditions in GCR

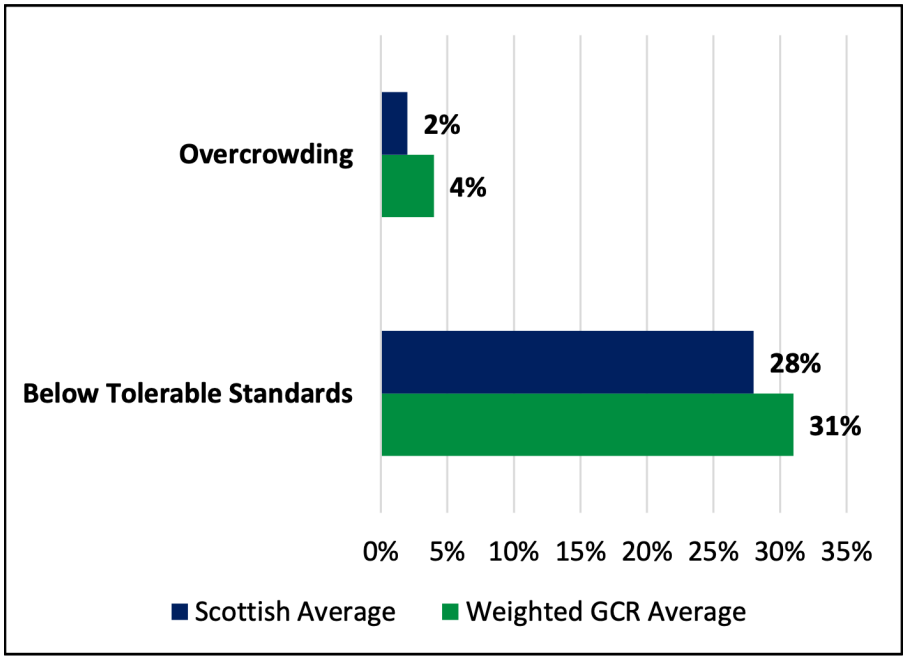
The release of the Scottish Housing Condition Survey (SHCS) also shines a light on the Region's housing stock.

Takeaways from the SHCS on the regional housing stock include:

- **Housing pressures remain more acute across GCR compared to the rest of Scotland** – Using a weighted average, the Region has twice the Scottish rate of overcrowding (4% compared with 2%) and a higher proportion of dwellings below the tolerable standard (31% compared with 28% nationally), highlighting ongoing challenges around housing quality within the Region.
- **Glasgow City's housing stock is older, smaller and more likely to consist of flats than elsewhere in the Region and Scotland** – Glasgow City has the highest proportion of households living in flats (74%) and in properties built before 1945 (43%), while also having the lowest share of households with three or more bedrooms (32%). These characteristics distinguish it from the other GCR authorities, where housing profiles are generally closer to the Scottish average.

Source: *Scottish Housing Condition Survey*

Figure 8: Overcrowding and Below Tolerable Standards Rates for GCR and Scotland, 2022-2024



Source: *Scottish Housing Condition Survey*

Housing Condition in GCR

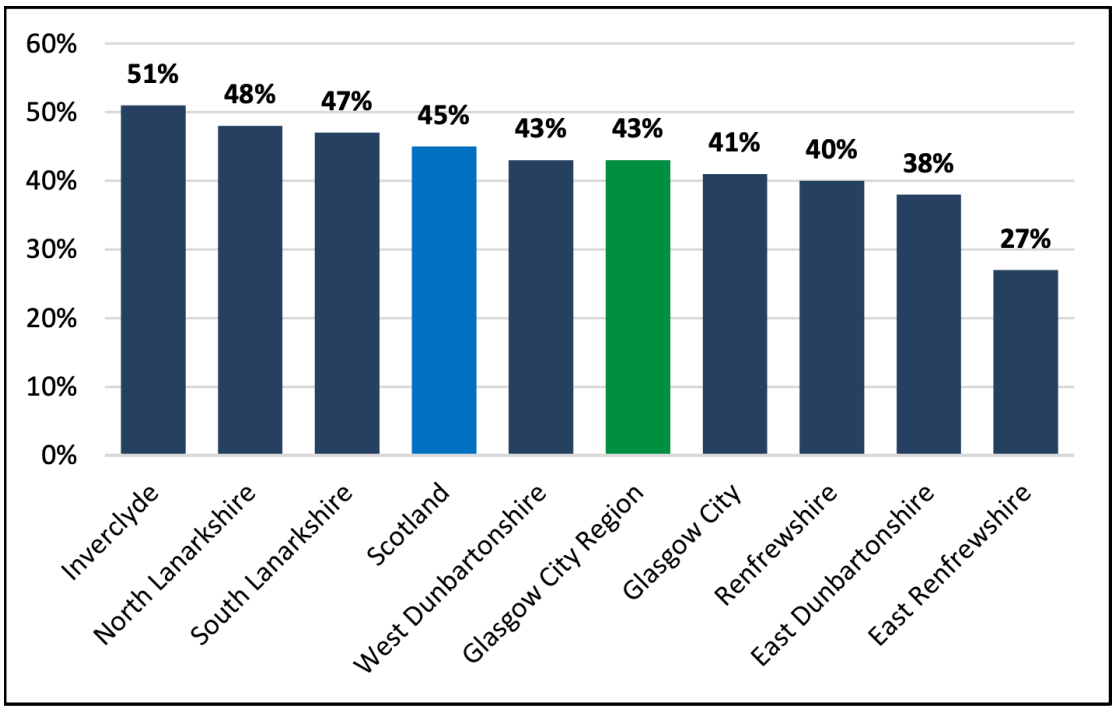
The SHCS also provides insight into the average household income and the health of GCR residents.

The survey also provides some insight into the Region's resident income levels including:

- **Most GCR authorities have lower household earnings than the Scottish average** – Only East Dunbartonshire and East Renfrewshire have household earnings above the national average. The income disparities across the Region are shown up by the fact that the remaining six authorities fall below it. West Dunbartonshire and Inverclyde record the lowest and second-lowest household earnings in Scotland.
- **Several GCR authorities also experience higher levels of long-term sickness** – The proportion of households with at least one member who has a long-term sickness exceeds the Scottish average (45%) in Inverclyde (51%), North Lanarkshire (48%) and South Lanarkshire (47%). Poorer health will also contribute to lower earnings through reduced labour market participation.

Source: *Scottish Housing Condition Survey*

Figure 9: Proportion of households with at least one member who has a long-term sickness for GCR and Scotland, 2022-2024



Source:
Scottish Housing Condition Survey

Burnham's Devolution Vision

Recent analysis of the new Prime Minister's devolution vision highlights a clear need for a range of delivery resources to accompany any new responsibilities devolved to regions.

"Burnham's speech began with a diagnosis that will be familiar to anyone working in sub-national governance. He described a "stark imbalance in resources" between national and local government, with councils unable to "fix potholes" let alone "bring forward major regeneration schemes.""

Rachel Riley, Local Policy Innovation Partnership Hub

In a recent critique of Andy Burnham's devolution vision, the Local Policy Innovation Partnership Hub noted whilst there is a lot of evidence for the vision, it laid out a series of 'important warnings' – which largely focus on the need for resources to deliver:

- **"The devolution periphery is real.** Without deliberate support for places that lack governance capacity, devolution risks creating new inequalities even as it seeks to address old ones.
- **Institutional reform must be matched by fiscal reform.** The German model Burnham admires works because constitutional principles are backed by fiscal equalisation mechanisms. The UK has nothing comparable.
- **Long-term commitment is essential but politically fragile.** Ten-year plans are welcome, but the UK's track record of policy churn – from RDAs to LEPs to Levelling Up – gives reason for caution.
- **Capacity and capability matter as much as power.** Devolving powers to institutions that lack the staff, data, and expertise to use them effectively is not genuine empowerment.
- **From aspiration to architecture:** The gap between Burnham's constitutional aspiration (gleichwertige Lebensverhältnisse) and the detailed institutional and fiscal architecture required to deliver it is the speech's greatest vulnerability. Germany's Basic Law principle works because it is embedded in a mature federal system with formal fiscal equalisation, constitutional protections for state powers, and decades of institutional practice. The UK would need to build this architecture almost from scratch."

Source: *Andy Burnham's Devolution Vision: What Does the Evidence Say? – Local Policy Innovation Partnership Hub*

The Public Sector

Who enters the Public Sector?

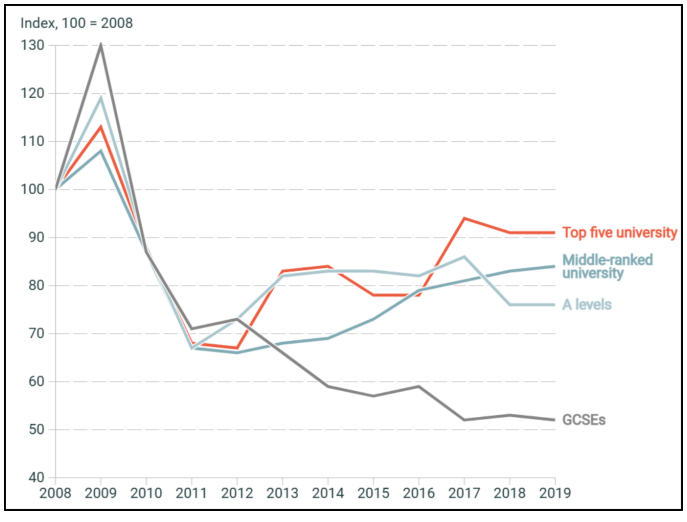
The Institute for Fiscal Studies examined the profiles of the individuals entering the public sector against the backdrop of public sector pay growth lagging behind the private sector.

Context: In 2008, graduates from the top five universities entering the public sector earned 1% more than those entering the private sector; by 2019, they earned 12% less. Despite this change, the IFS found that graduate entry into the public sector recovered since 2012, which suggests that salary is not the sole determinant of career choice. (Further research is needed to understand the non-financial factors influencing these decisions.)

- **Public sector recruitment has become increasingly graduate-focused** – Following recruitment declines after 2009, graduates were more likely than non-graduates to enter the public sector by 2019, although this may partly reflect rising overall educational attainment.
- **There is little evidence of 'top graduate' brain drain** – Despite higher private sector pay and increased graduate entry into finance, technology and consulting, graduates from the top five universities continued to enter the public sector at broadly stable rates (14% in 2008 and 13% in 2019).

Source: *Institute for Fiscal Studies – Who Enters The Public Sector*

Figure 10: Share entering the public sector by highest level of education in the UK, 2008-2019



Source: *Institute for Fiscal Studies – Graduate Outcomes*

Note: 'Top graduates' are the graduates of the five universities that are most selective in terms of GCSE grades for their entrants. Their names are not disclosed due to privacy arrangements.

Who enters the Public Sector in GCR?

HESA graduate destination data provides insight into the educational backgrounds of those entering the sector in GCR.

Using HESA graduate outcomes data for 2017–2022 on graduates who studied in GCR and subsequently entered public sector employment, the analysis shows that:

- **Fewer than one in three graduates who enter the public sector find jobs within the Region.** Of the 2,900 graduates who progressed into public sector employment, only 27.5% were employed in the public sector in GCR, highlighting a significant opportunity to improve graduate retention.
- With SDS reporting a demand across GCR for over 40,000 staff across Human Health, Education, Public Administration and Defence over the next couple of years, there will invariably be a need for a significant number of graduates during this time.
- **Developmental Psychology, Social Work, Development Studies, Childhood and Youth Studies, and Planning and Social Policy** are the subjects whose graduates are most likely to enter the public sector.

Using HESA data to inform recruitment

HESA data presents an opportunity for local authorities to strengthen partnerships with higher education institutions to improve graduate retention and build a more resilient public sector workforce.

Building on the Regional Skills Investment Plan and the 2023 Withers Report, member authorities could expand internships, placements and graduate pathways. The University of the West of Scotland's Sustainable Urban Planning degree demonstrates the potential of this approach, with strong links to local government and the highest share of graduates entering the public sector in GCR.

This clear pathway into planning careers illustrates how closer collaboration between higher education and local authorities can help address workforce shortages and strengthen the public sector talent pipeline.

Source: *HESA Graduate Analysis*

Enquiries

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The Intelligence Hub

The Glasgow City Region Intelligence Hub provides a range of economic intelligence related services, including evidence-based research, economic and data analysis, economic modelling and strategy development. Work delivered by the Hub provides the evidence base for policy and investment decisions across the Region.

Find out more about the Hub.